

**BOROUGH OF
CHESILHURST
COUNTY OF CAMDEN**

**REPORT OF AUDIT
FOR THE YEAR ENDED
December 31, 2013**



75 YEARS OF SERVICE
— 1939-2014 —

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BOROUGH OF CHESILHURST
PART 1
REPORT OF AUDIT OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Borough Council
Borough of Chesilhurst
Chesilhurst, New Jersey 08089

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 Chesilhurst, in the County of Camden, State of New Jersey, as of December 31, 2013 and 2012, 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, 2013 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 Chesilhurst, in the County of Camden, State of New Jersey, as of December 31, 2013 and 2012, 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 Chesilhurst, in the County of Camden, State of New Jersey, as of December 31, 2013 and 2012, 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, 2013 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.

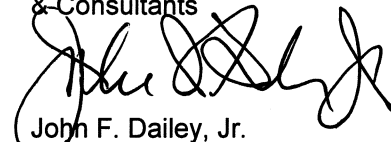
Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 18, 2014 on our consideration of the Borough of Chesilhurst's, 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 Chesilhurst's internal control over financial reporting.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



John F. Dailey, Jr.
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
June 18, 2014

**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 Chesilhurst
Chesilhurst, New Jersey 08089

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 Chesilhurst, in the County of Camden, State of New Jersey, as of and for the year ended December 31, 2013, 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 18, 2014. That report indicated that the Borough of Chesilhurst's 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 Chesilhurst's 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 Chesilhurst's 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 Chesilhurst's 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.

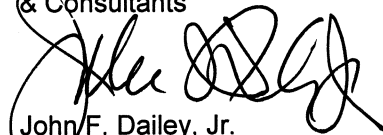
Purpose of this Report

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



John F. Dailey, Jr.
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
June 18, 2014

BOROUGH OF CHESILHURST
CURRENT FUND

Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
For the Years Ended December 31, 2013 and 2012

ASSETS:	<u>Ref.</u>	<u>2013</u>	<u>2012</u>
Regular Fund:			
Cash	SA-1	\$ 922,334.41	\$ 1,168,684.96
Change Fund	SA-3	<u>250.00</u>	<u>250.00</u>
		<u>922,584.41</u>	<u>1,168,934.96</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	SA-5	154,890.04	187,381.97
Tax Title Liens Receivable	SA-6	638,646.57	540,015.75
Property Acquired for Taxes	SA-7	908,599.75	908,599.75
Protested Checks Receivable	A	1,320.18	1,320.18
Revenue Accounts Receivable	SA-8	1,795.63	1,199.53
Due from Animal Control Trust Fund	SB-2	2,569.39	2,272.74
Due from General Capital Fund	SC-4	<u>96,750.33</u>	<u> </u>
		<u>1,804,571.89</u>	<u>1,640,789.92</u>
Deferred Charges:			
Emergency Appropriations (40:4-47)	SA-9	<u>-</u>	<u>36,180.00</u>
Total Current Fund		<u>2,727,156.30</u>	<u>2,845,904.88</u>
Federal, State and Other Grant Fund:			
Cash	SA-1	36,108.37	
Federal, State and Other Grants Receivable	SA-21	165,239.94	34,459.64
Due from Current Fund		<u> </u>	<u>78,981.83</u>
Total Federal, State and Other Grant Fund		<u>201,348.31</u>	<u>113,441.47</u>
Total Assets		<u>\$ 2,928,504.61</u>	<u>\$ 2,959,346.35</u>

(Continued)

BOROUGH OF CHESILHURST
CURRENT FUND

Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
For the Years Ended December 31, 2013 and 2012

LIABILITIES, RESERVES AND FUND BALANCE:	<u>Ref.</u>	<u>2013</u>	<u>2012</u>
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3, SA-10	\$ 118,141.79	\$ 173,534.75
Reserve for Encumbrances	SA-11	41,502.18	47,026.32
Accounts Payable	SA-12	48,594.77	48,594.77
Due to State of New Jersey - Division of Youth Family Services	SA-13	331.00	281.00
Due to State of New Jersey - Veteran and Senior Citizens' Deductions	SA-14	3,188.95	2,938.95
Prepaid Taxes	SA-15	21,333.33	16,401.25
Tax Overpayments	SA-16	701.29	465.21
Local District School Taxes Payable	SA-17	0.08	79,116.48
Due to County for Added and Omitted Taxes	SA-19		1,508.20
Payroll Deductions Payable	SA-20	14,099.64	10,887.19
Reserve for Revision of Tax Map	A	635.00	635.00
Reserve for Land Sale Deposits	A	5,400.00	5,400.00
Reserve for Revaluation	A	54.78	54.78
Reserve for Codification of Ordinances	A	942.62	942.62
Due to Federal, State and Other Grant Fund			78,981.83
Due to Trust Other Fund	SB-6	64,785.45	44,031.19
Due to General Capital Fund	SC-4		22,368.74
		319,710.88	533,168.28
Reserves for Receivables and Other Assets		1,804,571.89	1,640,789.92
Fund Balance	A-1	602,873.53	671,946.68
Total Current Fund		2,727,156.30	2,845,904.88
Federal, State and Other Grant Fund:			
Due to General Capital Fund	SC-5		21,834.00
Reserve for Federal, State and Other Grants -- Unappropriated	SA-22	3,169.12	1,822.94
Reserve for Federal, State and Other Grants -- Appropriated	SA-23	190,283.65	78,765.36
Contracts Payable	SA-23	1,048.75	4,172.38
Reserve for Encumbrances	SA-23	6,846.79	6,846.79
Total Federal, State and Other Grant Fund		201,348.31	113,441.47
Total Liabilities, Reserves and Fund Balance		\$ 2,928,504.61	\$ 2,959,346.35

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

BOROUGH OF CHESILHURST
CURRENT FUND

Statements of Operations and Changes in Fund Balance -- Regulatory Basis
For the Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
<u>Revenue and Other Income Realized</u>		
Surplus Anticipated	\$ 330,000.00	\$ 234,589.00
Miscellaneous Revenues Anticipated	1,117,676.50	946,553.05
Receipts from Delinquent Taxes	177,631.12	171,265.10
Receipts from Current Taxes	2,470,172.45	2,417,427.14
Non-Budget Revenues	125,260.10	80,338.71
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	143,077.59	164,632.94
Statutory Excess in Reserve for Dog Expenditures	332.60	
Canceled Prior Year Encumbrances	7,851.90	
Federal and State Grants Appropriated Canceled		24,720.00
Overpayments Canceled		12,627.57
Cancellations -- Trust Other Fund	16,107.75	
Liquidation of Reserve for:		
Revenue Accounts Receivable		3,292.00
Due from Animal Control License Fund		98.09
	<u>4,388,110.01</u>	<u>4,055,543.60</u>
<u>Expenditures</u>		
Budget and Emergency Appropriations:		
Operations Within "CAPS":		
Salaries and Wages	964,731.89	922,288.00
Other Expenses	933,721.75	859,871.00
Deferred Charges and Statutory Expenditures Within "CAPS"	240,454.00	303,321.00
Operations Excluded from "CAPS":		
Other Expenses	197,417.83	26,744.12
Capital Improvements Excluded from "CAPS"	37,500.00	27,500.00
Municipal Debt Service Excluded from "CAPS"	79,128.24	55,615.78
Deferred Charges	36,180.00	58,545.00
County Taxes	742,056.56	688,975.81
County Added and Omitted Taxes		1,508.20
Local District School Tax	791,164.00	791,164.00
Deductions Disallowed by Collector -- Prior Year Taxes	2,250.00	1,000.00
Refund of Prior Year Revenue	19.41	
Cancellations -- Trust Other Fund	5,512.50	
Creation of Reserves for:		
Due from General Capital Fund	96,750.33	
Due from Animal Control License Fund	296.65	
	<u>4,127,183.16</u>	<u>3,736,532.91</u>

(Continued)

BOROUGH OF CHESILHURST
CURRENT FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2013

	Anticipated <u>Budget</u>	Special <u>N.J.S.A. 40A:4-87</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
Surplus Anticipated	\$ 330,000.00		\$ 330,000.00	
Miscellaneous Revenues:				
Local Revenues:				
Licenses:				
Alcoholic Beverages	1,800.00		1,920.75	\$ 120.75
Fees and Permits	15,000.00		15,843.15	843.15
Fines and Costs:				
Municipal Court	25,000.00		30,460.28	5,460.28
Interest and Costs on Taxes	45,000.00		49,877.74	4,877.74
Interest on Investments and Deposits			7.73	7.73
State Aid Without Offsetting Appropriations:				
Consolidated Municipal Property Tax				
Relief Aid (N.J.S.A. 52:27D-118.35)	405,291.00		405,291.00	
Energy Receipts Tax (P.L. 1997, Chapter 162 & 167)	421,049.00		421,049.02	0.02
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services - Public and Private Revenues Offset with Appropriations:				
Recycling Tonnage Grant	602.00		601.60	(0.40)
Camden County Recreational Facilities Enhancement	25,000.00		25,000.00	
Alcohol Education and Rehabilitation Fund	108.00		107.93	(0.07)
Municipal Alliance on Alcoholism and Drug Abuse	7,165.00		7,165.00	
Body Armor Replacement Fund	1,113.00		1,113.00	
Clean Communities Program		\$ 5,039.30	5,039.30	
JIF Safety Award		900.00	900.00	
CDBG Program Year 34		19,600.00	19,600.00	
CDBG Program Year 35		17,200.00	17,200.00	
NJ Transportation Trust - Reconstruction of Cleveland Avenue		116,500.00	116,500.00	
Total Miscellaneous Revenues	947,128.00	159,239.30	1,117,676.50	11,309.20

(Continued)

BOROUGH OF CHESILHURST
CURRENT FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2013

	<u>Anticipated Budget</u>	<u>Special N.J.S.A. 40A:4-87</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Receipts from Delinquent Taxes	\$ 170,000.00		\$ 177,631.12	\$ 7,631.12
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	1,183,328.82		1,227,442.07	44,113.25
Budget Totals	2,630,456.82	\$ 159,239.30	2,852,749.69	63,053.57
Non-Budget Revenues			125,260.10	125,260.10
	<u>\$ 2,630,456.82</u>	<u>\$ 159,239.30</u>	<u>\$ 2,978,009.79</u>	<u>\$ 188,313.67</u>

(Continued)

BOROUGH OF CHESILHURST
CURRENT FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2013

Analysis of Realized Revenues

Allocation of Current Tax Collections:

Revenue from Collections		\$ 2,470,172.45
Allocated to:		
Schools and County Taxes		1,533,220.56
Balance for Support of Municipal Budget Appropriations		936,951.89
Add: Appropriation "Reserve for Uncollected Taxes"		290,490.18
Amount for Support of Municipal Budget Appropriations		\$ 1,227,442.07
Receipts from Delinquent Taxes:		
Delinquent Tax Collections		\$ 153,840.89
Tax Title Lien Collections		23,790.23
		\$ 177,631.12
Interest on Earned on Deposits:		
Revenue Accounts Receivable:		
General Capital Fund		\$ 7.73

Analysis of Non-Budget Revenues

Revenue Accounts Receivable -- Treasurer:

Treasurer		
Cell Tower Rental	\$ 33,451.68	
Payments in Lieu of Taxes --Bnai Birth	22,627.50	
Cable Television Franchise Tax	17,657.48	
Clerk		
Other Licenses	1,475.50	
		75,212.16
Revenue Accounts Receivable -- Tax Collector		
Tax Search Fees	40.00	
Recording Fees	3.00	
Miscellaneous	25,758.85	
		25,801.85
Treasurer:		
Receipts:		
Sale of Vehicles on GOV Deals	17,088.00	
Recycling Fees	1,820.11	
Administrative Fee Senior Citizen and Veterans Deduction	345.00	
Miscellaneous Refunds	4,992.98	
		24,246.09
		\$ 125,260.10

