

**BOROUGH OF COLLINGSWOOD
REPORT OF AUDIT
YEAR ENDED DECEMBER 31, 2015**

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PART I

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Board of Commissioners
Borough of Collingswood
678 Haddon Avenue
Collingswood, New Jersey 08108

Report on the Financial Statements

We have audited the accompanying balance sheets - regulatory basis of the various funds and account groups of the Borough of Collingswood, as of December 31, 2015 and 2014, the related statement of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various funds for the year ended December 31, 2015, 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 basis of accounting prescribed by 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 misstatements, whether due to fraud or error.

Auditor's Responsibility

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

An audit 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 entity'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 of Collingswood on the basis of the financial reporting provisions prescribed by 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 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 each fund of the Borough of Collingswood as of December 31, 2015 and 2014, or changes in financial position for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the regulatory basis balance sheets and account group as of December 31, 2015 and 2014, the regulatory basis statements of operations for the years then ended and the regulatory basis statements of revenues and expenditures for the year ended December 31, 2015, in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough of Collingswood's basic financial statements. The supplementary information listed in the table of contents and schedule of expenditures of federal awards as required by *Audits of States Local Governments, and Non-Profit Organizations*, and/or *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Uniform Guidance*, and the schedule of state financial assistance as required by NJ OMB 15-08 and the letter of comments and recommendations section are presented for purposes of additional analysis and

are not a required part of the basic financial statements. The supplemental information listed in the table of contents and schedule of expenditures of federal awards as required by *Audits of States Local Governments, and Non-Profit Organizations*, and/or *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Uniform Guidance*, and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic 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 supplemental information listed in the table of contents, and schedule of expenditures of federal awards as required by *Audits of States Local Governments, and Non-Profit Organizations*, and/or *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Uniform Guidance*, and schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The letter of comments and recommendations section has not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 2, 2016, on our consideration of the Borough of Collingswood's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Collingswood's internal control over financial reporting and compliance.

PETRONI & ASSOCIATES LLC



Nick L. Petroni
Certified Public Accountant
Registered Municipal Accountant #252

March 2, 2016

CURRENT FUND

EXHIBIT A

COMPARATIVE BALANCE SHEET - CURRENT FUND - REGULATORY BASIS

ASSETS	Ref.	Balance	Balance
		Dec. 31, 2015	Dec. 31, 2014
Regular Fund:			
Cash - Treasurer	A-4	\$ 4,781,502.32	\$ 3,320,465.18
Change Fund		275.00	275.00
		<u>4,781,777.32</u>	<u>3,320,740.18</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-6	10,689.28	8,162.80
Tax Title Liens Receivable	A-7	45,847.55	45,954.09
Property Acquired for Taxes - Assessed Valuation	A-8	79,975.00	79,975.00
Revenue Accounts Receivable	A-9	10,448.70	11,837.21
Clean-up Charges Receivable		13,564.53	13,564.53
Mortgage Receivable		200,000.00	
Due from Camden County Municipal Utilities Authority		292.55	
Due from Federal and State Grant Fund	A	32,666.90	
Due from Animal Control Trust Fund	B	0.23	1.96
Due from Tax Sale Trust Fund	B	208.98	166.83
Due from Payroll Trust Fund			12,566.14
Due from Performance Bond Escrow Trust			1.92
Due from General Capital Fund	C	336.04	439.88
		<u>394,029.76</u>	<u>172,670.36</u>
Deferred Charges:			
Overexpenditure of Appropriation	A-3	1,539.19	
		<u>5,177,346.27</u>	<u>3,493,410.54</u>
Federal and State Grant Fund:			
Cash - Treasurer			44,705.04
Grants Receivable	A-5	605,556.84	409,230.89
		<u>605,556.84</u>	<u>453,935.93</u>
		<u>\$ 5,782,903.11</u>	<u>\$ 3,947,346.47</u>

The accompanying notes to the financial statements are an integral part of this statement.

EXHIBIT A
(Continued)

COMPARATIVE BALANCE SHEET - CURRENT FUND - REGULATORY BASIS

LIABILITIES, RESERVES, AND FUND BALANCE	Ref.	Balance Dec. 31, 2015	Balance Dec. 31, 2014
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3:A-10	\$ 1,224,605.75	\$ 798,175.25
Encumbrances Payable	A-11	124,612.10	102,876.44
Reserve for Maintenance of Free Public Library		116.74	3,309.09
Due State of New Jersey:			
Senior Citizen and Veterans Deductions	A-12	5,250.00	5,149.73
Construction DCA		2,446.00	3,086.00
Marriage License Fees/Burial Permits		171.00	928.00
Prepaid Taxes		175,490.20	142,972.16
Tax Overpayments		49,029.96	123,308.90
Due County for Added & Omitted Taxes	A-6	1,888.88	6,647.92
Overpaid Utilities Authority Payment		292.55	
Special Improvement District Tax Payable		4,387.47	3,419.76
Reserve for Security Deposits		750.00	2,350.00
Due Trust Other	B	22,501.56	0.91
Reserve for Revenue - Unappropriated:			
Susan G. Komen The Cure Donations		1,299.00	1,239.00
Sale of Property Reserved for Debt Service	A-2:A-4	840,612.15	315,147.66
JIF Safety Awards		1,250.00	1,250.00
		<u>2,454,703.36</u>	<u>1,509,860.82</u>
Reserve for Receivables		394,029.76	172,670.36
Fund Balance	A-1	<u>2,328,613.15</u>	<u>1,810,879.36</u>
		<u>5,177,346.27</u>	<u>3,493,410.54</u>
Federal and State Grant Fund:			
Reserve for Grants - Appropriated	A-15	570,239.94	406,972.10
Reserve for Grants - Unappropriated	A-14	2,650.00	20,988.57
Encumbrances Payable			25,975.26
Due Current Fund	A	32,666.90	
		<u>605,556.84</u>	<u>453,935.93</u>
		<u>\$ 5,782,903.11</u>	<u>\$ 3,947,346.47</u>

The accompanying notes to the financial statements are an integral part of this statement.

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE
IN FUND BALANCE - CURRENT FUND - REGULATORY BASIS

Revenue and Other Income Realized	Ref.	Year 2015	Year 2014
Fund Balance Utilized	A-2	\$ 450,301.62	\$ 206,569.74
Miscellaneous Revenue Anticipated	A-2	7,290,295.92	6,585,774.65
Receipts from Delinquent Taxes	A-2	18,439.85	28,799.15
Receipts from Current Taxes	A-2	34,657,340.20	33,817,373.78
Non-Budget Revenue	A-2	69,569.24	127,146.89
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-10	549,981.61	232,150.19
Encumbrances Payable - Canceled	A-11	20,935.66	960.60
Interfund Loan Returned		13,257.61	130,647.35
Reserve for Grants Appropriated - Canceled			496,652.85
Total Income		43,070,121.71	41,626,075.20
Expenditures			
Budget Appropriations Within "CAPS:"			
Operations:			
Salaries and Wages	A-3	4,907,583.00	4,748,973.31
Other Expenses	A-3	5,005,054.31	4,789,877.00
Deferred Charges and Statutory:			
Expenditures - Municipal	A-3	1,158,645.28	1,189,226.42
Budget Appropriations Excluded from "CAPS:"			
Operations:			
Salaries and Wages	A-3	15,000.00	15,000.00
Other Expenses	A-3	2,623,943.47	493,595.74
Capital Improvements	A-3	578,000.00	515,500.00
Debt Service	A-3	3,484,004.98	4,712,001.33
Transfer to Board of Education	A-3	222,500.00	222,500.00
County Taxes	A-6	8,182,233.24	8,053,384.64
County Open Space Taxes	A-6	203,324.91	206,497.51
Due County for Added Taxes	A-6	1,888.88	6,647.92
Local District School Tax	A-13	15,420,470.00	15,050,352.00
Special Improvement District Tax	A-6	264,767.67	263,893.47
Prior Year Deductions Disallowed	A-12	3,750.00	4,500.00
Prior Year Refund			127.00
Prior Year Tax Judgments			68,802.91
Interfund Loan Advanced		32,459.75	18,684.89
Grants Receivable Canceled			474,416.43
Total Expenditures		42,103,625.49	40,833,980.57

The accompanying notes to the financial statements are an integral part of this statement.

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE
IN FUND BALANCE - CURRENT FUND - REGULATORY BASIS

	Ref.	Year 2015	Year 2014
Excess in Revenue		966,496.22	792,094.63
Adjustments to Income Before Fund Balance:			
Expenditures Included Above Which are by Statute			
Deferred Charges to Budget of Succeeding Year	A-3	1,539.19	
Statutory Excess to Fund Balance		968,035.41	792,094.63
Fund Balance			
Balance January 1	A	1,810,879.36	1,225,354.47
		2,778,914.77	2,017,449.10
Decreased by:			
Utilization as Anticipated Revenue	A-1	450,301.62	206,569.74
Balance December 31	A	\$ 2,328,613.15	\$ 1,810,879.36

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF REVENUES - CURRENT FUND - REGULATORY BASIS