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

BOROUGH OF CHESILHURST
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2013

	Budget	Budget After Modification	Paid or Charged			Unexpended Balance Canceled
			Expended	Encumbered	Reserved	
OPERATIONS -- WITHIN "CAPS"						
General Government Functions:						
Mayor and Council						
Salaries and Wages	\$ 46,350.00	\$ 46,350.00	\$ 44,094.80		\$ 2,255.20	
Other Expenses	10,200.00	12,200.00	9,427.92	\$ 1,679.93	1,092.15	
Borough Clerk						
Salaries and Wages	35,020.00	35,170.00	35,119.77		50.23	
Other Expenses	16,000.00	16,000.00	11,766.69	658.36	3,574.95	
Elections						
Other Expenses	2,000.00	2,650.00	2,578.29		71.71	
Financial Administration						
Salaries and Wages	49,955.00	49,955.00	49,085.18		869.82	
Other Expenses	21,000.00	15,000.00	12,278.47	442.20	2,279.33	
Audit Services	45,000.00	45,000.00	45,000.00			
Assessment of Taxes						
Salaries and Wages	7,004.00	7,004.00	6,891.96		112.04	
Other Expenses	1,500.00	1,950.00	1,435.19		514.81	
Tax Collector						
Salaries and Wages	15,500.00	13,500.00	12,026.70		1,473.30	
Other Expenses						
Tax Sale Costs	250.00	250.00			250.00	
Miscellaneous	11,300.00	11,300.00	8,152.18	198.57	2,949.25	
Liquidation of Tax Title Liens						
Other Expenses	500.00	500.00	39.00		461.00	
Legal Services and Costs						
Other Expenses	70,000.00	62,000.00	52,852.83		9,147.17	
Engineering Services and Costs						
Other Expenses	15,000.00	22,500.00	16,586.75		5,913.25	
Municipal Court						
Salaries and Wages	41,200.00	41,200.00	40,168.81		1,031.19	
Other Expenses	5,000.00	5,000.00	807.02	7.11	4,185.87	
Public Defender (P.L. 1997, C.256)						
Salaries and Wages	695.25	695.25	673.40		21.85	
Other Expenses	2,085.75	2,085.75	1,387.02	693.51	5.22	
Land Use Administration Functions:						
Planning and Zoning Board						
Salaries and Wages	2,266.00	2,266.00	2,256.18		9.82	
Other Expenses	9,000.00	9,000.00	8,373.14	31.52	595.34	
Zoning Officer						
Salaries and Wages	4,120.00	4,120.00	3,990.65		129.35	
Other Expenses	100.00	100.00	12.52		87.48	

(Continued)

BOROUGH OF CHESILHURST
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2013

	Budget	Budget After Modification	Paid or Charged			Unexpended Balance Canceled
			Expended	Encumbered	Reserved	
OPERATIONS -- WITHIN "CAPS" (CONT'D)						
Code Enforcement Functions:						
Rent Control						
Salaries and Wages	\$ 3,224.00	\$ 3,224.00	\$ 3,122.28		\$ 101.72	
Other Expenses	3,109.00	3,109.00			3,109.00	
Housing Costs						
Other Expenses	1.00	1.00			1.00	
Insurance						
Other	46,500.00	46,500.00	45,857.59		642.41	
Worker's Compensation Insurance	46,000.00	46,000.00	45,358.30		641.70	
Employee Group Insurance	126,000.00	121,000.00	114,847.00		6,153.00	
Employee Group Insurance - Opt Out	5,000.00	5,000.00	4,204.71		795.29	
Code Enforcement Officer						
Salaries and Wages	3,399.00	3,399.00	3,288.95		110.05	
Other Expenses	500.00	2,500.00	224.00	\$ 1,549.00	727.00	
Public Safety Functions:						
Police						
Salaries and Wages	580,000.00	575,000.00	565,374.55		9,625.45	
Other Expenses	44,000.00	44,000.00	32,852.92	8,706.25	2,440.83	
Police Vehicle	65,000.00	65,000.00	64,432.00		568.00	
Fire						
Miscellaneous Other Expenses	16,500.00	18,500.00	11,600.00		6,900.00	
Emergency Management Services						
Salaries and Wages	2,678.00	2,678.00	2,667.00		11.00	
Other Expenses	125.00	125.00			125.00	
Ambulance						
Other Expenses	10,000.00	10,000.00	10,000.00			
Prosecutor						
Salaries and Wages	8,034.00	8,034.00	8,003.04		30.96	
Public Works Functions:						
Road Repairs and Maintenance						
Salaries and Wages	500.00	500.00			500.00	
Other Expenses	6,000.00	6,000.00	869.15	4,999.00	131.85	
Snow Removal						
Salaries and Wages	3,000.00	3,000.00	3,000.00			
Other Expenses	5,000.00	8,000.00	8,000.00			
Garbage and Trash Removal						
Salaries and Wages	155,000.00	155,000.00	153,932.31		1,067.69	
Other Expenses	4,500.00	6,500.00	5,062.36	486.51	951.13	
Landfill Solid Waste Disposal Costs	49,000.00	41,000.00	33,314.68		7,685.32	

(Continued)

BOROUGH OF CHESILHURST
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2013

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Expended</u>	<u>Paid or Charged</u>		<u>Unexpended Balance Canceled</u>
				<u>Encumbered</u>	<u>Reserved</u>	
OPERATIONS -- WITHIN "CAPS" (CONT'D)						
Public Works Functions (Cont'd):						
Environmental						
Other Expenses	\$ 1,100.00	\$ 1,950.00	\$ 1,950.00			
Public Buildings and Grounds						
Other Expenses	55,000.00	65,000.00	56,693.74	\$ 2,923.00	\$ 5,383.26	
Demolition of Buildings	1.00	1.00			1.00	
Community Center						
Salaries and Wages	8,536.64	8,636.64	8,596.81		39.83	
Other Expenses	4,500.00	6,500.00	5,001.76		1,498.24	
Vehicle Maintenance						
Other Expenses	35,000.00	45,900.00	42,173.79	621.34	3,104.87	
Health and Human Services Functions:						
Board of Health						
Other Expenses	200.00	200.00			200.00	
Animal Control						
Other Expenses	12,300.00	12,300.00	8,685.17	300.00	3,314.83	
Park and Recreation Functions:						
Recreation						
Other Expenses	6,000.00	9,000.00	5,670.00		3,330.00	
Senior Citizen						
Other Expenses	11,000.00	11,000.00	5,501.26	4,648.45	850.29	
Accumulated Leave Compensation	8,000.00	8,000.00	8,000.00			
Utilities:						
Electric	35,000.00	35,000.00	27,989.35	6,225.67	784.98	
Telephone	27,000.00	27,000.00	25,430.05	119.85	1,450.10	
Gasoline and Fuel	50,000.00	52,000.00	47,196.80	104.25	4,698.95	
Natural Gas	17,200.00	12,100.00	7,526.79	1,722.61	2,850.60	
Street Lighting	33,000.00	23,000.00	16,433.10	1,713.24	4,853.66	
Sewerage Processing and Disposal	1,000.00	1,000.00	1,000.00			
 Total Operations - within "CAPS"	 1,898,953.64	 1,898,453.64	 1,748,863.93	 37,830.37	 111,759.34	 -
Detail:						
Salaries and Wages	971,481.89	964,731.89	946,497.10	-	18,234.79	-
Other Expenses	927,471.75	933,721.75	802,366.83	37,830.37	93,524.55	-

(Continued)

BOROUGH OF CHESILHURST
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2013

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Expended</u>	<u>Paid or Charged Encumbered</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>
DEFERRED CHARGES AND STATUTORY EXPENDITURES MUNICIPAL -- WITHIN "CAPS"						
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System	\$ 28,483.00	\$ 28,483.00	\$ 28,483.00			
Social Security System (O.A.S.I.)	75,000.00	75,000.00	71,498.25		\$ 3,501.75	
Police and Fire Retirement System	117,733.00	117,733.00	117,733.00			
Defined Contribtuion Retirement Program	2,600.00	3,100.00	3,026.74	\$ 73.26		
Unemployment Insurance	7,000.00	7,000.00	4,761.40	252.83	1,985.77	
Public Employee's Retirement System - Chapter 19 PL 2009	1,413.00	1,413.00	1,413.00			
Police and Fireman's Retirement System - Chapter 19 PL 2009	7,725.00	7,725.00	7,725.00			
Total Deferred Charges and Regulatory Expenditures Municipal -- Within "CAPS"	239,954.00	240,454.00	234,640.39	326.09	5,487.52	-
Total General Appropriations for Municipal Purposes -- Within "CAPS"	2,138,907.64	2,138,907.64	1,983,504.32	38,156.46	117,246.86	-
OPERATIONS -- EXCLUDED FROM "CAPS"						
Contributions To:						
Recycling Tax	2,400.00	2,400.00	1,505.07		894.93	
Public and Private Programs						
Camden County Municipal Alliance	7,165.00	7,165.00	7,165.00			
Camden County Municipal Alliance-Cash Match	1,791.00	1,791.00	1,791.00			
Camden County Recreational Facility Enhancement -- CDBG Program Year 34 -- (N.J.S.A 40A:4-87 \$19,600.00)	25,000.00	25,000.00	25,000.00			
CDBG Program Year 35 -- (N.J.S.A 40A:4-87 \$17,200.00)		19,600.00	19,600.00			
JIF Safety Award -- (N.J.S.A 40A:4-87 \$900.00)		17,200.00	17,200.00			
NJ Transportation Trust - Reconstruction of Cleveland Ave. -- (N.J.S.A 40A:4-87 \$116,500.00)		900.00	900.00			
Clean Communities -- (N.J.S.A. 40A:4-87 \$5,039.30)		116,500.00	116,500.00			
		5,039.30	5,039.30			
Unappropriated Reserves						
Recycling Tonnage Grant	602.00	602.00	601.60			\$ 0.40
Body Armor Fund	1,113.00	1,113.00	1,113.00			
Alcohol Education and Rehabilitation Fund	108.00	108.00	107.93			0.07
Total Operations -- Excluded from "CAPS"	38,179.00	197,418.30	196,522.90	-	894.93	0.47
Detail:						
Other Expenses	38,179.00	197,418.30	196,522.90	-	894.93	0.47

(Continued)

BOROUGH OF CHESILHURST
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2013

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Expended</u>	<u>Paid or Charged</u>		<u>Unexpended Balance Canceled</u>
				<u>Encumbered</u>	<u>Reserved</u>	
OPERATIONS -- EXCLUDED FROM "CAPS"						
CAPITAL IMPROVEMENTS -- EXCLUDED FROM "CAPS"						
Capital Improvement Fund	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00			
Engineer Costs for Projects	5,000.00	5,000.00	5,000.00			
Furnishing and Installing Telephones and Telephone Lines	10,000.00	10,000.00				\$ 10,000.00
Purchase of Land for Future Site of New Municipal Building	22,500.00	22,500.00	22,500.00			
Total Capital Improvements Excluded from "CAPS"	47,500.00	47,500.00	37,500.00	-	-	10,000.00
OPERATIONS -- EXCLUDED FROM "CAPS"						
MUNICIPAL DEBT SERVICE -- EXCLUDED FROM "CAPS"						
Payment of Bond Anticipation Notes	74,100.00	74,100.00	74,100.00			
Interest on Notes	5,100.00	5,100.00	5,028.24			71.76
Total Municipal Debt Service -- Excluded from "CAPS"	79,200.00	79,200.00	79,128.24	-	-	71.76
DEFERRED CHARGES - EXCLUDED FROM "CAPS"						
Emergency Authorizations	36,180.00	36,180.00	36,180.00			
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	201,059.00	360,298.30	349,331.14	-	\$ 894.93	10,072.23
Subtotal General Appropriations	2,339,966.64	2,499,205.94	2,332,835.46	\$ 38,156.46	118,141.79	10,072.23
Reserve for Uncollected Taxes	290,490.18	290,490.18	290,490.18	-	-	-
Total General Appropriations (Carried Forward)	\$ 2,630,456.82	\$ 2,789,696.12	\$ 2,623,325.64	\$ 38,156.46	\$ 118,141.79	\$ 10,072.23

(Continued)

BOROUGH OF CHESILHURST
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2013

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Expended</u>	<u>Paid or Charged</u>		<u>Unexpended Balance Canceled</u>
				<u>Encumbered</u>	<u>Reserved</u>	
Total General Appropriations (Brought Forward)	\$ 2,630,456.82	\$ 2,789,696.12	\$ 2,623,325.64	\$ 38,156.46	\$ 118,141.79	\$ 10,072.23
Budget		\$ 2,630,456.82				
Appropriation by NJSA 40A:4-87		<u>159,239.30</u>				
		<u>\$ 2,789,696.12</u>				
Reserve for Federal, State and Other Grants -- Appropriated			\$ 195,017.83			
Reserve for Uncollected Taxes			290,490.18			
Deferred Charges:						
Emergency Appropriations (N.J.S.A 40A:4-47)			36,180.00			
Due Trust Other Fund			15,225.00			
Due General Capital Fund			10,000.00			
Disbursements			<u>2,076,412.63</u>			
			<u>\$ 2,623,325.64</u>			

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

BOROUGH OF CHESILHURST
TRUST FUNDS
 Statements of Assets, Liabilities and Reserves -- Regulatory Basis
 As of December 31, 2013 and 2012

ASSETS:	Ref.	2013	2012
Animal Control Trust Fund:			
Cash	SB-1	\$ 3,003.19	\$ 2,774.54
		<u>3,003.19</u>	<u>2,774.54</u>
Other Funds:			
Cash	SB-1	137,065.13	115,199.25
Accounts Receivable	SB-5	9,606.25	15,118.75
Due from Current Fund	SB-6	64,785.45	44,031.19
Total Other Funds		<u>211,456.83</u>	<u>174,349.19</u>
Total Assets		<u>\$ 214,460.02</u>	<u>\$ 177,123.73</u>
LIABILITIES AND RESERVES:			
Animal Control Trust Fund:			
Due to Current Fund	SB-2	\$ 2,569.39	\$ 2,272.74
Reserve for Animal Control Expenditures	SB-3	429.00	500.60
Due to State of New Jersey -- Registration Fees	SB-4	4.80	1.20
Total Animal Control Trust Fund		<u>3,003.19</u>	<u>2,774.54</u>
Other Funds:			
Accounts Payable	SB-7		487.50
Reserve for Encumbrances	SB-8	11,428.25	26,510.50
Reserve for Escrow Fees	SB-9	10,530.25	7,462.00
Premiums Received at Tax Sale	SB-9	42,700.00	31,400.00
Deposits for Redemption of Tax Sale Certificates	SB-9	55,643.04	37,924.30
Reserve for Maintenance Guarantee	SB-9	2,700.00	2,250.00
Cash Performance Bond	SB-9	15,000.00	15,000.00
Reserve for Recreation	SB-9	20,737.00	17,437.00
Reserve for Public Defender Fees	SB-9	1,806.00	1,213.50
Reserve for Off-Duty Municipal Police	SB-9	2,255.00	1,462.50
Reserve for Accumulated Absences	SB-9	15,388.81	7,388.81
Reserve for Snow Removal	SB-9	30,648.08	23,423.08
Reserve for Forfeited Property	SB-9	230.40	
Reserve for Uniform Fire Safety Penalties	SB-9	2,390.00	2,390.00
Total Other Funds		<u>211,456.83</u>	<u>174,349.19</u>
Total Liabilities and Reserves		<u>\$ 214,460.02</u>	<u>\$ 177,123.73</u>

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

BOROUGH OF CHESILHURST
GENERAL CAPITAL FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 For the Years Ended December 31, 2013 and 2012

ASSETS:	<u>Ref.</u>	<u>2013</u>	<u>2012</u>
Cash	SC-1, SC-2		\$ 13,741.93
Deferred Charges to Future Taxation:			
Unfunded	SC-3	\$ 150,000.00	224,100.00
Due from Current Fund	SC-4		22,368.74
Due from Federal, State and Other Grant Fund	SC-5		21,834.00
		<u> </u>	<u> </u>
Total Assets		<u>\$ 150,000.00</u>	<u>\$ 282,044.67</u>
LIABILITIES, RESERVES AND FUND BALANCE:			
Due to Current Fund	SC-4	\$ 96,750.33	
Improvement Authorizations:			
Unfunded	SC-6	6,108.66	\$ 20,803.66
Capital Improvement Fund	SC-7	35,125.00	25,125.00
Reserve for Computer Equipment Purchase	C	4,060.01	4,060.01
Bond Anticipation Notes	SC-8		224,100.00
Fund Balance	C	7,956.00	7,956.00
		<u> </u>	<u> </u>
Total Liabilities and Reserves		<u>\$ 150,000.00</u>	<u>\$ 282,044.67</u>

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

BOROUGH OF CHESILHURST
SEWER UTILITY FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 For the Years Ended December 31, 2013 and 2012

ASSETS:	<u>Ref.</u>	<u>2013</u>	<u>2012</u>
Operating Fund:			
Cash	SD-1	\$ 217,965.19	\$ 373,594.39
Change Fund	SD-3	100.00	100.00
Due from Sewer Utility Capital Fund	SD-13	<u>240,000.00</u>	<u> </u>
		<u>458,065.19</u>	<u>373,694.39</u>
Receivables with Full Reserves:			
Sewer Consumer Accounts Receivable	SD-4	65,049.06	89,804.38
Sewer Consumer Liens Receivable	SD-5	43,890.15	38,565.11
Protested Checks Receivable	SD-6	<u>2,483.51</u>	<u>2,483.51</u>
		<u>111,422.72</u>	<u>130,853.00</u>
Total Operating Fund		<u>569,487.91</u>	<u>504,547.39</u>
Capital Fund:			
Fixed Capital Authorized and Uncompleted	SD-7		350,000.00
Fixed Capital	SD-8	<u>4,968,946.00</u>	<u>4,668,946.00</u>
Total Capital Fund		<u>4,968,946.00</u>	<u>5,018,946.00</u>
Total Assets		<u>\$ 5,538,433.91</u>	<u>\$ 5,523,493.39</u>

(Continued)

BOROUGH OF CHESILHURST
SEWER UTILITY FUND

Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
For the Years Ended December 31, 2013 and 2012

LIABILITIES, RESERVES AND FUND BALANCE:	<u>Ref.</u>	<u>2013</u>	<u>2012</u>
Operating Fund:			
Appropriation Reserves	D-3, SD-9	\$ 18,602.59	\$ 12,337.99
Prepaid Sewer Rents	SD-10	516.35	2,847.56
Accrued Interest on Bonds and Notes	SD-11	17,912.66	18,701.32
Reserve for Debt Service	SD-12	35,912.00	35,912.00
		<u>72,943.60</u>	<u>69,798.87</u>
Reserve for Receivables		111,422.72	130,853.00
Fund Balance	D-1	385,121.59	303,895.52
		<u>569,487.91</u>	<u>504,547.39</u>
Total Operating Fund			
		<u>569,487.91</u>	<u>504,547.39</u>
Capital Fund:			
Due to Sewer Utility Operating Fund	SD-13	240,000.00	
Improvement Authorizations -- Unfunded	SD-14		50,000.00
Reserve for Amortization	SD-15	3,814,523.67	3,729,368.01
Bond Anticipation Notes	SD-16		300,000.00
United States Rural Development Aid			
Loans Payable	SD-17	914,422.33	939,577.99
		<u>4,968,946.00</u>	<u>5,018,946.00</u>
Total Capital Fund		<u>4,968,946.00</u>	<u>5,018,946.00</u>
		<u>4,968,946.00</u>	<u>5,018,946.00</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 5,538,433.91</u>	<u>\$ 5,523,493.39</u>

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

BOROUGH OF CHESILHURST
SEWER UTILITY OPERATING FUND
 Statements of Operations and Changes in Fund Balance -- Regulatory Basis
 For the Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
<u>Revenue and Other Income Realized</u>		
Rents	\$ 267,671.69	\$ 234,323.32
Non-Budget Revenue	9,882.98	4,762.69
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	<u>12,337.99</u>	<u>53,374.02</u>
Total Income	<u>289,892.66</u>	<u>292,460.03</u>
<u>Expenditures</u>		
Operating	68,400.00	82,788.00
Debt Service	137,766.59	114,016.97
Deferred Charges and Statutory Expenditures	<u>2,500.00</u>	<u>2,500.00</u>
Total Expenditures	<u>208,666.59</u>	<u>199,304.97</u>
Excess in Revenues	81,226.07	93,155.06
<u>Fund Balance</u>		
Balance January 1	<u>303,895.52</u>	<u>210,740.46</u>
Balance December 31	<u><u>\$ 385,121.59</u></u>	<u><u>\$ 303,895.52</u></u>

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

BOROUGH OF CHESILHURST
SEWER UTILITY OPERATING FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2013

	Anticipated <u>Budget</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
Rents - Sewer	\$ 210,000.00	\$ 267,671.69	\$ 57,671.69
Non-Budget Revenue		<u>9,882.98</u>	<u>9,882.98</u>
	<u>\$ 210,000.00</u>	<u>\$ 277,554.67</u>	<u>\$ 67,554.67</u>

Analysis of Realized Revenues:

Rents:

Consumer Accounts Receivable:
Collector

\$ 267,671.69

Miscellaneous Revenue Not Anticipated:

Collector:

Interest and Costs on Delinquent Rents
Sewer Connection Fees

\$ 7,460.98
2,422.00

\$ 9,882.98

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

BOROUGH OF CHESILHURST
SEWER UTILITY OPERATING FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2013

	Appropriations		Paid or Charged			Unexpended Balance Canceled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Expended</u>	<u>Encumbered</u>	<u>Reserved</u>	
Sewer Operating:						
Salaries and Wages	\$ 20,000.00	\$ 20,000.00	\$ 16,308.03		\$ 3,691.97	
Other Expenses	48,400.00	48,400.00	34,611.25		13,788.75	
Total Operating	<u>68,400.00</u>	<u>68,400.00</u>	<u>50,919.28</u>	<u>-</u>	<u>17,480.72</u>	<u>-</u>
Debt Service:						
Payment of Bond Principal	25,300.00	25,300.00	25,155.66			\$ 144.34
Payment of Bond Anticipation Notes and Capital Notes	60,000.00	60,000.00	60,000.00			
Interest on Bonds	47,000.00	47,000.00	46,175.57			824.43
Interest on Notes	6,800.00	6,800.00	6,435.36			364.64
Total Debt Service	<u>139,100.00</u>	<u>139,100.00</u>	<u>137,766.59</u>	<u>-</u>	<u>-</u>	<u>1,333.41</u>
Deferred Charges and Statutory Expenditures:						
Statutory Expenditures						
Contribution to:						
Social Security System (O.A.S.I.)	2,000.00	2,000.00	1,247.67		752.33	
Unemployment Compensation Insurance (N.J.S.A. 43:21-3 et. seq.)	500.00	500.00	130.46		369.54	
Total Deferred Charges and Statutory Expenditures	<u>2,500.00</u>	<u>2,500.00</u>	<u>1,378.13</u>		<u>1,121.87</u>	
	<u>\$ 210,000.00</u>	<u>\$ 210,000.00</u>	<u>\$ 190,064.00</u>	<u>-</u>	<u>\$ 18,602.59</u>	<u>\$ 1,333.41</u>
Disbursements			\$ 137,453.07			
Accrued Interest on Loans			52,610.93			
			<u>\$ 190,064.00</u>			

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

BOROUGH OF CHESILHURST
GENERAL FIXED ASSET ACCOUNT GROUP
Statement of Changes in General Fixed Assets -- Regulatory Basis
For the Year Ended December 31, 2013

	<u>Balance</u> <u>Dec. 31, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>Dec. 31, 2013</u>
Fixed Assets:				
Land	\$ 1,899,300.00	\$ 22,500.00		\$ 1,921,800.00
Building	1,124,800.00			1,124,800.00
Vehicles and Equipment	<u>1,064,855.88</u>	<u>88,714.93</u>	<u>\$ 159,686.91</u>	<u>993,883.90</u>
 Total Fixed Assets	 <u>\$ 4,088,955.88</u>	 <u>\$ 111,214.93</u>	 <u>\$ 159,686.91</u>	 <u>\$ 4,040,483.90</u>
 Total Investment in Fixed Assets	 <u>\$ 4,088,955.88</u>	 <u>\$ 111,214.93</u>	 <u>\$ 159,686.91</u>	 <u>\$ 4,040,483.90</u>

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

BOROUGH OF CHESILHURST
Notes to Financial Statements
For the Year Ended December 31, 2013

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

Description of Financial Reporting Entity - The Borough of Chesilhurst was incorporated in November 26, 1887 and is located in southwest New Jersey approximately thirty miles southeast of the City of Philadelphia. The population according to the 2010 census is 1,634.

The Borough has a Mayor-Council form of government known as the Mayor-Council Plan A under the Optional Municipal Charter Law of 1960, popularly known as the Faulkner Act. The Mayor is separately elected. Executive and administrative responsibility rests with the Mayor, who is assisted by the Borough Clerk.

Component Units - The Borough of Chesilhurst 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 Chesilhurst 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 Chesilhurst 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.