	Ref.	Anticipated		Realized	Excess or (Deficit)
		Budget	Amended by NJSA 40A:4-87		
Surplus Anticipated	A-1	\$ 450,301.62		\$ 450,301.62	
Miscellaneous Revenues:					
Licenses:					
Other	A-9	1,500.00		2,186.00	\$ 686.00
Fees and Permits	A-9	45,000.00		55,987.04	10,987.04
Fines and Costs:					
Municipal Court	A-9	140,000.00		144,549.31	4,549.31
Interest and Costs on Taxes	A-9	88,825.00		81,662.00	(7,163.00)
Interest on Investments	A-9	10,000.00		15,450.26	5,450.26
Department of Recreation Fees	A-9	70,000.00		48,341.00	(21,659.00)
Fire Code Fees	A-9	70,000.00		73,065.75	3,065.75
Delaware River Port Authority	A-9	30,000.00		30,000.00	
Pool Tags	A-9	170,000.00		189,422.00	19,422.00
Rental Inspections	A-9	15,000.00		23,220.00	8,220.00
Resale Inspection Fees	A-9	6,000.00		10,385.00	4,385.00
Third Party Ambulance - Billing	A-9	350,000.00		349,696.37	(303.63)
Collingswood Ambulance Service	A-9	7,500.00		12,640.00	5,140.00
Housing Inspections	A-9	80,000.00		82,052.50	2,052.50
Senior Community Center Rents	A-9	90,000.00		96,739.10	6,739.10
Consolidated Municipal					
Property Tax Relief Act					
(NJSA 52:27D-118.34)	A-9	148,831.00		148,831.00	
Energy Receipts Tax	A-9	1,046,587.00		1,046,587.00	
Uniform Construction Code	A-9	150,000.00		162,451.00	12,451.00
Interlocal Municipal Services:					
Oaklyn - Construction	A-9	12,000.00		12,000.00	
Haddon - Fire Service	A-9	29,790.40		30,091.44	301.04
Oaklyn - Fire Code	A-9	3,000.00		3,000.00	
Cable Television Franchise Fee	A-9	98,275.84		97,866.92	(408.92)
Telephone/Internet Franchise Fee	A-9	97,866.92		98,275.84	408.92
Sale of Property	A:A-9	315,000.00		517,290.62	202,290.62
Recycled Newspapers	A-9	20,000.00		2,500.52	(17,499.48)
Sewer Operating Surplus	A-9	70,000.00		70,000.00	
Parking Operating Surplus	A-9	20,000.00		20,000.00	
Payments in Lieu:					
Parkview Apartments	A-9	800,000.00		809,358.40	9,358.40
Methodist Home	A-9	44,512.00		44,512.00	
Collingswood Housing Authority	A-9	18,000.00		19,906.00	1,906.00
Lumberyard	A-9	122,600.00		221,591.24	98,991.24
Pewter Village	A-9	121,658.40		125,135.40	3,477.00
VOA	A-9	12,000.00		13,459.87	1,459.87
Zane School	A-9	8,487.20		8,487.20	
Tedeschi	A-9	4,890.00		6,174.02	1,284.02

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF REVENUES - CURRENT FUND - REGULATORY BASIS

	Ref.	Anticipated		Realized	Excess or (Deficit)
		Budget	Amended by NJSA 40A:4-87		
Due from Scottish Rite	A-9	200,000.00		162,999.71	(37,000.29)
Due from Collingswood Partners	A-9	125,000.00		112,949.34	(12,050.66)
Lease Payments:					
Catelli Parking	A-9	18,000.00		12,000.00	(6,000.00)
Lumberyard	A-9	28,800.00		11,880.00	(16,920.00)
Robert's Pool Concession Stand Sales	A-9	22,000.00		25,261.00	3,261.00
Due from Volunteer Fire Company	A-9	1,000.00		1,076.50	76.50
JIF Safety Awards	A-9	2,000.00		2,500.00	500.00
Commodity Resale Administration Fee	A-9	5,000.00		5,000.00	
Sale of Composters and Rain Barrels	A-9	1,500.00		1,815.00	315.00
Community Development Block Grant	A-5	42,100.00	52,100.00	94,200.00	
Bulletproof Vest Partnership	A-5		1,452.90	1,452.90	
New Jersey DOT Dayton Avenue	A-5		185,000.00	185,000.00	
Clean Communities Program	A-5		29,610.35	29,610.35	
Police Body Armor	A-5		2,604.85	2,604.85	
Drunk Driving Enforcement Fund	A-5	17,714.70		17,714.70	
Recycling Tonnage Grant	A-5	20,988.57		20,988.57	
Municipal Alliance	A-5	16,150.00		16,150.00	
Safe Routes to School	A-5		241,000.00	241,000.00	
Assistance to Firefighters Grant	A-5		1,538,758.00	1,538,758.00	
Assistance to Firefighters - Local Match	A-5		134,420.20	134,420.20	
Total Miscellaneous Revenues		4,817,577.03	2,184,946.30	7,290,295.92	287,772.59
Receipts from Delinquent Taxes	A-2	15,000.00		18,439.85	3,439.85
Amount to be Raised by Taxation	A-2	10,336,836.00		10,396,048.64	59,212.64
Minimum Library Tax	A-2	338,312.00		338,312.00	
Budget Totals		15,958,026.65	2,184,946.30	18,493,398.03	350,425.08
Non-Budget Revenue	A-2			69,569.24	
		<u>\$ 15,958,026.65</u>	<u>\$ 2,184,946.30</u>	<u>\$ 18,562,967.27</u>	
Ref.		A-3	A-3		

STATEMENT OF REVENUES - CURRENT FUND - REGULATORY BASIS

	Ref.	
Allocation of Current Tax Collections:		
Revenue from Collections	A-6	\$ 34,657,340.20
Allocated to:		
School, County and Special Improvement Taxes		24,072,684.70
Balance for Support of Municipal Budget Appropriation		10,584,655.50
Add: Appropriation "Reserve for Uncollected Taxes"	A-3	149,705.14
Amount for Support of Municipal Budget Appropriation	A-2	<u>\$ 10,734,360.64</u>
Receipts from Delinquent Taxes:		
Delinquent Tax Collection	A-6:A-2	\$ 10,381.17
Tax Title Liens	A-7	8,058.68
	A-2	<u>\$ 18,439.85</u>

Analysis of Non-Budget Revenue

Miscellaneous Revenue Not Anticipated:		
Revenue Accounts Receivable:		
Uniform Fire Safety Act	A-9	\$ 11,534.25
Commercial C/O Inspections	A-9	1,150.00
Conrail	A-9	300.00
Senior Citizen Administration Fee	A-9	1,883.26
DMV Inspection Fines	A-9	1,950.00
Clean up Charges	A-9	5,986.51
Taxi Cab Vehicle	A-9	375.00
Miscellaneous Revenue	A-9	12,269.94
Sale of Assets	A-9	5,861.50
Tax Searches	A-9	340.00
Miscellaneous Tax Fees	A-9	1,103.68
Prior Year Refund	A-9	26,017.19
Other Refunds	A-9	797.91
	A-2	<u>\$ 69,569.24</u>

STATEMENT OF EXPENDITURES - CURRENT FUND - REGULATORY BASIS

	Appropriations		Expended			Unexpended Balance Canceled	Over- expended
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved		
GENERAL GOVERNMENT FUNCTIONS							
Administrator's Office							
Other Expenses	\$ 750.00	\$ 750.00	\$ 682.85		\$ 67.15		
Mayor and Commissioners							
Salaries and Wages	23,500.00	23,500.00	22,971.78		528.22		
Other Expenses	150.00	150.00	55.00		95.00		
Municipal Clerk							
Salaries and Wages	47,500.00	48,000.00	47,631.37		368.63		
Other Expenses:							
Printing and Advertising	15,000.00	20,000.00	19,580.19		419.81		
Stationery and Supplies	500.00	500.00	426.04		73.96		
Miscellaneous Other Expenses	2,500.00	2,500.00	1,787.52		712.48		
Elections							
Salaries and Wages	1,500.00	1,500.00	1,300.00		200.00		
Other Expenses	9,000.00	9,000.00	7,817.52	\$ 100.00	1,082.48		
Financial Administration							
Salaries and Wages	50,000.00	46,000.00	40,134.40		5,865.60		
Other Expenses:							
Computer Consultant	5,000.00	5,000.00			5,000.00		
Miscellaneous Other Expenses	48,000.00	48,000.00	43,321.62	1,600.00	3,078.38		
Audit Services							
Other Expenses	19,500.00	19,500.00	19,500.00				
Collection of Taxes							
Salaries and Wages	5,500.00	5,500.00	5,340.40		159.60		
Other Expenses	18,600.00	18,600.00	14,868.21		3,731.79		
Assessment of Taxes							
Salaries and Wages	22,500.00	22,500.00	21,804.90		695.10		
Other Expenses	7,325.00	8,825.00	8,616.73		208.27		
Legal Services and Costs							
Other Expenses	60,000.00	95,000.00	91,721.49		3,278.51		
Engineering Services and Costs							
Other Expenses	20,000.00	20,000.00	10,988.00	5,912.00	3,100.00		
Community Development							
Salaries and Wages	32,000.00	34,000.00	31,485.64		2,514.36		
Other Expenses	12,500.00	12,500.00	6,406.25	21.00	6,072.75		
Historical Building - Knight Homestead							
Other Expenses	550.00	550.00	88.00		462.00		

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES - CURRENT FUND - REGULATORY BASIS

	Appropriations		Expended			Unexpended Balance Canceled	Over- expended
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved		
LAND USE ADMINISTRATION							
Municipal Land Use Law (NJSA 40:55D-1)							
Planning Board							
Salaries and Wages	6,500.00	7,000.00	6,709.79		290.21		
Other Expenses	13,000.00	13,000.00	11,118.01		1,881.99		
Zoning Commission							
Salaries and Wages	16,500.00	20,500.00	20,198.67		301.33		
Other Expenses	7,000.00	10,000.00	9,970.99		29.01		
INSURANCE							
Liability Insurance	292,882.84	292,882.84	292,616.87		265.97		
Workers Compensation Insurance	236,573.28	236,573.28	236,573.28				
Group Insurance Plan for Employees	1,866,809.00	1,866,809.00	1,662,619.82		204,189.18		
Health Benefit Waiver	10,000.00	11,000.00	10,562.50		437.50		
PUBLIC SAFETY FUNCTIONS							
Police							
Salaries and Wages	2,455,000.00	2,455,000.00	2,117,727.29		337,272.71		
Other Expenses	110,000.00	111,500.00	111,084.72	1,954.47	0.00		\$ 1,539.19
Police Car Lease	38,000.00	38,000.00	35,795.26		2,204.74		
Ambulance							
Other Expenses	42,400.00	42,400.00	30,833.73	3,736.00	7,830.27		
Emergency Management Services							
Other Expenses	3,500.00	3,500.00	1,181.00		2,319.00		
Fire							
Salaries and Wages	1,280,000.00	1,261,400.00	1,201,006.80		60,393.20		
Other Expenses	68,225.00	68,225.00	58,388.08	9,483.31	353.61		
Volunteer Fire Company							
Salaries and Wages	1,000.00	1,000.00	400.00		600.00		
Uniform Fire Safety Act (PL 1983, CH. 383):							
Fire Inspector							
Salaries and Wages	65,000.00	65,000.00	61,772.31		3,227.69		
Other Expenses	12,300.00	12,300.00	7,445.57		4,854.43		
Municipal Prosecutor							
Salaries and Wages	15,183.00	15,183.00	15,159.08		23.92		