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

Budgets and Budgetary Accounting - The Borough of Chesilhurst 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 Chesilhurst requires it to deposit funds in public depositories protected from loss under the provisions of the Act.

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

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

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

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

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

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

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

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

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

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

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

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

Property Tax Revenues - Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1. The amount of tax levied includes not only the amount required in support of the Borough's annual budget, but also the amounts required in support of the budgets of the County of Camden and the Borough of Chesilhurst School District.

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

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

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

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

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

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

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

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

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

Note 2: **CASH AND CASH EQUIVALENTS**

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

As of December 31, 2013, the Borough's bank balances of \$1,417,663.36 were exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	\$ <u>2,984.39</u>
--------------------------------	--------------------

New Jersey Cash Management Fund - During the year, the Borough participated in the New Jersey Cash Management Fund. The Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Funds participants. Deposits with the New Jersey Cash Management Fund are not subject to custodial credit risk as defined above. At December 31, 2013 the Borough's deposits with the New Jersey Cash Management Fund are \$13,749.64.

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>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Tax Rate	<u>\$ 2.999</u>	<u>\$ 2.907</u>	<u>\$ 2.846</u>	<u>\$ 2.631</u>	<u>\$ 2.419</u>
Apportionment of Tax Rate:					
Municipal	\$1.306	\$1.278	\$1.278	\$1.183	\$.958
County Regular Tax	0.753	0.694	0.636	0.535	0.518
County Open Space Preservation					
Trust Fund	0.020	0.020	0.020	None	0.019
County Library	0.047	0.045	0.042	0.036	0.038
District School	0.873	0.870	0.870	0.877	0.886

Assessed Valuation

2013	\$ 90,602,680.00
2012	90,956,156.00
2011	90,858,407.00
2010	90,190,179.00
2009	89,353,019.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2013	\$ 2,717,174.71	\$ 2,470,172.45	90.91%
2012	2,650,921.91	2,417,427.14	91.19%
2011	2,622,015.70	2,386,072.55	91.00%
2010	2,390,899.85	2,100,647.06	87.86%
2009	2,162,642.64	1,878,202.67	86.85%

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>
2013	\$ 638,646.57	\$ 154,890.04	\$ 793,536.61	29.20%
2012	540,015.75	187,381.97	727,397.72	27.44%
2011	447,887.37	220,311.47	668,198.84	25.48%
2010	400,074.74	270,804.94	670,879.68	25.59%
2009	303,343.46	269,844.62	573,188.08	23.97%

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

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

<u>Year</u>	<u>Number</u>
2013	122
2012	116
2011	90
2010	96
2009	83

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>
2013	\$ 908,599.75
2012	908,599.75
2011	908,599.75
2010	908,599.75
2009	892,500.00

Note 5: **SEWER UTILITY SERVICE CHARGES**

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

<u>Year</u>	<u>Balance Beginning of Year</u>			<u>Total</u>	<u>Cash Collections</u>
	<u>Receivable</u>	<u>Liens</u>	<u>Levy</u>		
2013	\$ 89,804.38	\$ 38,565.11	\$ 251,900.00	\$ 380,269.49	\$ 267,671.69
2012	72,445.06	30,586.16	257,100.00	360,131.22	234,323.32
2011	85,783.23	25,147.48	243,851.40	354,782.11	255,289.61
2010	97,635.79	20,504.59	252,979.73	371,120.11	261,027.55
2009	112,937.21	18,704.39	244,964.80	376,606.40	258,553.37

Note 6: **FUND BALANCES APPROPRIATED**

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

<u>Year</u>	<u>Balance Dec. 31</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Utilized In Current Fund Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
<u>Current Fund</u>				
2013	\$ 602,873.53	\$ 336,000.00		55.73%
2012	671,946.68	330,000.00		49.11%
2011	551,344.99	234,589.00		42.55%
2010	343,579.46	125,000.00		36.38%
2009	326,268.62	170,000.00		52.10%
<u>Sewer Utility Operating Fund</u>				
2013	\$ 385,121.59	\$ 120,000.00	None	31.16%
2012	303,895.52	None	None	None
2011	210,740.46	None	None	None
2010	146,841.72	6,000.00	None	4.09%
2009	210,294.74	None	\$ 125,000.00	59.44%

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, 2013:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Fund	\$ 99,319.72	\$ 64,785.45
Animal Control Fund		2,569.39
Trust - Other Fund	64,785.45	
General Capital Fund		96,750.33
Sewer Utility Operating Fund	240,000.00	
Sewer Utility Capital Fund		240,000.00
	<u>\$ 404,105.17</u>	<u>\$ 404,105.17</u>

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During 2014, the Borough expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 8: **PENSION PLANS**

The Borough of Chesilhurst 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 participate in the Defined Contribution Retirement Program (DCRP), which is a defined contribution pension plan and is also administered by the New Jersey Division of Pensions and Benefits. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

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

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

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

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>Chapter 19, P.L. 2009</u>	<u>Total Liability</u>	Non-Contributory	
					<u>Group Life Insurance</u>	<u>Paid by Borough</u>
2013	\$ 7,928.00	\$18,955.00	\$ 1,413.00	\$ 28,296.00	\$ 1,600.00	\$ 29,896.00
2012	11,216.00	22,433.00	1,395.00	35,044.00	2,144.00	37,188.00
2011	11,417.00	18,192.00		29,609.00	2,249.00	31,858.00

Note 8: **PENSION PLANS (CONT'D)**

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 was 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>Chapter 19, P.L. 2009</u>	<u>Total Liability</u>	Non-Contributory	
					<u>Group Life Insurance</u>	<u>Paid by Borough</u>
2013	\$ 48,664.00	\$64,400.00	\$ 7,725.00	\$120,789.00	\$ 4,669.00	\$125,458.00
2012	67,692.00	76,182.00	7,669.00	151,543.00	5,270.00	156,813.00
2011	84,970.00	68,132.00		153,102.00	6,659.00	159,761.00

Pension Deferral – Public Law 2009, c.19 (S-21) was enacted on March 17, 2009 and allowed the Division of Pensions and Benefits to provide non-state government pension system employers the option of paying the full amount, or an amount that reflects a 50 percent reduction of the normal and accrued liability component of the PERS and PFRS obligations for payments due in the State fiscal year ending June 30, 2009. The payments were due on April 1, 2009 (with a grace period until April 30).

The amount began repayment starting in April of 2012 over a 15 year period. The amount will fluctuate based on pension system investment earnings on the deferred amount.

The Borough applied for and received approval from the Local Finance Board to defer a portion of the 2009 liability due for both PERS and PFRS.

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.

Note 8: **PENSION PLANS (CONT'D)**

Defined Contribution Retirement Program (Cont'd) –

The Borough's contributions were as follows:

<u>Fiscal</u> <u>Year</u>	<u>Total</u> <u>Liability</u>	<u>Funded by</u> <u>Borough</u>
2013	\$ 3,026.74	\$ 3,026.74
2012	405.73	405.73

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

Note 9: **COMPENSATED ABSENCES**

Full-time employees are entitled to four paid sick leave days each year and three personal days each year. Additionally, employees are entitled to vacation time of up to ten days in accordance with the Borough's schedule. Personal, vacation and sick days not used during the year may not be accumulated and carried forward.

Part-time employees are not entitled to compensated absences.

Police Personnel

The Police Department personnel contract entitles employees, based on year of experience, up to twenty-eight days of vacation time, fifteen days of sick time and three personal days each year. Unused vacation days may be carried forward up to seventy-five days. While only five days of unused sick time can be carried forward to the next year. Personal days cannot be carried forward to the following year. At termination, police employees are entitled to be paid for all unused vacation days, personal days, and one-third of unused sick days.

The Borough does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2013, accrued benefits for compensated absences are valued at \$70,819.33.

Note 10: **LEASE OBLIGATIONS**

At December 31, 2013, the Borough had lease agreements in effect for the following:

Operating:
 Three (3) Copy Machines
 Postage Machine

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

<u>Year</u>	<u>Amount</u>
2014	\$ 7,619.16
2015	4,169.58
	<u>\$ 11,788.74</u>

Rental payments under operating leases for the year 2013 were \$6,899.16.

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

	<u>Year 2013</u>	<u>Year 2012</u>	<u>Year 2011</u>
<u>Issued</u>			
General:			
Bonds, Notes and Loans		\$ 224,100.00	\$ 279,600.00
Sewer Utility:			
Bonds, Notes and Loans	\$ 914,422.33	1,239,578.00	1,263,522.00
Total Issued	<u>914,422.33</u>	<u>1,463,678.00</u>	<u>1,543,122.00</u>
<u>Authorized but not Issued</u>			
General:			
Bonds, Notes and Loans	150,000.00		
Sewer Utility:			
Bonds and Loans	240,000.00	50,000.00	50,000.00
Total Authorized but Not Issued	<u>390,000.00</u>	<u>50,000.00</u>	<u>50,000.00</u>
Total Issued and Authorized but Not Issued	<u>1,304,422.33</u>	<u>1,513,678.00</u>	<u>1,593,122.00</u>
Deductions:			
Self-liquidating Debt	1,154,422.33	1,289,578.00	1,313,522.00
Total Deductions	<u>1,154,422.33</u>	<u>1,289,578.00</u>	<u>1,313,522.00</u>
Net Debt	<u>\$ 150,000.00</u>	<u>\$ 224,100.00</u>	<u>\$ 279,600.00</u>

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

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicated a statutory net debt of .17%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Sewer Utility	\$ 1,154,442.33	\$ 1,154,442.33	
General	150,000.00		\$ 150,000.00
	<u>\$ 1,304,442.33</u>	<u>\$ 1,154,442.33</u>	<u>\$ 150,000.00</u>

Net Debt \$150,000.00 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, \$86,747,373.33 equals .17%

Borrowing Power under N.J.S.A. 40A:2-6 as Amended

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 3,036,158.07
Net Debt	<u>150,000.00</u>
Remaining Borrowing Power	<u>\$ 2,886,158.07</u>

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

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest and Other Investment Income, and Other Charges for Year		\$ 277,554.67
Deductions:		
Operating and Maintenance Cost	\$ 70,900.00	
Debt Service	<u>137,766.59</u>	
Total Deductions		<u>208,666.59</u>
Excess in Revenue		<u>\$ 68,888.08</u>

Note 11: **CAPITAL DEBT (CONT'D)****Schedule of Annual Debt Service for Principal and Interest for Bonded Debt Issued and Outstanding**

<u>Year</u>	<u>Sewer Utility</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2014	\$ 26,429.16	\$ 35,096.40	\$ 61,525.56
2015	27,767.14	34,062.05	61,829.19
2016	29,172.86	32,975.33	62,148.19
2017	30,649.73	31,833.60	62,483.33
2018	32,201.38	30,634.07	62,835.45
2019-2023	187,174.34	132,941.08	320,115.42
2024-2028	239,598.98	92,413.15	332,012.13
2029-2033	306,706.93	40,533.98	347,240.91
2034	34,721.81	672.57	35,394.38
	<u>\$914,422.33</u>	<u>\$431,162.23</u>	<u>\$1,345,584.56</u>

Note 12: **JOINT INSURANCE POOL**

The Borough of Chesilhurst 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.

The Fund provides the Borough with the following coverage:

Property - Blanket Building and Grounds
 General and Automobile Liability

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 \$50,000 to \$200,000 based on the line of coverage for each insured event.

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

The Fund publishes its own financial report for the year ended December 31, 2013, which can be obtained from:

Southern New Jersey Regional Employee Benefits Fund
Connor Strong Companies, Inc.
P.O. Box 989
Marlton, New Jersey 08053

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

BOROUGH OF CHESILHURST
CURRENT FUND
Statement of Current Cash
Per N.J.S. 40A:5-5 -- Treasurer
For the Year Ended December 31, 2013

	<u>Current Fund</u>	Federal, State and Other <u>Grant Fund</u>
Balance December 31, 2012	\$ 1,168,684.96	---
Increased by Receipts:		
Miscellaneous Revenue not Anticipated	\$ 24,246.09	
Collector	2,710,676.77	
Petty Cash Funds	300.00	
Revenue Accounts Receivable	949,780.12	
Due to State of New Jersey -- Veterans' and Senior Citizens' Deductions	17,250.00	
Due to State of New Jersey -- Marriage License Fees	175.00	
Net Payroll	617,309.23	
Payroll Deductions Payable	432,696.77	
Due Current Fund		\$ 80,772.83
Due Animal Control	36.60	
Due Trust - Other Fund	34,727.96	
Due General Capital Fund	35,579.90	
Grants Receivable	<u> </u>	<u>63,792.71</u>
	<u>4,822,778.44</u>	<u>\$ 144,565.54</u>
Balance Carried Forward	5,991,463.40	144,565.54

(Continued)

BOROUGH OF CHESILHURST
CURRENT FUND
Statement of Current Cash
Per N.J.S. 40A:5-5 -- Treasurer
For the Year Ended December 31, 2013

	<u>Current Fund</u>	Federal, State and Other <u>Grant Fund</u>
Balance Brought Forward	\$ 5,991,463.40	\$ 144,565.54
Decreased by Disbursements:		
2013 Appropriations	\$ 2,076,412.63	
2012 Appropriation Reserves	66,285.86	
Petty Cash Funds	300.00	
County Taxes Payable	742,056.56	
Due to County for Added and Omitted Taxes	1,508.20	
Local School District Taxes Payable	870,280.40	
Refund of Prior Year Revenue	19.41	
Refund of Tax Overpayments	1,275.45	
Due from/to Federal, State and Other Grant Fund	80,772.83	
Due Animal Control Fund	0.65	
Due Trust - Other Fund	18,603.45	
Due General Capital Fund	164,695.00	\$ 21,834.00
Due to State of New Jersey -- Marriage License Fees	125.00	
Net Payroll	617,309.23	
Payroll Deductions Payable	429,484.32	
Reserve for Grants Appropriated	<u> </u>	<u>86,623.17</u>
	<u>5,069,128.99</u>	<u>108,457.17</u>
Balance December 31, 2013	<u><u>\$ 922,334.41</u></u>	<u><u>\$ 36,108.37</u></u>

BOROUGH OF CHESILHURST
CURRENT FUND
Statement of Current Cash
Per N.J.S. 40A:5-5 - Collector
For the Year Ended December 31, 2013

Increased by:

Taxes Receivable		\$ 2,588,362.09
Tax Title Liens		23,790.23
Prepaid Taxes		21,333.33
Tax Overpayments		1,511.53
Revenue Accounts Receivable:		
Interest and Costs on Taxes	\$ 49,877.74	
Miscellaneous Revenue Not Anticipated	25,758.85	
Tax Search Fees	40.00	
Other Fees	<u>3.00</u>	
		<u>75,679.59</u>

2,710,676.77

Decreased by:

Payments to Treasurer		<u><u>\$ 2,710,676.77</u></u>
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BOROUGH OF CHESILHURST
CURRENT FUND
 Schedule of Change Funds
 As of December 31, 2013

<u>Office</u>	<u>Amount</u>
Treasurer	\$ 50.00
Municipal Court	100.00
Collector	<u>100.00</u>
	<u>\$ 250.00</u>

Exhibit SA-4

BOROUGH OF CHESILHURST
CURRENT FUND
 Statement of Petty Cash Funds
 For the Year Ended December 31, 2013

<u>Office</u>	<u>Received from Treasurer</u>	<u>Returned to Treasurer</u>
Treasurer	<u>\$ 300.00</u>	<u>\$ 300.00</u>

BOROUGH OF CHESILHURST
CURRENT FUND
 Statement of Taxes Receivable
 For the Year Ended December 31, 2013

Year	Balance Dec. 31, 2012	2013 Levy	Added Taxes	Collections		Due from State of New Jersey	Transferred to Tax Title Liens	Transfers	Cancellations	Balance Dec. 31, 2013
				2012	2013					
Arrears	\$ 21,378.34				\$ 5,095.93		\$ 9,174.21	\$ 960.94		\$ 8,069.14
2007	0.14									0.14
2010	1,612.52						1,612.52			
2011	6,306.61				528.38		5,778.23			
2012	158,084.36		\$ 2,250.00		148,216.58		11,315.16		\$ 545.07	257.55
	187,381.97	-	2,250.00	-	153,840.89	-	27,880.12	960.94	545.07	8,326.83
2013		\$ 2,717,174.71		\$ 16,401.25	2,434,521.20	\$ 19,250.00	83,256.03	(960.94)	\$ 16,222.08	146,563.21
	\$ 187,381.97	\$ 2,717,174.71	\$ 2,250.00	\$ 16,401.25	\$ 2,588,362.09	\$ 19,250.00	\$ 111,136.15	-	\$ 16,767.15	\$ 154,890.04

Analysis of 2013 Property Taxes

Tax Yield:		
General Purpose Tax		<u>\$ 2,717,174.71</u>
Tax Levy:		
Local District School Tax		\$ 791,164.00
County Taxes:		
Net County Taxes	\$ 681,642.32	
Open Space Tax	42,549.56	
County Library Tax	<u>17,864.68</u>	
Total County Taxes		742,056.56
Local Tax for Municipal Purposes	1,183,328.82	
Add: Additional Tax Levied	<u>625.33</u>	
		<u>1,183,954.15</u>
		<u>\$ 2,717,174.71</u>

BOROUGH OF CHESILHURST
CURRENT FUND
Statement of Tax Title Liens
For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 540,015.75
Increased by:		
Interest and Costs Accrued by Sale of October 23, 2013	\$ 11,284.90	
Transfers from Taxes Receivable	<u>111,136.15</u>	
		<u>122,421.05</u>
		662,436.80
Decreased by:		
Collections		<u>23,790.23</u>
Balance December 31, 2013		<u><u>\$ 638,646.57</u></u>

Exhibit SA-7

BOROUGH OF CHESILHURST
CURRENT FUND
Schedule of Property Acquired for Taxes (At Assessed Valuation)
For the Year Ended December 31, 2013

Balance December 31, 2013		<u><u>\$ 908,599.75</u></u>
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BOROUGH OF CHESILHURST
CURRENT FUND
 Statement of Revenue Accounts Receivable
 For the Year Ended December 31, 2013

	<u>Balance</u> <u>Dec. 31, 2012</u>	<u>Accrued in</u> <u>2013</u>	<u>Collector</u>	<u>Collections</u> <u>Treasurer</u>	<u>Due from</u> <u>Other</u> <u>Funds</u>	<u>Balance</u> <u>Dec. 31, 2013</u>
Clerk:						
Licenses:						
Alcohol Beverages		\$ 1,920.75		\$ 1,920.75		
Fees and Permits		15,843.15		15,843.15		
Municipal Court:						
Fines and Costs	\$ 1,199.53	31,056.38		30,460.28		\$1,795.63
Tax Collector:						
Interest and Costs on Taxes		49,877.74	\$ 49,877.74			
Miscellaneous Revenue not Anticipated:						
Tax Search Fees		40.00		40.00		
Recording Fees		3.00		3.00		
Miscellaneous		25,758.85		25,758.85		
Treasurer:						
Interest Earned on Deposits		7.73		3.76	\$ 3.97	
Consolidated Municipal Property Tax Relief Aid		405,291.00		405,291.00		
Energy Receipts Tax		421,049.02		421,049.02		
Non Budgeted Revenue:						
Clerk -- Licenses Other		1,475.50		1,475.50		
Cable Television Franchise Tax		17,657.48		17,657.48		
Cell Tower Rental		33,451.68		33,451.68		
Payments in Lieu of Taxes - Bnai birth		22,627.50		22,627.50		
	<u>\$ 1,199.53</u>	<u>\$ 1,026,059.78</u>	<u>\$ 75,679.59</u>	<u>\$ 949,780.12</u>	<u>\$ 3.97</u>	<u>\$ 1,795.63</u>
			General Capital Fund		<u>\$ 3.97</u>	

BOROUGH OF CHESILHURST
CURRENT FUND
Statement of Deferred Charges
For the Year Ended December 31, 2013

	Balance <u>Dec. 31, 2012</u>	Decreased by Budget <u>Appropriation</u>
Emergency Authorization (40A:4-47)	\$ 36,180.00	\$ 36,180.00

BOROUGH OF CHESILHURST
CURRENT FUND
Statement of 2012 Appropriation Reserves
For the Year Ended December 31, 2013

	Balance Dec. 31, 2012 <u>Reserved</u>	Reserve for <u>Encumbrances</u>	Balance After <u>Modification</u>	Paid or <u>Charged</u>	Balanced <u>Lapsed</u>
OPERATIONS -- WITHIN "CAPS"					
General Government Functions:					
Mayor and Council					
Salaries and Wages	\$ 905.10		\$ 905.10		\$ 905.10
Other Expenses	1,336.24	\$ 115.00	1,451.24	\$ 471.06	980.18
Borough Clerk					
Salaries and Wages	829.91		829.91		829.91
Other Expenses	3,296.11	490.33	3,786.44	610.21	3,176.23
Elections					
Other Expenses	387.32		387.32		387.32
Financial Administration					
Salaries and Wages	844.06		844.06		844.06
Other Expenses	2,261.88	456.78	2,718.66	1,116.00	1,602.66
Audit Services					
Assessment of Taxes					
Salaries and Wages	108.43		108.43		108.43
Other Expenses	786.18	260.00	1,046.18		1,046.18
Tax Collector					
Salaries and Wages	3,824.18		3,824.18		3,824.18
Other Expenses					
Tax Sale Costs	250.00		250.00		250.00
Miscellaneous	3,329.96	1,488.52	4,818.48	1,793.58	3,024.90
Liquidation of Tax Title Liens					
Other Expenses	500.00		500.00		500.00
Legal Services and Costs					
Other Expenses	10,510.06	3,345.72	13,855.78	12,157.18	1,698.60
Engineering Services and Costs					
Other Expenses	3,525.00	405.00	3,930.00	547.50	3,382.50
Municipal Court					
Salaries and Wages	1,593.37		1,593.37		1,593.37
Other Expenses	3,864.17	47.00	3,911.17	6.84	3,904.33
Public Defender (P.L. 1997, C 256)					
Salaries and Wages	6.04		6.04		6.04
Land Use Administration:					
Planning Board					
Salaries and Wages	8.99		8.99		8.99
Other Expenses	662.15	15.78	677.93		677.93
Zoning Board					
Salaries and Wages	89.15		89.15		89.15
Other Expenses	100.00		100.00		100.00
Rent Control					
Salaries and Wages	156.00		156.00		156.00
Other Expenses	27.76		27.76		27.76
Code Enforcement and Administration:					
Code Enforcement Officer					
Salaries and Wages	83.20		83.20		83.20
Other Expenses	83.92		83.92		83.92

(Continued)

BOROUGH OF CHESILHURST
CURRENT FUND
Statement of 2012 Appropriation Reserves
For the Year Ended December 31, 2013

	Balance Dec. 31, 2012 <u>Reserved</u>	Reserve for <u>Encumbrances</u>	Balance After <u>Modification</u>	Paid or <u>Charged</u>	Balanced <u>Lapsed</u>
OPERATIONS -- WITHIN "CAPS" (CONT'D)					
Land Use Administration: (Cont'd)					
Housing Costs					
Other Expenses	\$ 1.00		\$ 1.00		\$ 1.00
Insurance:					
Other	465.55		465.55		465.55
Workers Compensation	767.17		767.17		767.17
Employee Group Insurance	10,755.61	\$ 9,713.00	20,468.61	\$ 12,056.00	8,412.61
Public Safety Functions:					
Police Department					
Salaries and Wages	6,164.42		6,164.42		6,164.42
Other Expenses	2,757.22	13,323.08	16,080.30	11,059.84	5,020.46
Fire Department					
Miscellaneous Other Expenses	6,900.00		8,100.00	8,100.00	
Emergency Management Services					
Salaries and Wages	10.00		10.00		10.00
Prosecutor					
Salaries and Wages	30.00		30.00		30.00
Public Works Functions:					
Road Repairs And Maintenance					
Salaries and Wages	500.00		500.00		500.00
Other Expenses	712.53		712.53		712.53
Garbage and Trash Removal					
Salaries and Wages	1,558.12		1,558.12		1,558.12
Other Expenses	1,596.87	184.53	1,781.40	505.46	1,275.94
Landfill Solidwaste Disposal Costs	16,157.28		16,157.28	2,587.15	13,570.13
Vehicle Maintenance					
Other Expenses	5,012.81	3,845.66	8,858.47	4,495.74	4,362.73
Environmental					
Other Expenses	50.00		50.00		50.00
Public Buildings and Ground					
Other Expenses	3,737.70	1,689.71	5,427.41	1,887.34	3,540.07
Demolition of Buildings	1.00		1.00		1.00
Community Center					
Other Expenses	1,176.00		1,176.00		1,176.00
Health and Human Services Functions:					
Board of Health					
Other Expenses	200.00		200.00		200.00
Animal Control					
Other Expenses	3,854.85	357.00	4,211.85	300.00	3,911.85
Parks and Recreation Functions:					
Board of Recreation Commissioners					
Other Expenses	1,218.06		1,218.06		1,218.06
Senior Citizens					
Other Expenses	2,929.56		2,929.56	162.86	2,766.70