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES - CURRENT FUND - REGULATORY BASIS

	Appropriations		Expended			Unexpended Balance Canceled	Over- expended
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved		
PUBLIC WORKS FUNCTIONS							
Streets and Highways							
Salaries and Wages	215,000.00	195,000.00	169,756.72		25,243.28		
Other Expenses	18,500.00	18,500.00	18,492.83		7.17		
JIF Safety Equipment							
Other Expenses	2,000.00	2,000.00	351.54		1,648.46		
Snow Removal							
Other Expenses	5,000.00	5,000.00	5,000.00				
Shade Tree Commission							
Other Expenses	20,000.00	20,000.00	15,603.10	153.31	4,243.59		
Solid Waste Collection							
Contractual	540,000.00	490,000.00	407,500.00	40,750.00	41,750.00		
Public Building and Grounds							
Other Expenses	46,000.00	96,000.00	38,420.56	533.00	57,046.44		
Lumberyard							
Other Expenses	45,000.00	45,000.00	39,470.55		5,529.45		
Vehicle Maintenance							
Other Expenses	80,000.00	60,000.00	36,050.89	13,145.36	10,803.75		
HEALTH AND HUMAN SERVICES							
Public Health Services (Board of Health)							
Other Expenses	1,700.00	1,700.00	1,446.75		253.25		
Animal Regulation							
Other Expenses	10,000.00	11,000.00	9,648.85		1,351.15		
PARK AND RECREATION FUNCTIONS							
Parks and Playgrounds							
Salaries and Wages	43,000.00	43,000.00	35,921.52		7,078.48		
Other Expenses	72,500.00	72,500.00	55,375.59	4,356.22	12,768.19		
Robert's Park Swimming Pool							
Salaries and Wages	100,000.00	95,000.00	94,038.36		961.64		
Other Expenses	100,000.00	85,000.00	76,090.16		8,909.84		
Senior Center							
Salaries and Wages	45,000.00	45,000.00	35,941.28		9,058.72		
Other Expenses	54,000.00	50,250.00	48,742.80		1,507.20		
Foundation for the Arts							
Salaries and Wages	160,000.00	160,000.00	124,705.30		35,294.70		
Other Expenses	500.00	500.00			500.00		

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES - CURRENT FUND - REGULATORY BASIS

	Appropriations		Expended			Unexpended Balance Canceled	Over- expended
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved		
Business Improvement District							
Salaries and Wages	105,000.00	105,000.00	93,356.00		11,644.00		
Other Expenses	34,000.00	34,000.00	33,333.00		667.00		
OTHER COMMON OPERATING FUNCTIONS							
Community Sponsored Events							
Other Expenses	15,000.00	15,000.00	13,262.32	500.00	1,237.68		
Accumulated Leave Compensation	165,000.00	165,000.00	165,000.00				
UTILITY AND BULK EXPENSES							
Electricity	100,000.00	100,000.00	77,194.29		22,805.71		
Street Lighting	180,000.00	180,000.00	124,549.16		55,450.84		
Telephone	40,000.00	40,000.00	39,700.81	194.62	104.57		
Gas (Natural or Propane)	40,000.00	40,000.00	23,140.39		16,859.61		
Fuel Oil	45,000.00	45,000.00	22,003.38	1,546.79	21,449.83		
Telecommunication Costs	13,000.00	13,000.00	6,265.57		6,734.43		
Gasoline	90,000.00	90,000.00	49,738.74		40,261.26		
SOLID WASTE DISPOSAL COSTS							
Solid Waste Disposal							
Other Expenses	320,000.00	320,000.00	259,018.43	26,975.33	34,006.24		
MUNICIPAL COURT							
Salaries and Wages	136,500.00	136,500.00	132,896.18		3,603.82		
Other Expenses	32,000.00	32,000.00	21,061.99	273.85	10,664.16		
Public Defender							
Salaries and Wages	5,000.00	5,000.00	4,848.90		151.10		
UNIFORM CONSTRUCTION CODE - APPROPRIATIONS OFFSET BY DEDICATED REVENUES (NJAC 5:23-4.17)							
Construction Official							
Salaries and Wages	117,000.00	117,000.00	110,569.46		6,430.54		
Other Expenses	5,000.00	5,000.00	4,250.40		749.60		
Total Operations Including Contingent Within "CAPS"	9,942,448.12	9,911,098.12	8,680,437.50	111,235.26	1,120,964.55		1,539.19
Detail:							
Salaries and Wages	4,948,183.00	4,907,583.00	4,395,676.15		511,906.85		
Other Expenses	4,994,265.12	5,003,515.12	4,284,761.35	111,235.26	609,057.70		1,539.19

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES - CURRENT FUND - REGULATORY BASIS

	Appropriations		Expended			Unexpended Balance Canceled	Over- expended
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved		
STATUTORY EXPENDITURES:							
Contribution to:							
Public Employees' Retirement System	197,929.00	197,929.00	196,154.83		1,774.17		
Public Employees' Retirement System - Adjustment Bill	11,032.56	11,032.56	11,032.56				
Social Security System (OASI)	220,000.00	220,000.00	156,503.56		63,496.44		
Consolidated Police & Firemen's Retirement System	161.72	161.72	83.26		78.46		
Police & Firemen's Retirement System	726,922.00	726,922.00	712,765.12		14,156.88		
Defined Contribution Retirement Program	2,500.00	2,600.00	2,511.25		88.75		
Total Deferred Charges & Statutory Expenditures - Municipal within "CAPS"	1,158,545.28	1,158,645.28	1,079,050.58		79,594.70		
Total General Appropriations for Municipal Purposes within "CAPS"	11,100,993.40	11,069,743.40	9,759,488.08	111,235.26	1,200,559.25		1,539.19
OPERATIONS EXCLUDED FROM "CAPS"							
EDUCATION FUNCTIONS							
Maintenance of Free Public Library	392,275.00	392,275.00	375,336.70	478.09	16,460.21		
INSURANCE							
Group Insurance Plan for Employees	58,191.00	58,191.00	58,191.00				
SOLID WASTE DISPOSAL COSTS							
Recycling Tax							
Other Expenses	17,500.00	17,500.00	17,500.00				
Total Other Operations - Excluded from "CAPS"	467,966.00	467,966.00	451,027.70	478.09	16,460.21		
SHARED SERVICE AGREEMENTS							
Construction Code -Shared Service Agreements:							
Construction Official - Salaries & Wages:							
Borough of Oaklyn	12,000.00	12,000.00	10,281.33		1,718.67		
Fire Services - Interlocal Service Agreements:							
Township of Haddon	29,790.40	29,790.40	16,819.35	12,898.75	72.30		
Borough of Oaklyn	3,000.00	3,000.00	2,999.88		0.12		
Total Interlocal Municipal Service Agreements Excluded	44,790.40	44,790.40	30,100.56	12,898.75	1,791.09		

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES - CURRENT FUND - REGULATORY BASIS

	Appropriations		Expended		Unexpended Balance Canceled	Over- expended
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	
PUBLIC AND PRIVATE PROGRAMS						
OFFSET BY REVENUES						
Matching Funds for Grants	25,250.00	5,795.20			5,795.20	
Recycling Tonnage Grant	20,988.57	20,988.57	20,988.57			
Clean Communities Program		29,610.35	29,610.35			
Municipal Alliance on Alcoholism and Drug Abuse	20,187.50	20,187.50	20,187.50			
Drunk Driving Enforcement Fund	17,714.70	17,714.70	17,714.70			
Community Development Block Grant	42,100.00	94,200.00	94,200.00			
Police Body Armor Grant		2,604.85	2,604.85			
Safe Routes to Schools		241,000.00	241,000.00			
Bulletproof Vest Fund		1,452.90	1,452.90			
Assistance to Firefighters Grant		1,538,758.00	1,538,758.00			
Assistance to Firefighters - Local Match		153,875.00	153,875.00			
Total Public and Private Programs Excluded from "CAPS"	126,240.77	2,126,187.07	2,120,391.87		5,795.20	
Total Operations Excluded from "CAPS"	638,997.17	2,638,943.47	2,601,520.13	13,376.84	24,046.50	
Detail:						
Salaries and Wages	15,000.00	15,000.00	13,281.21		1,718.79	
Other Expenses	623,997.17	2,623,943.47	2,588,238.92	13,376.84	22,327.71	
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"						
Capital Improvement Fund	375,000.00	393,000.00	393,000.00			
NJ Transportation Trust Fund - Dayton Avenue		185,000.00	185,000.00			
Capital Improvements Excluded from "CAPS"	375,000.00	578,000.00	578,000.00			
DEBT SERVICE						
Payment of Bond Principal	1,795,000.00	1,795,000.00	1,795,000.00			
Payment of Bond Anticipation Notes	100,000.00	100,000.00	100,000.00			
Payment of Bond Anticipation Notes - Condo Units	565,000.00	565,000.00	565,000.00			
Interest on Bonds	983,496.28	983,496.28	983,495.33			\$ 0.95
Interest on Notes	27,334.66	40,584.66	40,509.65			75.01
Total Debt Service	3,470,830.94	3,484,080.94	3,484,004.98			75.96

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES - CURRENT FUND - REGULATORY BASIS

	Appropriations		Expended		Unexpended Balance Canceled	Over- expended
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	
Transfer to Board of Education	222,500.00	222,500.00	222,500.00			
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	4,707,328.11	6,923,524.41	6,886,025.11	13,376.84	24,046.50	75.96
Subtotal General Appropriations	15,808,321.51	17,993,267.81	16,645,513.19	124,612.10	1,224,605.75	75.96
Reserve for Uncollected Taxes	149,705.14	149,705.14	149,705.14			1,539.19
Total General Appropriations	<u>\$ 15,958,026.65</u>	<u>\$ 18,142,972.95</u>	<u>\$ 16,795,218.33</u>	<u>\$ 124,612.10</u>	<u>\$ 1,224,605.75</u>	<u>\$ 1,539.19</u>
Ref.	A-2			A-11	A	A
Budget	Ref. A-3	\$ 15,958,026.65				
Budget Amendments per NJSA 40A:4-87	A-2	2,184,946.30				
		<u>\$ 18,142,972.95</u>				
Reserve for Uncollected Taxes	Ref. A-2	\$ 149,705.14				
Reserve for Federal & State Grants - Appropriated	A-15	2,305,391.87				
Disbursed	A-4	14,340,121.32				
		<u>\$ 16,795,218.33</u>				

The accompanying notes to the financial statements are an integral part of this statement.