(Continued)

BOROUGH OF CHESILHURST
CURRENT FUND
Statement of 2012 Appropriation Reserves
For the Year Ended December 31, 2013

	Balance Dec. 31, 2012 <u>Reserved</u>	Reserve for <u>Encumbrances</u>	Balance After <u>Modification</u>	Paid or <u>Charged</u>	Balanced <u>Lapsed</u>
OPERATIONS -- WITHIN "CAPS" (CONT'D)					
Utility Expenses and Bulk Purchases:					
Electricity	\$ 8,461.34	\$ 781.73	\$ 9,243.07	\$ 2,600.62	\$ 6,642.45
Telephone	1,346.60		1,346.60	1,181.66	164.94
Gasoline and Fuel	10,278.55	1,534.85	11,813.40	6,179.66	5,633.74
Natural Gas	10,003.70		10,003.70		10,003.70
Street Lighting	15,739.18	356.01	16,095.19	1,630.19	14,465.00
Sewerage Processing and Disposal	1,000.00		1,000.00		1,000.00
	<hr/>		<hr/>		<hr/>
Total Operations -- Within "CAPS"	152,754.30	38,409.70	192,364.00	69,448.89	122,915.11
DEFERRED CHARGES AND REGULATORY EXPENDITURES MUNICIPAL -- WITHIN "CAPS"					
Regulatory Expenditures:					
Contributions to:					
Social Security System (O.A.S.I.)	5,712.04		4,512.04		4,512.04
Defined Contribution Retirement Program	1,017.94		1,017.94	182.69	835.25
Unemployment	3,282.56		3,282.56		3,282.56
Police and Fireman's Retirement System - Delayed Enrollment -- (Emergency 40:4-47 \$3,000.00)	0.19		0.19		0.19
Police and Fireman's Retirement System - Delayed Appropriation -- (Emergency 40:4-47 \$20,720.00)	0.28		0.28		0.28
	<hr/>		<hr/>		<hr/>
Total General Appropriations for Municipal Purposes -- Within "CAPS"	162,767.31	38,409.70	201,177.01	69,631.58	131,545.43
OPERATIONS -- EXCLUDED FROM "CAPS"					
Contributions to:					
Recycling Tax	766.89		766.89		766.89
OPERATIONS -- EXCLUDED FROM "CAPS"					
CAPITAL IMPROVEMENTS -- EXCLUDED FROM "CAPS"					
Engineer Costs for Projects	10,000.00		10,000.00		10,000.00
Server & Related Computer Equipment for Police Department	0.55	764.72	765.27		765.27
	<hr/>		<hr/>		<hr/>
Total Capital Improvements Excluded from "CAPS"	10,000.55	764.72	10,765.27		10,765.27
	<hr/>		<hr/>		<hr/>
	\$ 173,534.75	\$ 39,174.42	\$ 212,709.17	\$ 69,631.58	\$ 143,077.59
				<hr/>	
		Reserve for Encumbrances Disbursed		\$ 3,345.72 66,285.86	
				<hr/>	
				\$ 69,631.58	
				<hr/>	

BOROUGH OF CHESILHURST
CURRENT FUND
Statement of Reserve for Encumbrances
For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 47,026.32
Increased by:		
2013 Budget Appropriations -- Encumbrances	\$ 38,156.46	
2012 Appropriation Reserves -- Encumbrances	<u>3,345.72</u>	
		<u>41,502.18</u>
		88,528.50
Decreased by:		
Transfer to 2012 Appropriation Reserves	39,174.42	
Cancellations -- Fund Balance	<u>7,851.90</u>	
		<u>47,026.32</u>
Balance December 31, 2013		<u><u>\$ 41,502.18</u></u>

BOROUGH OF CHESILHURST
CURRENT FUND
 Schedule of Accounts Payable
 For the Year Ended December 31, 2013

Balance December 31, 2013	\$	<u>48,594.77</u>
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Exhibit SA-13

BOROUGH OF CHESILHURST
CURRENT FUND
 Statement of Due to State of New Jersey -- Division of Youth and Family Services
 Marriage License Fees
 For the Year Ended December 31, 2013

Balance December 31, 2012	\$	281.00
Increased by:		
Receipts		<u>175.00</u>
		456.00
Decreased by:		
Disbursements		<u>125.00</u>
Balance December 31, 2013	\$	<u>331.00</u>

BOROUGH OF CHESILHURST
CURRENT FUND
 Statement of Due to State of New Jersey
 Veterans' and Senior Citizens' Deductions
 For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 2,938.95
Increased by:		
Receipts	\$ 17,250.00	
Deductions Disallowed by Tax Collector:		
2012	\$ 2,250.00	
2013	<u>1,750.00</u>	
	<u>4,000.00</u>	
		<u>21,250.00</u>
		24,188.95
Decreased by:		
Accrued in 2013		
Deductions per Tax Billing		<u>21,000.00</u>
Balance December 31, 2013		<u><u>\$ 3,188.95</u></u>

BOROUGH OF CHESILHURST
CURRENT FUND
Statement of Prepaid Taxes
For the Year Ended December 31, 2013

Balance December 31, 2011 (2013 Taxes)	\$ 16,401.25
Increased by:	
Receipts -- Collector	21,333.33
	37,734.58
Decreased by:	
Application to Taxes Receivable	16,401.25
Balance December 31, 2012 (2014 Taxes)	\$ 21,333.33

Exhibit SA-16

BOROUGH OF CHESILHURST
CURRENT FUND
Statement of Tax Overpayments
For the Year Ended December 31, 2013

Balance December 31, 2012	\$ 465.21
Increased by:	
Receipts -- Collector	1,511.53
	1,976.74
Decreased by:	
Refund of Overpayments	1,275.45
Balance December 31, 2013	\$ 701.29

BOROUGH OF CHESILHURST
CURRENT FUND
Statement of Local School District Taxes Payable
For the Year Ended December 31, 2013

Balance December 31, 2012	\$ 79,116.48
Increased by:	
2013 Levy -- Calendar Year	<u>791,164.00</u>
	870,280.48
Decreased by:	
Payments made to:	
Winslow Township Board of Education	<u>870,280.40</u>
Balance December 31, 2013	<u><u>\$ 0.08</u></u>

BOROUGH OF CHESILHURST
CURRENT FUND
 Statement of County Taxes Payable
 For the Year Ended December 31, 2013

2013 Levy:			
Net County Taxes	\$ 681,642.32		
County Library Tax	42,549.56		
County Open Space Tax	<u>17,864.68</u>		
			\$ 742,056.56
Decreased by:			
Disbursements			<u>\$ 742,056.56</u>

BOROUGH OF CHESILHURST
CURRENT FUND
 Statement of Due County for Added and Omitted Taxes
 For the Year Ended December 31, 2013

Balance December 31, 2012	\$ 1,508.20
Decreased by:	
Disbursements	<u>\$ 1,508.20</u>

BOROUGH OF CHESILHURST
CURRENT FUND
Statement of Payroll Deductions Payable
For the Year Ended December 31, 2013

Balance December 31, 2012	\$ 10,887.19
Increased by:	
Receipts	<u>432,696.77</u>
	443,583.96
Decreased by:	
Disbursements	<u>429,484.32</u>
Balance December 31, 2013	<u><u>\$ 14,099.64</u></u>

BOROUGH OF CHESILHURST
CURRENT FUND
 Federal, State and Other Grant Fund
 Statement of Federal, State and Other Grants Receivable
 For the Year Ended December 31, 2013

	Balance <u>Dec. 31, 2012</u>	<u>Accrued</u>	<u>Received</u>	Balance <u>Dec. 31, 2013</u>
Federal Grants:				
Community Development Block Grant-Year 32	\$ 10,093.00		\$ 10,093.00	
Community Development Block Grant-Year 33	22,800.00		14,326.70	\$ 8,473.30
Community Development Block Grant-Year 34		\$ 19,600.00		19,600.00
Community Development Block Grant-Year 35		17,200.00		17,200.00
NJ Transportation Trust Fund Authority Act - Cleveland Avenue		116,500.00		116,500.00
Total Federal Grants	32,893.00	153,300.00	24,419.70	161,773.30
State Grants:				
Recycling Tonnage Grant	36.64			36.64
Clean Communities Program		6,803.30	6,803.30	
Body Armor Replacement Program		1,299.16	1,299.16	
Alliance for Prevention of Alcohol and Drug Abuse	1,530.00	7,270.55	5,370.55	3,430.00
Total State Grants	1,566.64	15,373.01	13,473.01	3,466.64
Other Grants:				
JIF Safety Award		900.00	900.00	
Camden County Recreational Enhancement --Ballfield Improvements		25,000.00	25,000.00	
Total Other Grants	-	25,900.00	25,900.00	-
Total All Grants	\$ 34,459.64	\$ 194,573.01	\$ 63,792.71	\$ 165,239.94
Appropriated Reserves				
Fund Balance				

BOROUGH OF CHESILHURST
CURRENT FUND
 Federal, State and Other Grant Fund
 Statement of Reserves for Federal, State and Other Grants - Unappropriated
 For the Year Ended December 31, 2013

<u>Grant</u>	<u>Balance Dec. 31, 2012</u>	<u>Federal, State and Other Grants Receivable</u>	<u>Realized as Revenue in 2013</u>	<u>Balance Dec. 31, 2013</u>
Federal Grants:				
Community Development Block Grant-Year 34		\$ 19,600.00	\$ 19,600.00	
Community Development Block Grant-Year 35		17,200.00	17,200.00	
Total Federal Grants	-	36,800.00	36,800.00	-
State Grants:				
Recycling Tonnage Grant	\$ 601.60		601.60	
Clean Communities Program		6,803.30	5,039.30	\$ 1,764.00
Body Armor Replacement Program	1,113.41	1,299.16	1,113.00	1,299.57
Alcohol Education, Rehabilitation	107.93		107.93	
Municipal Alliance on Alcoholism and Drug Abuse		7,270.55	7,165.00	105.55
NJ Transportation Trust - Reconstruction of Cleveland Avenue		116,500.00	116,500.00	
Total State Grants	1,822.94	131,873.01	130,526.83	3,169.12
Other Grants:				
JIF Safety Award		900.00	900.00	
Camden County Recreational Facilities Enhancement		25,000.00	25,000.00	
Total Oher Grants	-	25,900.00	25,900.00	-
Total All Grants	\$ 1,822.94	\$ 194,573.01	\$ 193,226.83	\$ 3,169.12

BOROUGH OF CHESILHURST
CURRENT FUND
Federal, State and Other Grant Fund
Statement of Reserves for Federal, State and Other Grants - Appropriated
For the Year Ended December 31, 2013