TRUST FUND

EXHIBIT B

COMPARATIVE BALANCE SHEET - TRUST FUND - REGULATORY BASIS

ASSETS	Ref.	Balance Dec. 31, 2015	Balance Dec. 31, 2014
Animal Control Trust Fund			
Cash - Treasurer	B-1	\$ 807.56	\$ 6,007.05
Performance Bond Escrow			
Cash - Treasurer			2,716.30
Payroll Trust Fund			
Cash - Treasurer	B-1	1,632.39	62,222.91
Trust Other Fund			
Cash - Treasurer	B-1	236,589.74	144,708.08
Commodity Resale Receivable		15,442.57	29,544.93
Accounts Receivable Off-Duty Police		63,170.75	80,407.53
Due from Current Fund	A	22,501.56	0.91
		337,704.62	254,661.45
Tax Sale Premium			
Cash - Collector	B-2	921,318.94	1,172,753.33
Due from Water Operating Fund	D	805.07	
		922,124.01	1,172,753.33
Unemployment Compensation Trust Fund			
Cash - Treasurer	B-1	34,786.85	43,850.73
		<u>\$ 1,297,055.43</u>	<u>\$ 1,542,211.77</u>

The accompanying notes to the financial statements are an integral part of this statement.

EXHIBIT B
(Continued)

COMPARATIVE BALANCE SHEET - TRUST FUND - REGULATORY BASIS

LIABILITIES, RESERVES, AND FUND BALANCE	Ref.	Balance Dec. 31, 2015	Balance Dec. 31, 2014
Animal Control Trust Fund			
Due Current Fund	A	\$ 0.23	\$ 1.96
Due State of New Jersey		9.60	7.20
Reserve for Dog Fund Expenditures	B-3	797.73	5,997.89
		<u>807.56</u>	<u>6,007.05</u>
Performance Bond Escrow			
Due Current Fund			1.92
Reserve for Performance Bond Escrow			2,714.38
			<u>2,716.30</u>
Payroll Trust Fund			
Payroll Taxes Payable		1,632.39	45,887.41
Due Current Fund			12,566.14
Due Water Operating Fund			1,582.00
Due Sewer Operating Fund			2,187.36
		<u>1,632.39</u>	<u>62,222.91</u>
Trust Other Fund			
Encumbrances Payable		18,104.13	14,240.23
Reserve for:			
Zoning Board Escrow		5,191.50	3,745.25
Planning Board Escrow		15,955.95	8,611.45
Performance Bond Escrow		4,010.88	
Street Opening Escrow		6,150.50	
Storm Recovery Trust Fund		14,075.53	22,927.21
Public Defender		1,598.45	1,305.20
Parking Offense Adjudication Act		519.49	1,030.89
Rooming House Escrow		1,400.00	1,400.00
Uniform Fire Safety - Penalty Money			9,166.96
Municipal Alliance Program Income		935.66	935.66
Law Enforcement Forfeiture		7,798.22	3,507.92
Donations - Police Equipment		1,922.25	1,922.25
Donations - Fire Equipment		840.46	665.46
Donations - Bike Share Program		12,244.19	12,885.28
Donations - Community Events and Activities		73,982.11	70,432.53
Recreation Trust Fund		1,249.69	1,249.69

The accompanying notes to the financial statements are an integral part of this statement.

EXHIBIT B
(Continued)

COMPARATIVE BALANCE SHEET - TRUST FUND - REGULATORY BASIS

LIABILITIES, RESERVES. AND FUND BALANCE	Ref.	Balance Dec. 31, 2015	Balance Dec. 31, 2014
(CONTINUED)			
Trust Other Fund			
Domestic Violence Program Income		283.39	283.39
Accumulated Absences		52,157.51	4,909.26
Commodity Resale		35,797.45	33,943.58
Off-Duty Police		80,405.18	58,417.16
Bequest - Ambulance Donations		3,082.08	3,082.08
		<u>337,704.62</u>	<u>254,661.45</u>
Tax Sale Premium			
Reserve for Tax Sale Redemptions	B-4	60,315.03	22,986.50
Reserve for Tax Sale Premiums	B-5	861,600.00	1,149,600.00
Due Current Fund	A	208.98	166.83
		<u>922,124.01</u>	<u>1,172,753.33</u>
Unemployment Compensation Trust Fund			
Reserve for Unemployment Claims		34,786.85	43,850.73
		<u>34,786.85</u>	<u>43,850.73</u>
		<u><u>\$ 1,297,055.43</u></u>	<u><u>\$ 1,542,211.77</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

GENERAL CAPITAL FUND

EXHIBIT C

COMPARATIVE BALANCE SHEET - GENERAL CAPITAL FUND - REGULATORY BASIS

ASSETS	Ref.	Balance	Balance
		Dec. 31, 2015	Dec. 31, 2014
Cash - Treasurer	C-2	\$ 1,909,831.47	\$ 1,276,625.63
Deferred Charges to Future Taxation:			
Funded	C-4	22,264,000.00	24,059,000.00
Unfunded	C-6	3,918,006.00	2,968,006.00
Amount to be Provided by Capital Lease		69,522.31	65,831.03
Due from Collingswood Board of Education			53,000.00
Due from Knights Park Trustees			5,000.00
Due from Camden County Open Space			25,000.00
Due from Board of Education Camden County Open Space			25,000.00
Lumberyard Developer Loan		1,300,000.00	1,300,000.00
		<u>\$ 29,461,359.78</u>	<u>\$ 29,777,462.66</u>
LIABILITIES, RESERVES, AND FUND BALANCE			
Bond Anticipation Notes Payable	C-9	\$ 5,040,000.00	\$ 4,090,000.00
Serial Bonds Payable	C-8	22,264,000.00	24,059,000.00
Improvement Authorizations:			
Funded	C-7	247,033.58	153,074.78
Unfunded	C-7	1,608,504.42	531,575.85
Encumbrances Payable		225,544.09	429,121.78
Capital Improvement Fund	C-5	1,419.34	285,744.34
Deposits on Sale of Property	C-3	5,000.00	5,000.00
Due from Current Fund	A	336.04	439.88
Capital Lease Payable		69,522.31	65,831.03
Fund Balance			157,675.00
		<u>\$ 29,461,359.78</u>	<u>\$ 29,777,462.66</u>

EXHIBIT C-1

SCHEDULE OF FUND BALANCE

Balance December 31, 2014	Ref. C	\$ 157,675.00
Decreased by:		
Financed Improvement Authorizations	C-7	<u>157,675.00</u>

The accompanying notes to the financial statements are an integral part of this statement.

WATER UTILITY FUND

EXHIBIT D

COMPARATIVE BALANCE SHEET - WATER UTILITY FUND - REGULATORY BASIS

ASSETS	Ref.	Balance	Balance
		Dec. 31, 2015	Dec. 31, 2014
Operating Fund			
Cash - Treasurer	D-5	\$ 840,226.07	\$ 380,176.46
Cash - Change Fund		50.00	50.00
Cash - Petty Cash		100.00	100.00
Due from Water Capital Fund	D	117.05	51.02
Due from Payroll Agency Trust			1,582.00
		<u>840,493.12</u>	<u>381,959.48</u>
Receivables with Full Reserves:			
Consumer Accounts Receivable	D-7	<u>157,231.91</u>	<u>188,594.02</u>
Deferred Charges:			
Deficit in Operations			<u>4,358.53</u>
Total Operating Fund		<u>997,725.03</u>	<u>574,912.03</u>
Capital Fund			
Cash - Treasurer	D-5	382,156.81	238,722.60
Fixed Capital	D-8	8,028,338.91	8,028,338.91
Fixed Capital Authorized and Uncompleted	D-9	4,702,240.00	4,302,240.00
Due from New Jersey Environmental Infrastructure Loan			<u>25,254.30</u>
Total Capital Fund		<u>13,112,735.72</u>	<u>12,594,555.81</u>
		<u>\$ 14,110,460.75</u>	<u>\$ 13,169,467.84</u>

The accompanying notes to the financial statements are an integral part of this statement.

EXHIBIT D
(Continued)

COMPARATIVE BALANCE SHEET - WATER UTILITY FUND - REGULATORY BASIS

LIABILITIES, RESERVES, AND FUND BALANCE	Ref.	Balance Dec. 31, 2015	Balance Dec. 31, 2014
Operating Fund			
Liabilities:			
Appropriation Reserves	D-4:D-11	\$ 223,016.16	\$ 261,210.04
Encumbrances Payable	D-12	144,258.71	4,963.04
Accrued Interest on Bonds & Loans	D-14	41,772.04	44,019.80
Water Rent Overpayments		12,108.54	10,272.87
Due Tax Sale Redemption Trust	B:D-5	805.07	
Due Sewer Operating Fund	E	13,698.92	9,086.68
		<u>435,659.44</u>	<u>329,552.43</u>
Reserve for Receivables		157,231.91	188,594.02
Fund Balance	D-1	404,833.68	56,765.58
Total Operating Fund		<u>997,725.03</u>	<u>574,912.03</u>
Capital Fund			
Serial Bonds Payable	D-16	2,250,500.00	2,422,500.00
NJ Environmental Infrastructure Loan Payable	D-17	1,483,880.24	1,556,692.90
Improvement Authorizations:			
Funded	D-15	352,087.05	27,087.05
Unfunded	D-15	1,020,759.48	879,234.94
Encumbrances Payable	D-12	1,791.58	309,812.94
Capital Improvement Fund	D-13	75,205.99	275,205.99
Reserve for Amortization		7,387,092.67	6,982,669.31
Deferred Reserve for Amortization	D-10	540,000.00	140,000.00
Due Water Operating Fund	D	117.05	51.02
Fund Balance	D-2	1,301.66	1,301.66
Total Capital Fund		<u>13,112,735.72</u>	<u>12,594,555.81</u>
		<u>\$ 14,110,460.75</u>	<u>\$ 13,169,467.84</u>

The accompanying notes to the financial statements are an integral part of this statement.

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE
IN FUND BALANCE - WATER UTILITY FUND - REGULATORY BASIS

Revenue and Other Income Realized	Ref.	Year 2015	Year 2014
Fund Balance Utilized	D-3	\$ 24,308.53	\$ 3,000.00
Rents	D-3	2,397,476.42	2,266,665.04
Miscellaneous	D-3	36,779.36	19,249.33
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	D-11	210,398.26	59,564.91
Total Income		<u>2,668,962.57</u>	<u>2,348,479.28</u>
Expenditures			
Operating	D-4	1,568,000.00	1,608,286.08
Capital Improvements	D-4	345,000.00	225,000.00
Debt Service	D-4	361,227.41	369,551.73
Deferred Charges and Statutory Expenditures	D-4	97,358.53	150,000.00
Total Expenditures		<u>2,371,585.94</u>	<u>2,352,837.81</u>
Excess in Revenue		297,376.63	
Deficit in Revenue			<u>\$ 4,358.53</u>
Adjustments to Income Before Fund Balance:			
Expenditures Included Above Which were funded by a Bond Ordinance	D-4	<u>75,000.00</u>	
Statutory Excess to Fund Balance		372,376.63	
Fund Balance			
Balance January 1	D	<u>56,765.58</u>	<u>\$ 59,765.58</u>
		429,142.21	59,765.58
Decreased by:			
Utilization as Anticipated Revenue	D-1	<u>24,308.53</u>	<u>3,000.00</u>
Balance December 31	D	<u>\$ 404,833.68</u>	<u>\$ 56,765.58</u>

The accompanying notes to the financial statements are an integral part of this statement.

EXHIBIT D-2

STATEMENT OF FUND BALANCE - WATER CAPITAL FUND - REGULATORY BASIS

Balance December 31, 2014	Ref. D	\$ 1,301.66
Balance December 31, 2015	D	<u>\$ 1,301.66</u>

EXHIBIT D-3

STATEMENT OF REVENUES - WATER OPERATING FUND - REGULATORY BASIS

	Ref.	Anticipated Budget	Realized	Excess or (Deficit)
Surplus Anticipated	D-1	\$ 24,308.53	\$ 24,308.53	
Rents	D-3	2,266,000.00	2,397,476.42	\$ 131,476.42
Miscellaneous	D-3	9,000.00	36,779.36	27,779.36
		<u>\$ 2,299,308.53</u>	<u>\$ 2,458,564.31</u>	<u>\$ 159,255.78</u>
	Ref. D-4			

Analysis of Realized Revenue

Rents:	Ref.	
Consumer Accounts Receivable:		
Collected	D-7	\$ 2,387,203.55
Overpayments Applied	D-7	10,272.87
		<u>\$ 2,397,476.42</u>
Miscellaneous:		
Interest on Delinquent Accounts		\$ 14,942.66
Miscellaneous		19,617.20
Interest on Investments		2,219.50
	D-5	<u>\$ 36,779.36</u>

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES - WATER UTILITY FUND - REGULATORY BASIS

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	
Operating:						
Salaries and Wages	\$ 603,000.00	\$ 603,000.00	\$ 544,357.90		\$ 58,642.10	
Other Expenses	965,000.00	965,000.00	806,252.06	\$ 7,798.71	150,949.23	
Capital Improvements:						
Capital Improvement Fund	200,000.00	200,000.00	200,000.00			
Purchase Utility Truck	70,000.00	70,000.00		64,134.00	5,866.00	
Repair to Well 35		75,000.00		72,326.00	2,674.00	
Debt Service:						
Payment of Bond Principal	172,000.00	172,000.00	172,000.00			
Payment of Loan Principal	73,000.00	73,000.00	72,812.66			\$ 187.34
Interest on Bonds	97,000.00	97,000.00	94,798.08			2,201.92
Interest on Loan	21,950.00	21,950.00	21,616.67			333.33
Deferred Charges:						
Deficit in Operations	4,358.53	4,358.53	4,358.53			
Statutory Expenditures:						
Public Employees' Retirement System	48,000.00	48,000.00	45,000.00		3,000.00	
Social Security System (OASI)	45,000.00	45,000.00	43,115.17		1,884.83	
	<u>\$ 2,299,308.53</u>	<u>\$ 2,374,308.53</u>	<u>\$ 2,004,311.07</u>	<u>\$ 144,258.71</u>	<u>\$223,016.16</u>	<u>\$ 2,722.59</u>
Ref.	D-3			D-12	D	
Budget	Ref.					
	D-3	\$ 2,299,308.53				
Emergency Authorization	D-3	75,000.00				
		<u>\$ 2,374,308.53</u>				
		Ref.				
Deferred Charge: Deficit in Operations			\$ 4,358.53			
Interest on Bonds and Notes		D-14	116,414.75			
Disbursed		D-5	1,883,537.79			
			<u>\$ 2,004,311.07</u>			

The accompanying notes to the financial statements are an integral part of this statement.

SEWER UTILITY FUND

EXHIBIT E

COMPARATIVE BALANCE SHEET - SEWER UTILITY FUND - REGULATORY BASIS

	Ref.	ASSETS	
		Balance Dec. 31, 2015	Balance Dec. 31, 2014
Operating Fund			
Cash - Treasurer	E-5	\$ 622,147.76	\$ 500,813.17
Cash - Change Fund		50.00	50.00
Cash - Petty Cash		100.00	100.00
Due from Water Operating Fund	D	13,698.92	9,086.68
Due from Sewer Capital Fund	E	221.33	160.12
Due from Payroll Trust Fund			2,187.36
		<u>636,218.01</u>	<u>512,397.33</u>
Receivables with Full Reserves:			
Consumer Accounts Receivable	E-7	2,483.20	2,349.42
Sewer Liens	E-8	155.04	155.04
		<u>2,638.24</u>	<u>2,504.46</u>
Total Operating Fund		<u>638,856.25</u>	<u>514,901.79</u>
Capital Fund			
Cash - Treasurer	E-5	751,038.47	746,690.73
Fixed Capital	E-9	5,460,682.14	5,387,682.14
Fixed Capital Authorized and Uncompleted	E-10	1,750,000.00	1,650,000.00
Total Capital Fund		<u>7,961,720.61</u>	<u>7,784,372.87</u>
		<u>\$ 8,600,576.86</u>	<u>\$ 8,299,274.66</u>

The accompanying notes to the financial statements are an integral part of this statement.

EXHIBIT E
(Continued)

COMPARATIVE BALANCE SHEET - SEWER UTILITY FUND - REGULATORY BASIS

LIABILITIES, RESERVES AND FUND BALANCE	Ref.	Balance Dec. 31, 2015	Balance Dec. 31, 2014
Operating Fund			
Liabilities:			
Appropriation Reserves	E-4:E-11	\$ 187,279.78	\$ 217,717.37
Encumbrances Payable	E-12	17,797.41	3,470.06
Accrued Interest on Bonds	E-14	32,114.60	34,856.98
Sewer Rent Overpayments	E-5	5,860.51	6,522.38
		<u>243,052.30</u>	<u>262,566.79</u>
Reserve for Receivables		2,638.24	2,504.46
Fund Balance	E-1	393,165.71	249,830.54
Total Operating Fund		<u>638,856.25</u>	<u>514,901.79</u>
Capital Fund			
Serial Bonds Payable	E-16	1,475,500.00	1,597,500.00
NJ Wastewater Treatment Trust Loan	E-17	893,678.45	1,013,506.54
Improvement Authorizations:			
Funded	E-15	285,675.40	186,388.87
Capital Improvement Fund	E-13	297,391.00	222,391.00
Encumbrances Payable	E-12	2,697.67	172,697.67
Due Sewer Operating Fund	E	221.33	160.12
Reserve for Amortization		4,591,503.69	4,276,675.60
Deferred Reserve for Amortization	E-18	250,000.00	150,000.00
Fund Balance	E-2	165,053.07	165,053.07
Total Capital Fund		<u>7,961,720.61</u>	<u>7,784,372.87</u>
		<u>\$ 8,600,576.86</u>	<u>\$ 8,299,274.66</u>

The accompanying notes to the financial statements are an integral part of this statement.

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE
IN FUND BALANCE - SEWER UTILITY FUND - REGULATORY BASIS

Revenue and Other Income Realized	Ref.	Year 2015	Year 2014
Fund Balance Utilized	E-3	\$ 92,000.00	\$ 7,573.74
Rents	E-3	1,959,543.54	1,940,789.87
Miscellaneous	E-3	9,591.03	7,931.68
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	E-11	193,299.96	41,771.74
Total Income		<u>2,254,434.53</u>	<u>1,998,067.03</u>
Expenditures			
Operating	E-4	1,268,000.00	1,218,762.87
Capital Improvements	E-4	248,000.00	175,000.00
Debt Service	E-4	316,099.36	315,040.29
Deferred Charges and Statutory Expenditures	E-4	187,000.00	185,000.00
Total Expenditures		<u>2,019,099.36</u>	<u>1,893,803.16</u>
Excess in Revenue		235,335.17	104,263.87
Fund Balance			
Balance January 1	E	249,830.54	153,140.41
		<u>485,165.71</u>	<u>257,404.28</u>
Decreased by:			
Utilization as Anticipated Revenue	E-1	92,000.00	7,573.74
Balance December 31	E	<u>\$ 393,165.71</u>	<u>\$ 249,830.54</u>

The accompanying notes to the financial statements are an integral part of this statement.