Grant	Balance Dec. 31, 2012		Transferred - 2013 Budget Appropriations	Disbursed	Reallocation of Balance	Encumbrances / Contracts Payable	Balance Dec. 31, 2013
	Appropriated	Other					
Federal Grants:							
Community Development Block Grant	\$ 16,449.15	\$ 4,172.38					\$ 20,621.53
Community Development Block Grant -- 6th from Edwards to Morris			\$ 19,600.00		\$ (19,600.00)		
Community Development Block Grant -- 5th Ave and Siegfried			17,200.00	\$ 42,932.63	28,073.30	\$ 1,048.75	1,291.92
Community Development Block Grant -- 4th and Nelson	20,093.00				(8,473.30)		11,619.70
Municipal Storm Water Regulation Program		2,085.54				2,085.54	
Stimulus Funds		1,370.00				1,370.00	
NJ Transportation Trust Fund Authority Act							
Cleveland Avenue			116,500.00	1,100.00			115,400.00
Francis and Payson Avenues		3,391.25				3,391.25	
Sixth Avenue	4,150.82						4,150.82
Total Federal Grants	40,692.97	11,019.17	153,300.00	44,032.63	-	7,895.54	153,083.97
State Grants:							
Recycling Tonnage Grant	7,883.26		601.60				8,484.86
Alcohol Education, Rehabilitation and Enforcement	6,070.95		107.93	833.00			5,345.88
Clean Communities	10,639.68		5,039.30	9,711.05			5,967.93
Body Armor Replacement Program	5,713.68		1,113.00				6,826.68
Drunk Driving Enforcement Fund	793.60						793.60
Narcotics Task Force	5,642.00						5,642.00
Camden County Municipal Alliance Grant	165.22		7,165.00	5,641.59			1,688.63
Camden County Municipal Alliance Grant -Match	1,164.00		1,791.00	1,000.00			1,955.00
Total State Grants	38,072.39	-	15,817.83	17,185.64	-	-	36,704.58
Other Grants:							
Camden County Recreational Enhancement -- Ballfield Improvements			25,000.00	25,000.00			
JIF Safety Award			900.00	404.90			495.10
Total Other Grants	-	-	25,900.00	25,404.90	-	-	495.10
Total All Grants	\$ 78,765.36	\$ 11,019.17	\$ 195,017.83	\$ 86,623.17	-	\$ 7,895.54	\$ 190,283.65
Contracts Payable		\$ 4,172.38				\$ 1,048.75	
Encumbrances		6,846.79				6,846.79	
		<u>\$ 11,019.17</u>				<u>\$ 7,895.54</u>	

SUPPLEMENTAL EXHIBITS

TRUST FUND

BOROUGH OF CHESILHURST
TRUST FUNDS
Statement of Trust Fund Cash
Per N.J.S. 40A:5-5 -- Treasurer
For the Year Ended December 31, 2013

	<u>Animal Control</u>	<u>Other</u>
Balance December 31, 2012	\$ 2,774.54	\$ 115,199.25
Increased by Receipts:		
Reserve for Animal Control Fund Expenditures	\$ 237.00	
Due Current Fund	0.65	\$ 18,553.45
State Registration Fees	60.00	
Miscellaneous Trust Reserves		
Premiums Received at Tax Sale		33,500.00
Deposits for Redemption of Tax Sale Certificates		567,064.91
	297.65	619,118.36
	3,072.19	734,317.61
Decreased by Disbursements:		
State Registration Fees	69.00	
Miscellaneous Trust Reserves		
Reserve for Escrow Fees		6,143.75
Premiums Received at Tax Sale		22,200.00
Deposits for Redemption of Tax Sale Certificates		568,908.73
	69.00	597,252.48
Balance December 31, 2013	\$ 3,003.19	\$ 137,065.13

BOROUGH OF CHESILHURST
ANIMAL CONTROL TRUST FUND
 Statement of Due to Current Fund
 For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 2,272.74
Increased by:		
Receipts:		
Interfund Loans Received	\$ 0.65	
Statutory Excess in Revenue for Dog License Expenditures	<u>332.60</u>	
		<u>333.25</u>
		2,605.99
Decreased by		
Receipts made by the Current Fund:		
Dog License Fees	24.00	
Dog License Registration Fees	<u>12.60</u>	
		<u>36.60</u>
Balance December 31, 2013		<u><u>\$ 2,569.39</u></u>

BOROUGH OF CHESILHURST
ANIMAL CONTROL TRUST FUND
Statement of Reserve for Animal Control Expenditures
For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 500.60
Increased by:		
Collections made by the Current Fund	\$ 24.00	
Receipts	237.00	
		261.00
		761.60
Decreased by:		
Statutory Excess Due to Current Fund		332.60
Balance December 31, 2013		\$ 429.00
 <u>Dog License Fees Collected:</u>		
<u>Year</u>		
2011		\$ 206.00
2012		223.00
		\$ 429.00

BOROUGH OF CHESILHURST
ANIMAL CONTROL TRUST FUND
Statement of Due to State of New Jersey for Dog License Registration Fees
For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 1.20
Increased by:		
Collections made by the Current Fund	\$ 12.60	
Receipts -- Registration Fees	<u>60.00</u>	
		<u>72.60</u>
		73.80
Decreased by		
Disbursements:		
Disbursed		<u>69.00</u>
Balance December 31, 2013		<u><u>\$ 4.80</u></u>

BOROUGH OF CHESILHURST
TRUST - OTHER FUND
Statement of Accounts Receivable
For the Year Ended December 31, 2013

Balance December 31, 2012	\$ 15,118.75
Decreased by:	
Cancellations:	
Due Current Fund - Collected in a Prior Year	<u>5,512.50</u>
Balance December 31, 2013	<u><u>\$ 9,606.25</u></u>

BOROUGH OF CHESILHURST
TRUST - OTHER FUND
Statement of Due from Current Fund
For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 44,031.19
Increased by:		
Current Fund Balance - Accounts Receivable	\$ 5,512.50	
Collections made by the Current Fund	34,727.96	
2013 Budget Appropriation	<u>15,225.00</u>	
		<u>55,465.46</u>
		99,496.65
Decreased by:		
Current Fund Balance:		
Accounts Payable	\$ 487.50	
Reserve for Encumbrances	15,082.25	
Reserve for Escrow Fees	<u>538.00</u>	
		16,107.75
Due Current Fund:		
Disbursements made by Current Fund --		
Reserve for Recreation	50.00	
Receipts -- Interfund Loans Received	<u>18,553.45</u>	
		<u>18,603.45</u>
		<u>34,711.20</u>
Balance December 31, 2013		<u><u>\$ 64,785.45</u></u>

BOROUGH OF CHESILHURST
TRUST - OTHER FUND
Statement of Accounts Payable
For the Year Ended December 31, 2013

Balance December 31, 2012	\$ 487.50
Decreased by:	
Cancellations:	
Due Current Fund - Paid in Prior Year	<u>\$ 487.50</u>

Exhibit SB-8

BOROUGH OF CHESILHURST
TRUST - OTHER FUND
Statement of Reserve for Encumbrances
For the Year Ended December 31, 2013

Balance December 31, 2012	\$ 26,510.50
Decreased by:	
Cancellations:	
Due Current Fund - Paid in Prior Year	<u>15,082.25</u>
Balance December 31, 2013	<u>\$ 11,428.25</u>

BOROUGH OF CHESILHURST
TRUST - OTHER FUND
 Statement of Miscellaneous Trust Reserves
 For the Year Ended December 31, 2013

	Balance <u>Dec. 31, 2012</u>	Increases		Decreases		Balance <u>Dec. 31, 2013</u>
		<u>Receipts</u>	<u>Due Current Fund</u>	<u>Due Current Fund</u>	<u>Disbursements</u>	
Reserve for Escrow Fees	\$ 7,462.00		\$ 9,750.00	\$ 538.00	\$ 6,143.75	\$ 10,530.25
Premiums Received at Tax Sale	31,400.00	\$ 33,500.00			22,200.00	42,700.00
Deposits for Redemption of Tax Sale Certificates	37,924.30	567,064.91	19,562.56		568,908.73	55,643.04
Reserve for Maintenance Guarantee	2,250.00		450.00			2,700.00
Cash Performance Bond	15,000.00					15,000.00
Reserve for Recreation	17,437.00		3,350.00	50.00		20,737.00
Reserve for Public Defender Fees	1,213.50		592.50			1,806.00
Reserve for Off-Duty Municipal Police	1,462.50		792.50			2,255.00
Reserve for Accumulated Absences	7,388.81		8,000.00			15,388.81
Reserve for Snow Removal	23,423.08		7,225.00			30,648.08
Reserve for Forfeited Property			230.40			230.40
Reserve for Uniform Fire Safety Penalties	2,390.00					2,390.00
	<u>\$ 147,351.19</u>	<u>\$ 600,564.91</u>	<u>\$ 49,952.96</u>	<u>\$ 588.00</u>	<u>\$ 597,252.48</u>	<u>\$ 200,028.58</u>
2013 Budget Appropriations			\$ 15,225.00			
Collections made by the Current Fund			34,727.96			
Disbursements made by the Current Fund				\$ 50.00		
Cancellations -- Due Current Fund - Paid in Prior Year				538.00		
			<u>\$ 49,952.96</u>	<u>\$ 588.00</u>		

SUPPLEMENTAL EXHIBITS
GENERAL CAPITAL FUND

BOROUGH OF CHESILHURST
GENERAL CAPITAL FUND
Statement of General Capital Cash
Per N.J.S. 40A:5-5 -- Treasurer
For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 13,741.93
Increased by Receipts:		
Interest Earned on Deposit	\$ 3.97	
Due Federal and State Grant Fund	<u>21,834.00</u>	
		<u>21,837.97</u>
		35,579.90
Decreased by Disbursements:		
Due Current Fund -- Interfund Loans Returned		<u><u>\$ 35,579.90</u></u>

BOROUGH OF CHESILHURST
GENERAL CAPITAL FUND
 Analysis of General Capital Cash
 For the Year Ended December 31, 2013

	Balance	Receipts	Disbursements	T r a n s f e r s		Balance
	(Overdraft)					(Overdraft)
	<u>Dec. 31, 2012</u>	<u>Miscellaneous</u>	<u>Miscellaneous</u>	<u>From</u>	<u>To</u>	<u>Dec. 31, 2013</u>
Capital Improvement Fund	\$ 25,125.00				\$ 10,000.00	\$ 35,125.00
Due to / from Current Fund	(22,368.74)	\$ 3.97	\$ 35,579.90	\$ 10,000.00	164,695.00	96,750.33
Due From Federal and State Grant Fund	(21,834.00)	21,834.00				
Reserve for Purchase of Computer Equipment	4,060.01					4,060.01
Fund Balance	7,956.00					7,956.00
Improvement Authorizations:						
Ordinance						
<u>Number</u>						
09-10 Purchase of a Trash Truck and Tractor	<u>20,803.66</u>			<u>164,695.00</u>		<u>(143,891.34)</u>
	<u>\$ 13,741.93</u>	<u>\$ 21,837.97</u>	<u>\$ 35,579.90</u>	<u>\$ 174,695.00</u>	<u>\$ 174,695.00</u>	<u>-</u>

BOROUGH OF CHESILHURST
GENERAL CAPITAL FUND
 Statement of Deferred Charges to Future Taxation -- Unfunded
 For the Year Ended December 31, 2013

Ordinance Number	Improvement Description	Balance Dec. 31, 2012	Notes Paid by Budget Appropriation	Balance Dec. 31, 2013	Analysis of Balance December 31, 2013	
					Expenditures	Unexpended Improvement Authorizations
General Improvements:						
09-10	Purchase of a Trash Truck and Tractor	\$ 224,100.00	\$ 74,100.00	\$ 150,000.00	\$ 143,891.34	\$ 6,108.66

BOROUGH OF CHESILHURST
GENERAL CAPITAL FUND
Statement of Due from / to Current Fund
For the Year Ended December 31, 2013

Balance December 31, 2012 (Due from)		\$ 22,368.74
Increased by:		
2013 Budget Appropriation -- Capital Improvement Fund	\$ 10,000.00	
Disbursements:		
Interfund Loans Returned	<u>35,579.90</u>	
		<u>45,579.90</u>
		67,948.64
Decreased by:		
Receipts -- Interest Earned on Deposits	3.97	
Payments made by the Current Fund:		
Improvement Authorizations	\$ 14,695.00	
Bond Anticipation Notes	<u>150,000.00</u>	
	<u>164,695.00</u>	
		<u>164,698.97</u>
Balance December 31, 2013 (Due to)		<u><u>\$ 96,750.33</u></u>

Exhibit SC-5

BOROUGH OF CHESILHURST
GENERAL CAPITAL FUND
Statement of Due from Federal and State Grant Fund
For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 21,834.00
Decreased by:		
Receipts -- Interfund Loans Received		<u><u>\$ 21,834.00</u></u>

BOROUGH OF CHESILHURST
 GENERAL CAPITAL FUND
 Statement of Improvement Authorizations
 For the Year Ended December 31, 2013

<u>Ordinance Number</u>	<u>Improvement Descriptions</u>	<u>Date</u>	<u>Ordinance Amount</u>	<u>Balance Dec. 31, 2012 Unfunded</u>	<u>Paid or Charged</u>	<u>Balance Dec. 31, 2013 Unfunded</u>
General Improvements:						
09-10	Purchase of a Trash Truck and Tractor	11/12/09	\$ 250,000.00	<u>\$ 20,803.66</u>	<u>\$ 14,695.00</u>	<u>\$ 6,108.66</u>
	Due Current Fund				<u>\$ 14,695.00</u>	