EXHIBIT E-2

STATEMENT OF FUND BALANCE - SEWER CAPITAL FUND - REGULATORY BASIS

Balance December 31, 2014	Ref. E	\$ 165,053.07
Balance December 31, 2015	E	<u>\$ 165,053.07</u>

EXHIBIT E-3

STATEMENT OF REVENUES - SEWER OPERATING FUND - REGULATORY BASIS

	Ref.	Anticipated Budget	Realized	Excess or (Deficit)
Surplus Anticipated	E-1	\$ 92,000.00	\$ 92,000.00	
Rents	E-3	1,930,000.00	1,959,543.54	\$ 29,543.54
Shared Service Agreement - Haddonfield		5,000.00		(5,000.00)
		<u>\$ 2,027,000.00</u>	<u>\$ 2,051,543.54</u>	<u>\$ 24,543.54</u>
	Ref. E-4			

Analysis of Realized Revenue

Rents:

Consumer Accounts Receivable:

Collected	E-7	\$ 1,953,021.16
Overpayments Applied	E-7	6,522.38
		<u>\$ 1,959,543.54</u>

Miscellaneous:

Interest on Delinquent Accounts		\$ 5,657.48
Interest on Investments		3,183.55
Connection Fee		750.00
	E-5	<u>\$ 9,591.03</u>

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES - SEWER UTILITY FUND - REGULATORY BASIS

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	
Operating:						
Salaries & Wages	\$ 678,000.00	\$ 678,000.00	\$ 596,808.77		\$ 81,191.23	
Other Expenses	585,000.00	585,000.00	471,436.40	\$ 17,797.41	95,766.19	
Shared Service Agreement - Haddonfield	5,000.00	5,000.00			5,000.00	
Capital Improvements:						
Capital Improvement Fund	175,000.00	175,000.00	175,000.00			
Purchase of a Vehicle	38,000.00	38,000.00	38,000.00			
Purchase a Pickup Truck with Plow	35,000.00	35,000.00	35,000.00			
Debt Service:						
Payment of Bond Principal	122,000.00	122,000.00	122,000.00			
Payment of Loan Principal	120,000.00	120,000.00	119,828.09			\$ 171.91
Interest on Bonds	61,375.00	61,375.00	61,224.59			150.41
Interest on Loans	20,625.00	20,625.00	13,046.68			7,578.32
Statutory Expenditures:						
Public Employees' Retirement System	65,000.00	65,000.00	65,000.00			
Social Security System (OASI)	52,000.00	52,000.00	46,677.64		5,322.36	
Deferred Charges:						
Surplus General Budget	70,000.00	70,000.00	70,000.00			
	<u>\$ 2,027,000.00</u>	<u>\$ 2,027,000.00</u>	<u>\$ 1,814,022.17</u>	<u>\$ 17,797.41</u>	<u>\$ 187,279.78</u>	<u>\$ 7,900.64</u>
Ref.	E-3			E-12	E	
Interest on Bonds and Notes		Ref.				
Disbursed		E-14	\$ 74,271.27			
		E-5	1,739,750.90			
			<u>\$ 1,814,022.17</u>			

The accompanying notes to the financial statements are an integral part of this statement.

PARKING UTILITY FUND

EXHIBIT F

COMPARATIVE BALANCE SHEET - PARKING UTILITY FUND - REGULATORY BASIS

ASSETS		Ref.	Balance Dec. 31, 2015	Balance Dec. 31, 2014
Operating Fund				
Cash	F-4	\$	175,467.21	\$ 221,939.95
Due from Parking Utility Capital Fund	F		27.98	3.18
			<u>175,495.19</u>	<u>221,943.13</u>
Deferred Charges:				
Deficit in Operations	F-1		<u>5,521.82</u>	
Total Operating Fund			<u>181,017.01</u>	<u>221,943.13</u>
Capital Fund				
Cash	F-4		<u>95,027.98</u>	<u>15,003.18</u>
			<u><u>\$ 276,044.99</u></u>	<u><u>\$ 236,946.31</u></u>
LIABILITIES, RESERVES, AND FUND BALANCE				
Operating Fund				
Appropriation Reserve	F-3:F-6	\$	25,577.83	\$ 3,792.79
Encumbrances Payable	F-8		488.84	
Fund Balance	F-1		<u>154,950.34</u>	<u>218,150.34</u>
			<u>181,017.01</u>	<u>221,943.13</u>
Capital Fund				
Due Parking Utility Operating Fund	F		27.98	3.18
Improvement Authorizations - Funded	F-9		80,000.00	
Capital Improvement Fund	F-7		<u>15,000.00</u>	<u>15,000.00</u>
			<u>95,027.98</u>	<u>15,003.18</u>
			<u><u>\$ 276,044.99</u></u>	<u><u>\$ 236,946.31</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

EXHIBIT F-1

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN
FUND BALANCE - PARKING UTILITY FUND - REGULATORY BASIS

Revenue and Other Income Realized	Ref.	Year 2015	Year 2014
Surplus Anticipated	F-2	\$ 63,200.00	\$ 20,000.00
Parking Meter	F-2	163,515.78	197,439.76
Miscellaneous Revenue Not Anticipated	F-2	7,169.61	9,675.52
Other Credits to Income:			
Unexpended Balance of Appropriation Reserve	F-6	3,792.79	47,228.55
Total Income		<u>237,678.18</u>	<u>274,343.83</u>
Expenditures			
Operating	F-3	101,000.00	130,491.10
Capital Improvements	F-3	120,000.00	15,000.00
Deferred Charges and Statutory Expenditures	F-3	22,200.00	19,508.90
		<u>243,200.00</u>	<u>165,000.00</u>
Excess in Revenue			109,343.83
Deficit in Revenue		<u>\$ 5,521.82</u>	
Fund Balance			
Balance January 1	F	\$ 218,150.34	128,806.51
		218,150.34	238,150.34
Decreased by:			
Utilization as Anticipated Revenue	F-1	63,200.00	20,000.00
Balance December 31	F	<u>\$ 154,950.34</u>	<u>\$ 218,150.34</u>

EXHIBIT F-2

STATEMENT OF REVENUES - PARKING UTILITY FUND - REGULATORY BASIS

	Ref.	Anticipated Budget	Realized	Excess or (Deficit)
Surplus Anticipated	F-1	\$ 63,200.00	\$ 63,200.00	
Parking Meter	F-4	180,000.00	163,515.78	\$ (16,484.22)
		<u>\$ 243,200.00</u>	<u>\$ 226,715.78</u>	<u>\$ (16,484.22)</u>
	Ref.	F-3		
Miscellaneous:				
Interest on Investments	Ref.		\$ 681.61	
Parking Permit Fees			6,488.00	
	F-4		<u>\$ 7,169.61</u>	

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES - PARKING UTILITY FUND - REGULATORY BASIS

	Appropriations		Expended		
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved
Operating:					
Salary & Wages	\$ 28,000.00	\$ 28,000.00	\$ 23,913.64		\$ 4,086.36
Other Expenses	98,000.00	73,000.00	54,621.47	\$ 488.84	17,889.69
Capital Improvements:					
Capital Improvement Fund	80,000.00	80,000.00	80,000.00		
Purchase/Lease New Vehicle	15,000.00	40,000.00	36,886.37		3,113.63
Statutory Expenditures:					
Social Security	2,200.00	2,200.00	1,711.85		488.15
Surplus - General Budget	20,000.00	20,000.00	20,000.00		
	<u>\$ 243,200.00</u>	<u>\$ 243,200.00</u>	<u>\$ 217,133.33</u>	<u>\$ 488.84</u>	<u>\$ 25,577.83</u>
Ref.	F-2		F-4	F-8	F

The accompanying notes to the financial statements are an integral part of this statement.

GENERAL FIXED ASSETS

STATEMENT OF GENERAL FIXED ASSETS - REGULATORY BASIS

ASSETS	Balance Dec. 31, 2015	Balance Dec. 31, 2014
General Fixed Assets:		
Buildings	\$ 24,879,198.18	\$ 26,698,030.92
Land	784,275.00	784,275.00
Infrastructure	11,843,364.15	11,606,964.15
Machinery & Equipment	3,805,155.58	3,379,144.00
Vehicles	3,800,477.73	3,948,326.07
	<u>\$ 45,112,470.64</u>	<u>\$ 46,416,740.14</u>
Investment in General Fixed Assets	<u>\$ 45,112,470.64</u>	<u>\$ 46,416,740.14</u>

The accompanying notes to the financial statements are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

**BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Borough of Collingswood was incorporated in 1888 and is located in Camden County, New Jersey.

The Borough has an elected Mayor and two elected Commissioners with elections every four years. The Borough is managed daily by the Borough Administrator.

Except as noted below, the financial statements of the Borough of Collingswood included every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Borough of Collingswood, as required by NJSA 40A:5-5.

Component units are legally separate organizations for which the Borough is financially accountable. The Borough is financially accountable for an organization if the Borough appoints a voting majority of the organization's governing board and (1) the Borough is able to significantly influence the programs or services performed or provided by the organization; or (2) the Borough is legally entitled to or can otherwise access the organization's resources; the Borough is legally obligated or has otherwise assumed the responsibility to finance the deficits of or provide financial support to the organization; or the Borough is obligated for debt of the organization. Component units may also include organizations that are fiscally dependent on the Borough in that the Borough approves the budget, the issuance of debt or the levying of the taxes. However, under the regulatory basis of accounting in New Jersey, the component units are neither blended nor shown in a discrete presentation in the financial statements of the Borough. The Collingswood Free Public Library also has an independent audit performed and a copy is available at the Library. The Collingswood Special Improvement District also has an independent audit performed and a copy is available at the Special Improvement District Office. The Borough's component units are listed below:

Collingswood Free Public Library
771 Haddon Avenue
Collingswood, New Jersey 08108

Collingswood Special Improvement District
678 Haddon Avenue
Collingswood, New Jersey 08108

B. Description of Funds and Account Groups

The accounting policies of the Borough of Collingswood conform to the accounting principles applicable to municipalities, which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Borough of Collingswood accounts for its transactions through the following separate funds, which differ from the funds required by GAAP.

Current Fund - Resources and expenditures for governmental operations of a general nature, including federal and state grant funds.

Trust Fund - Receipts, custodianship, and disbursement of funds in accordance with the purpose for which each reserve was created.

**BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Description of Funds and Account Groups (Continued)

General Capital Fund - Receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund. In addition, the fund is used to track the status of debt authorized for capital projects.

Water & Sewer Operating and Capital Funds - Account for the operations and acquisition of capital facilities of the municipally-owned Water & Sewer Utility.

Parking Operating and Capital Funds - Account for the operations to preserve, care for, layout, construct, maintain, improve, and operate lands and facilities used for the provision of public parking and enforcement.

General Fixed Assets - To account for fixed assets used in governmental operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in Governmental Funds.

C. Basis of Accounting

The accounting principles and practices prescribed for municipalities in the State of New Jersey differ in certain respects from accounting principles generally accepted in the United States of America applicable to local governmental units. The more significant policies in New Jersey will follow.

A modified accrual basis of accounting is followed with minor exceptions. The more significant accounting principles are as follows:

Revenues - are recorded when received in cash except for certain amounts which are due from other governmental units. Receipts from federal and state grants are realized as revenue when anticipated in the Borough budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet 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. This method of revenue recognition differs from accounting principles generally accepted in the United States of America which recognizes revenue in the accounting period in which it is earned net of allowances for doubtful accounts.

Expenditures - are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods and services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements and constitute part of the Borough's regulatory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31 of each year 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. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital is on the cash basis and utility capital is on the

**BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Expenditures (Continued) - accrual basis. Compensated absences are treated on a pay as you go basis with no amount charged to operations in the year incurred.

This method differs from accounting principles generally accepted in the United States of America which requires that expenditures be recorded when services are rendered or goods are received. Under accounting principles generally accepted in the United States of America, appropriation reserves do not exist and encumbrances do not constitute expenditures.

Foreclosed Property - Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. Under accounting principles generally accepted in the United States of America, foreclosed property would be recorded at historical cost and no reserve would be provided.

Interfunds - Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves. Under accounting principles generally accepted in the United States of America, interfunds are not reserved.

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 balance sheets. Under accounting principles generally accepted in the United States of America inventory would be recorded as an asset on the balance sheet.

Proprietary Fund – Cash Flow Statement - In accordance with the reporting requirements of the Division of Local Government Services, the utility funds' financial statements do not include a statement of cash flows.

General Fixed Assets - In accordance with NJAC 5:30-5.6 accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles, the Borough has developed a fixed assets accounting and reporting system.

As required by New Jersey Statutes, foreclosed property is reported in the current operating fund of the municipality.

Fixed assets used in governmental operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks, and drainage systems are not capitalized.

All fixed assets are recorded at historical cost or estimated historical cost if actual historical cost is not available except for land, which is valued at estimated market value on the date of acquisition. The Borough capitalizes fixed assets with an original cost in excess of \$5,000.00.

Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation.

**BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

General Fixed Assets (Continued) - No depreciation has been provided for in the financial statements. Fixed assets acquired through grants in aid or contributed capital, have not been accounted for separately.

Property and equipment purchased by the Water Utility Fund, Sewer Utility Fund, and Parking Utility Fund is recorded in the respective capital account, at cost, and are adjusted for dispositions and abandonment. The amounts shown do not purport to represent reproduction costs or current value. Contributions in aid of construction are not capitalized. The balances in Reserve for Amortization and Deferred Reserve for Amortization accounts in the Water Utility Capital, Sewer Utility Capital and Parking Utility Capital Fund represent charges to operations for the costs of acquisition of property, equipment and improvements. The various utilities do not record depreciation on fixed assets.

General Long-Term Debt - General Long-Term Debt is accounted for in the General Capital, Water Utility Capital, Sewer Utility Capital and Parking Utility Capital Fund. Accounting principles generally accepted in the United States of America require General Long-Term Debt to be accounted for in the General Long-Term Debt Account Group.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America or the regulatory basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Property Taxes - The County Board of Taxation certifies the tax levy of the municipality each year. The tax levy is based on the assessed valuation of taxable property within the municipality. Taxes are payable on the first day of February, May, August, and November. Any taxes that have not been paid by the 11th day of the 11th month, in the year levied, are subject to being included in the tax sale and the lien enforced by selling the property in accordance with NJSA 54:5 et. seq.

The municipality is responsible for remitting 100% of the school and county taxes to the respective agency. The loss for delinquent or uncollectible accounts is borne by the municipality and not the school district or county. The inclusion of the "Reserve for Uncollected Taxes" appropriation in the Borough's annual budget protects the Borough from those taxes not paid. The minimum amount of the reserve is determined by the percentage of collections experienced in the preceding year, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations. Under accounting principles generally accepted in the United States of America, a "Reserve for Uncollected Taxes" would not be an appropriation.

Interest on Delinquent Taxes - It is the policy of the Borough to collect interest for the nonpayment of taxes or assessments on or before the date when they would become delinquent. The Tax Collector is authorized to charge eight percent (8%) per annum on the first \$1,500.00 of taxes becoming delinquent after due date and eighteen percent (18%) per annum on any amount of taxes in excess of \$1,500.00 becoming delinquent after due date and if a delinquency is in excess of \$10,000.00 and remains in arrears beyond December 31st, an

**BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Interest on Delinquent Taxes (Continued) - additional penalty of six percent (6%) shall be charged against the delinquency. There is a ten (10) day grace period.

Capitalization of Interest - It is the policy of the Borough to treat interest on projects as a current expense and the interest is included in the Operating budgets of the Water Capital Fund, Sewer Capital Fund and Parking Capital Fund.

D. Comparative Data

Comparative total data for the prior year has been presented in the accompanying Balance Sheets and Statement of Operations in order to provide an understanding of changes in the Borough's financial position. However, comparative (i.e., presentation of prior year totals by fund type) data have not been presented in the statement of revenues - regulatory basis and the statement of expenditures - regulatory basis since their inclusion would make the statements unduly complex and difficult to read.

E. Recent Accounting Pronouncements Not Yet Effective

In February 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 72, "Fair Value Measurement and Application." This statement, which is effective for fiscal periods beginning after June 15, 2015, will not have any effect on the Borough's financial reporting.

In June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 73, "Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68." This statement, which is effective for fiscal periods beginning after June 15, 2016, will not have any effect on the Borough's financial reporting.

In June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 74, "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans." This statement, which is effective for fiscal periods beginning after June 15, 2016, will not have any effect on the Borough's financial reporting.

In June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." This statement, which is effective for fiscal periods beginning after June 15, 2017, will not have any effect on the Borough's financial reporting.

In June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 76, "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments." This statement, which is effective for fiscal periods beginning after June 15, 2015, will not have any effect on the District's financial reporting.

In August 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 77, "Tax Abatement Disclosures." This statement, which is effective for fiscal periods beginning after December 15, 2015, will have an effect on the Borough's financial reporting. The impact of this statement on the Borough's financial reporting is not presently determinable.

**BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Recent Accounting Pronouncements Not Yet Effective

In December 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 78, "Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans." This statement, which is effective for fiscal periods beginning after December 15, 2015, will not have any effect on the Borough's financial reporting.

In December 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 79, "Certain External Investment Pools and Pool Participants." This statement, which is effective for fiscal periods beginning after December 15, 2015, will not have any effect on the Borough's financial reporting.

NOTE 2: BUDGETARY INFORMATION

The Borough must adopt an annual budget in accordance with NJSA 40A:4 et seq. This budget is required to be a balanced cash basis document. To accomplish this, the municipality is required to establish a reserve for uncollected taxes. The 2015 and 2014 statutory budgets included a reserve for uncollected taxes in the amount of \$149,705.14 and \$203,176.97, respectively. This protects the Borough from taxes not paid currently. Once approved, the Borough may make emergency appropriations for a purpose which is not foreseen at the time the budget is adopted per NJSA 40A:4-46 and 54. This type of appropriation shall be made to meet a pressing need for public expenditure to protect or promote the public health, safety or welfare prior to the next succeeding fiscal year. Emergency appropriations, except those classified as a special emergency, must be raised in the budget of the succeeding year. Special emergency appropriations are permitted to be raised in the budgets of the succeeding three or five years. Budget transfers between appropriation accounts are prohibited until the last two months of the year. Budget transfers during the year were not significant. After approval from the Director, the Borough can also make amendments for any special item of revenue made available by any public or private funding source as per NJSA 40A:4-87. The following budget amendments were approved as follows:

Current Fund:

Special Items of Revenue:

Clean Communities	\$ 29,610.35
Police Body Armor	2,604.85
Bulletproof Vest Partnership	1,452.90
Safe Routes to School	241,000.00
Community Development Block Grant	52,100.00
NJ DOT -Dayton Avenue	185,000.00
Assistance to Firefighters	1,538,758.00
Assistance to Firefighters - Shared Service	134,420.20

Water Operating Fund:

Emergency Repair Well #5	75,000.00
	<u>\$ 2,259,946.30</u>

The Water Operating Fund emergency was funded by ordinance prior to the end of the year.

**BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 3: CASH

Custodial Credit Risk – Deposits

Custodial Credit Risk is the risk that in the event of a bank failure, the government's deposits may not be able to recover the value of its deposits or investments. Deposits are considered to be exposed to Custodial Credit Risk if they are: uncollateralized (securities not pledged to the depositor), collateralized with securities held by the pledging financial institution, or collateralized with securities held by the financial institution's trust department or agent but not in the government's name. The municipality's policy is based on New Jersey Statutes requiring cash to be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Unit Deposit Protection Act (GUDPA) or in qualified investments established in NJSA 40A:5-15.1(a) that are treated as cash equivalents. At December 31, 2015 and 2014, the carrying amount of the Borough's deposits was \$10,753,108.57 and \$8,177,975.34, respectively. As of December 31, 2015 and 2014, \$0 of the municipality's bank balance of \$11,443,480.64 and \$8,746,536.89, respectively, was exposed to Custodial Credit Risk.

NOTE 4: INVESTMENTS

As of December 31, 2015 and 2014, the Borough did not have any investments.

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

Credit Risk - NJSA 40A:5-15.1(a) limits municipal investments to those specified in the statutes. The type of allowable investments are Bonds or other obligations of the United States or obligations guaranteed by the United States, Bonds or other obligations of the Borough or Bonds or other obligations of the Borough School District, Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investment of the Department of Treasury for investment by local units, government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

Concentration of Credit Risk - The Borough places no limit on the amount the Borough may invest in any one issuer.