BOROUGH OF CHESILHURST
GENERAL CAPITAL FUND
Statement of Capital Improvement Fund
For the Year Ended December 31, 2013

Balance December 31, 2012	\$ 25,125.00
Increased by:	
Due Current Fund -- Budget Appropriation	<u>10,000.00</u>
Balance December 31, 2013	<u><u>\$ 35,125.00</u></u>

BOROUGH OF CHESILHURST
GENERAL CAPITAL FUND
 Statement of Bonds Anticipation Notes
 For the Year Ended December 31, 2013

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Issue of Original Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2012</u>	<u>Decreased</u>
General Improvements:							
09-10	Purchase of a Trash Truck and Tractor	12/17/2009	12/14/2012	12/13/2013	2.25%	<u>\$ 224,100.00</u>	<u>\$ 224,100.00</u>
	Paid by Budget Appropriation						\$ 74,100.00
	Due Current Fund						<u>150,000.00</u>
							<u>\$ 224,100.00</u>

BOROUGH OF CHESILHURST
GENERAL CAPITAL FUND
Statement of Bonds and Notes Authorized but not Issued
For the Year Ended December 31, 2013

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Notes Paid by Current Fund</u>	<u>Balance Dec. 31, 2013</u>
General Improvements:			
04-04	Park Improvements	\$ 150,000.00	\$ 150,000.00

SUPPLEMENTAL EXHIBITS

SEWER UTILITY FUND

BOROUGH OF CHESILHURST
SEWER UTILITY FUND
Statement of Sewer Utility Cash
Per N.J.S. 40A:5-5 -- Treasurer
For the Year Ended December 31, 2013

		<u>Operating</u>
Balance December 31, 2012		\$ 373,594.39
Increased by Receipts:		
Collector		<u>275,223.46</u>
		648,817.85
Decreased by Disbursements:		
2013 Appropriations	\$ 137,453.07	
Bond Anticipation Notes	240,000.00	
Interest on Bonds and Notes	<u>53,399.59</u>	
		<u>430,852.66</u>
Balance December 31, 2013		<u><u>\$ 217,965.19</u></u>

BOROUGH OF CHESILHURST
SEWER UTILITY OPERATING FUND
Statement of Sewer Utility Cash
Per N.J.S.A. 40A:5-5 Collector
For the Year Ended December 31, 2013

Receipts:		
Consumer Accounts Receivable	\$ 264,824.13	
Sewer Prepaid Rents	516.35	
Miscellaneous Revenue Not Anticipated:		
Interest and Costs on Delinquent Rents	7,460.98	
Miscellaneous Other	<u>2,422.00</u>	
		\$ 275,223.46
Decreased by:		
Payments to Treasurer		<u><u>\$ 275,223.46</u></u>

Exhibit SD-3

BOROUGH OF CHESILHURST
SEWER UTILITY OPERATING FUND
Schedule of Change Funds
As of December 31, 2013

Utility Collector	<u><u>\$ 100.00</u></u>
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BOROUGH OF CHESILHURST
SEWER UTILITY OPERATING FUND
 Statement of Sewer Consumer Accounts Receivable
 For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 89,804.38
Increased by:		
Sewer Rents Levied		251,900.00
		341,704.38
Decreased by:		
Receipts -- Collector	\$ 264,824.13	
Prepaid Sewer Rents Applied	2,847.56	
		\$ 267,671.69
Transfer to Consumer Liens Receivable		4,200.00
Canceled		4,783.63
		276,655.32
Balance December 31, 2013		\$ 65,049.06

Exhibit SD-5

BOROUGH OF CHESILHURST
SEWER UTILITY OPERATING FUND
 Statement of Sewer Consumer Liens Receivable
 For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 38,565.11
Increased by:		
Interest and Costs at Tax Sale	\$ 1,125.04	
Transfer from Consumer Accounts Receivable	4,200.00	
		5,325.04
Balance December 31, 2013		\$ 43,890.15

Exhibit SD-6

BOROUGH OF CHESILHURST
SEWER UTILITY OPERATING FUND
 Schedule of Protested Checks Receivable
 As of December 31, 2013

Balance December 31, 2013		\$ 2,483.51
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BOROUGH OF CHESILHURST
SEWER UTILITY CAPITAL FUND
 Schedule of Fixed Capital Authorized and Uncompleted
 As of December 31, 2013

<u>Improvements</u>	<u>Ordinance</u>		<u>Balance</u>	<u>Costs to</u>	<u>Authorizations</u>
	<u>Date</u>	<u>Amount</u>	<u>Dec. 31, 2012</u>	<u>Fixed</u>	<u>Canceled</u>
				<u>Capital</u>	
Various Improvements to Sewer Utility System	12/29/10	\$ 350,000.00	<u>\$ 350,000.00</u>	<u>\$ 300,000.00</u>	<u>\$ 50,000.00</u>

BOROUGH OF CHESILHURST
SEWER UTILITY OPERATING FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2013

	<u>Balance</u> <u>Dec. 31, 2012</u>	<u>Lapsed</u>
	<u>Reserved</u>	
Salaries and Wages	\$ 4,166.77	\$ 4,166.77
Other Expenses	6,692.44	6,692.44
Deferred Charges and Regulatory Expenditures:		
Regulatory Expenditures:		
Contribution to:		
Social Security System (O.A.S.I.)	1,105.44	1,105.44
Unemployment Compensation	373.34	373.34
	<u>\$ 12,337.99</u>	<u>\$ 12,337.99</u>

BOROUGH OF CHESILHURST
SEWER UTILITY OPERATING FUND
Statement of Prepaid Sewer Rents
For the Year Ended December 31, 2013

Balance December 31, 2012	\$ 2,847.56
Increased by:	
Collections -- 2014 Sewer Rents	<u>516.35</u>
	3,363.91
Decreased by:	
Prepaid Sewer Rents Applied	<u>2,847.56</u>
Balance December 31, 2013	<u><u>\$ 516.35</u></u>

BOROUGH OF CHESILHURST
SEWER UTILITY OPERATING FUND
 Statement of Accrued Interest on Loans and Notes
 For the Year Ended December 31, 2013

Balance December 31, 2012	\$ 18,701.32
Increased by:	
Budget Appropriation:	
Interest on Loan	\$ 46,175.57
Interest on Notes	<u>6,435.36</u>
	<u>52,610.93</u>
	71,312.25
Decreased by:	
Disbursement: Interest Paid	<u>53,399.59</u>
Balance December 31, 2013	<u><u>\$ 17,912.66</u></u>

	Principal Outstanding <u>December 31, 2013</u>	Interest Rate	<u>From</u>	<u>To</u>	Period (Days)	<u>Amount</u>
USRDA Loan (Capital):	\$ 914,422.33	5.00%	08/11/13	12/31/13	143	<u><u>\$17,912.66</u></u>

BOROUGH OF CHESILHURST
SEWER UTILITY CAPITAL FUND
 Schedule of Reserve for Debt Service
 For the Year Ended December 31, 2013

Balance December 31, 2013	\$ <u>35,912.00</u>
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BOROUGH OF CHESILHURST
SEWER UTILITY CAPITAL FUND
 Statement of Due to Sewer Utility Operating Fund
 For the Year Ended December 31, 2013

Increased by:	
Bond Anticipation Notes - Utility Operating Cash - Payoff	\$ <u>240,000.00</u>
Balance December 31, 2013	\$ <u>240,000.00</u>

BOROUGH OF CHESILHURST
SEWER UTILITY CAPITAL FUND
 Statement of Improvement Authorizations
 For the Year Ended December 31, 2013

<u>Ordinance</u> <u>Number</u>	<u>Improvement Descriptions</u>	<u>Date</u>	<u>Ordinance</u> <u>Amount</u>	<u>Balance</u> <u>December 31, 2012</u> <u>Unfunded</u>	<u>Authorizations</u> <u>Canceled</u>
General Improvements:					
10-13	Various Improvements to Sewer Utility System	12/29/10	\$ 350,000.00	<u>\$ 50,000.00</u>	<u>\$ 50,000.00</u>

BOROUGH OF CHESILHURST
SEWER UTILITY CAPITAL FUND
Statement of Reserve for Amortization
For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 3,729,368.01
Increased by:		
Budget Appropriation		
Payment of Bond Principal	\$ 25,155.66	
Payment of Note Principal	<u>60,000.00</u>	
		<u>85,155.66</u>
Balance December 31, 2013		<u><u>\$ 3,814,523.67</u></u>

BOROUGH OF CHESILHURST
SEWER UTILITY CAPITAL FUND
 Statement of Sewer Capital Bond Anticipation Notes
 For the Year Ended December 31, 2013

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Issue of Original Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2012</u>	<u>Decreased</u>
General Improvements:							
10-13	Various Improvements Sewer Utility System	12/15/2011	12/14/2012	12/13/2013	2.25%	<u>\$ 300,000.00</u>	<u>\$ 300,000.00</u>
	Paid by 2013 Utility Budget Appropriation						\$ 60,000.00
	Utility Operating Fund -- Cash						<u>240,000.00</u>
							<u>\$ 300,000.00</u>

BOROUGH OF CHESILHURST
SEWER UTILITY CAPITAL FUND
Statement of USRDA LOANS PAYABLE
For the Year Ended December 31, 2013

<u>Description</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Loans Outstanding</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2012</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2013</u>
			<u>Date</u>	<u>Amount</u>				
Construction of Sewer System	2/11/94	\$ 1,216,500.00	2014	\$ 26,429.16	5.00%	<u>\$ 939,577.99</u>	<u>\$ 25,155.66</u>	<u>\$ 914,422.33</u>
			2015	27,767.14				
			2016	29,172.86				
			2017	30,649.73				
			2018	32,201.38				
			2019	33,831.58				
			2020	35,544.30				
			2021	37,343.73				
			2022	39,234.25				
			2023	41,220.48				
			2024	43,307.28				
			2025	45,499.70				
			2026	47,803.13				
			2027	50,223.16				
			2028	52,765.71				
			2029	55,436.96				
			2030	58,243.47				
			2031	61,192.04				
			2032	64,289.90				
			2033	67,544.56				
			2034	34,721.81				

BOROUGH OF CHESILHURST
SEWER UTILITY CAPITAL FUND
Statement of Bonds and Notes Authorized but not Issued
For the Year Ended December 31, 2013

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2012</u>	<u>Notes Paid by Sewer Operating Fund</u>	<u>Authorizations Canceled</u>	<u>Balance December 31, 2013</u>
General Improvements:					
10-13	Various Improvements Sewer Utility System	<u>\$ 50,000.00</u>	<u>\$ 240,000.00</u>	<u>\$ 50,000.00</u>	<u>\$ 240,000.00</u>

BOROUGH OF CHESILHURST
PART 2
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2013

BOROUGH OF CHESILHURST
Schedule of Findings and Recommendations
For the Year Ended December 31, 2013

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.

None.

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

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

None.

FEDERAL AWARDS

Not Applicable.

STATE FINANCIAL ASSISTANCE PROGRAMS

Not Applicable.

BOROUGH OF CHESILHURST
Officials in Office and Surety Bonds

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

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bonds</u>
Michael Blunt	Mayor	
Herbert Littles	President of Council	
Karen Chew	Council Member	
Billy Ross	Council Member	
Russell Hirn, Sr.	Council Member	
Rukiah Alwan	Council Member	
Jamila Garnett	Council Member	
Sylvia A. Van Nockay	Borough Clerk	(A)
Gloria Rose	Deputy Borough Clerk and Register of Vital Statistics	(A)
William E. Hales, Jr.	Certified Municipal Finance Officer and Treasurer	(A)
JoAnn Watson	Tax and Sewer Utility Collector	(A)
Joannie Burnett	Sewer Clerk	(A)
Karen M. Paullin	Court Administrator and Violations Clerk	(A)
Michael Diamond	Judge of Municipal Court	(A)
Wendell Smith	Police Chief	(A)
Theresa Stagliano	Tax Assessor	(A)
William Tambussi	Attorney	
Steven Bach	Engineer	

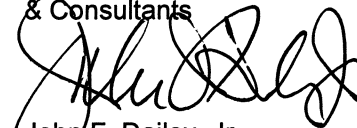
(A) – Covered by Camden County Joint Insurance Pool and Municipal Excess Joint Insurance Pool for \$1,000,000.00.

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



John F. Dailey, Jr.
Certified Public Accountant
Registered Municipal Accountant