NOTE 5: TAXES COLLECTED IN ADVANCE

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

	Balance Dec. 31, 2015	Balance Dec. 31, 2014
Prepaid Taxes - Cash Liability	<u>\$ 175,490.20</u>	<u>\$ 142,972.16</u>

**BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 6: FIXED ASSETS

The following is a summary of changes in the General Fixed Assets Account Group for the year ended December 31, 2015.

	Balance 12/31/2014	Additions	Deletions	Balance 12/31/2015
Land	\$ 784,275.00			\$ 784,275.00
Infrastructure	11,606,964.15	\$ 236,400.00		11,843,364.15
Buildings	26,698,030.92	196,000.00	\$ 2,014,832.74	24,879,198.18
Vehicles	3,948,326.07	102,988.78	250,837.12	3,800,477.73
Equipment	3,379,144.00	436,547.58	10,536.00	3,805,155.58
	<u>\$ 46,416,740.14</u>	<u>\$ 971,936.36</u>	<u>\$ 2,276,205.86</u>	<u>\$ 45,112,470.64</u>

NOTE 7: ECONOMIC DEPENDENCY

The Borough of Collingswood is not economically dependent on any one business or industry within the Borough.

NOTE 8: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2015, the following deferred charges are shown on the balance sheets of the various funds.

	Balance Dec. 31, 2015	2016 Budget Appropriation
Current Fund		
Overexpenditure of Appropriation	\$ 1,539.19	\$ 1,539.19
Parking Utility Operating Fund		
Deficit in Operations	5,521.82	5,521.82
	<u>\$ 7,061.01</u>	<u>\$ 7,061.01</u>

NOTE 9: FUND BALANCES APPROPRIATED

	Year	Balance December 31,	Utilized in Budget of Succeeding Year
	2015	\$ 2,328,613.15	a
	2014	1,810,879.36	\$ 450,301.62
Current Fund	2013	1,225,354.47	206,569.74
	2012	884,811.89	149,508.32
	2011	995,143.98	226,168.91

**BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 9: FUND BALANCES APPROPRIATED (CONTINUED)

	<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>
Water Operating Fund	2015	404,833.68	a
	2014	56,765.58	24,308.53
	2013	59,765.58	3,000.00
	2012	70,615.53	38,000.00
	2011	72,210.71	44,485.39
Sewer Operating Fund	2015	393,165.71	a
	2014	249,830.54	92,000.00
	2013	153,140.41	7,573.74
	2012	115,734.05	25,000.00
	2011	64,931.38	30,000.00
Parking Utility	2015	154,950.34	a
	2014	218,150.34	63,200.00
	2013	128,806.51	20,000.00
	2012	170,306.51	41,500.00
	2011	85,931.10	2,510.00

a = The 2016 budget has not been introduced as of the date of the audit.

NOTE 10: ACCUMULATED ABSENCE BENEFITS

All employees are granted sick and vacation benefits in varying amounts depending on their length of service with the Borough.

The Borough has entered into a duly negotiated and approved labor agreement with the FMBA #108, FOP Lodge #76, and Teamsters in regards to accumulated absence benefits. The Borough also has local personnel policy that covers all non-union personnel. The Borough has not appropriated anything in their budget to fund a reserve for accumulated absences.

SICK DAYS:

Police Superiors - Individuals covered under the Police Superiors' Contract may accrue nine (9) sick leave days per year. A Superior Officer may apply his unused accumulated sick leave time to early retirement, or he/she may receive 100% of his accumulated sick leave as additional severance pay.

Police Officers - Individuals covered under the Police Officers' Association may accrue seven (7) leave days per year. Upon separation, death, or retirement, a Police Officer will receive all accumulated days.

**BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 10: ACCUMULATED ABSENCE BENEFITS (CONTINUED)

Fire Officers - Individuals covered under the Fire Officers' Association may accrue seven (7) leave days per year. Upon separation, death, or retirement, a Fire Officer will receive all accumulated days.

Firefighters - Individuals covered under the Firefighters' Association may accrue seven (7) leave days per year. Upon separation, death, or retirement, a Firefighter will receive all accumulated days.

Teamsters - Individuals covered under the Teamsters agreement are granted fifteen (15) leave days per year. Any employee who has been vested in the State Pension Plan, upon termination will be entitled to buy back 100% of the employee's accumulated sick days, maximum bank of seventy-five (75) days, at the employee's regular rate of pay. The only exception is if the employee has been dismissed due to any type of disciplinary action. Annually, all employees who have accumulated and maintain fifty (50) sick days shall be entitled to buy back annually those days not used in the calendar year at the following rate: 2015 - 100%.

Non-Union - Individuals who are not covered under any of the above agreements are granted fifteen (15) leave days per year. Any amount of sick leave allowance not used in any calendar year shall accumulate to the employee's credit from year to year to a total of no more than fifty (50) days to be used if and when needed for such purpose, except that where an employee is employed by the Borough more than ten years. Annually, all employees who have accumulated and maintain fifty (50) sick days, shall be entitled to buy back annually those days not used in the calendar year at a rate of fifty (50%). Employees have the option to buy all sick days in that calendar year or they may bank them all or do a combination of both. Any employee who has been vested in the State Pension Plan, upon termination will be entitled to buy back fifty (50%) of the employees' accumulated sick days, maximum bank of fifty-five (55) days, at the employee's regular rate of pay.

Borough employees may carry unused vacation days forward one year if due to the "pressure of work." The total value of compensated absences owed to employees; as of December 31, 2015 and 2014; under the various agreements are as follows:

	Value	
	12/31/2015	12/31/2014
FMBA #108	\$ 233,704.29	\$ 208,673.77
FOP Lodge #76	396,374.05	522,304.68
Teamsters	67,448.63	119,026.85
Non-Union	182,024.35	132,088.92
	<u>\$ 879,551.32</u>	<u>\$ 982,094.22</u>

NOTE 11: INTERFUND RECEIVABLES AND PAYABLES

The interfunds for Animal Control Trust, Tax Sale, General Capital, and Trust Other are the result of interest earned in December but not transferred to Current Fund until January. The Water and Sewer Operating interfunds from the Water and Sewer Capital Funds are the result of interest earned in December but not transferred until January. The Water Operating and

**BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 11: INTERFUND RECEIVABLES AND PAYABLES (CONTINUED)

Sewer Operating interfunds are the result of payments transferred from Water to Sewer rents however, the cash was not transferred.

The following schedule reconciles interfund receivables and payables for the year ended December 31, 2015.

	Due	
	From	To
Current Fund		
Animal Control Trust	\$ 0.23	
Tax Sale Trust	208.98	
General Capital Fund	336.04	
Federal and State Grant Fund	32,666.90	
Trust Other		\$ 22,501.56
Animal Control Trust Fund		
Current Fund		0.23
Federal and State Grant Fund		
Current Fund		32,666.90
Trust Other		
Current Fund	22,501.56	
Tax Sale Trust		
Water Operating Fund	805.07	
Current Fund		208.98
General Capital Fund		
Current Fund		336.04
Water Capital Fund		
Water Operating Fund		117.05
Water Operating Fund		
Water Capital Fund	117.05	
Tax Sale Trust		805.07
Sewer Operating Fund		13,698.92
Sewer Operating Fund		
Sewer Capital Fund	221.33	
Water Operating Fund	13,698.92	
Sewer Capital Fund		
Sewer Operating Fund		221.33
Parking Utility Capital Fund		
Parking Utility Fund		27.98
Parking Utility Fund		
Parking Utility Capital Fund	27.98	
	<u>\$ 70,584.06</u>	<u>\$ 70,584.06</u>

**BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 12: NOTES PAYABLE

As of December 31, 2015, the Borough had the following bond anticipation notes outstanding:

	Amount	Rate	Date
General Capital Fund:			
First Colonial Community Bank	\$ 3,340,000.00	0.9800%	4/22/2016
First Colonial Community Bank	1,615,000.00	0.7900%	4/22/2016
First Colonial Community Bank	85,000.00	0.8500%	8/2/2016
	<u>\$ 5,040,000.00</u>		

It is the intent of the Borough to renew the notes, after a pay down of \$1,145,000.00 and permanently financing \$2,340,000.00 for an additional one year period upon maturity.

NOTE 13: LONG-TERM DEBT

Summary of Municipal Debt Service

Long-Term Debt as of December 31, 2015, consisted of the following:

	Year		
	2015	2014	2013
Bonds, Notes and Loans Issued	\$ 33,407,558.69	\$ 34,729,199.44	\$ 38,306,222.97
Bonds and Notes Authorized but not Issued	900,932.00	900,932.00	1,077,932.00
Net Bonds, Notes and Loans Issued and Authorized but not Issued	<u>\$ 34,308,490.69</u>	<u>\$ 35,630,131.44</u>	<u>\$ 39,384,154.97</u>

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014

NOTE 13: LONG-TERM DEBT (CONTINUED)

	Balance Dec. 31, 2014	Issued/ Authorized	Retired/ Reduction	Balance Dec. 31, 2015	Due Within One Year
ISSUED:					
General:					
General Serial Bonds	\$ 24,059,000.00		\$ 1,795,000.00	\$ 22,264,000.00	\$ 1,765,000.00
Bond Anticipation Notes	4,090,000.00	\$ 1,615,000.00	665,000.00	5,040,000.00	1,145,000.00
Water:					
Serial Bonds	2,422,500.00		172,000.00	2,250,500.00	209,000.00
NJ Infrastructure Loan	1,556,692.90		72,812.66	1,483,880.24	77,812.66
Sewer:					
Serial Bonds	1,597,500.00		122,000.00	1,475,500.00	147,000.00
NJ Infrastructure Loan	1,013,506.54		119,828.09	893,678.45	126,499.09
Net Debt Issued	<u>34,739,199.44</u>	<u>1,615,000.00</u>	<u>2,946,640.75</u>	<u>33,407,558.69</u>	<u>3,470,311.75</u>
AUTHORIZED BUT NOT ISSUED:					
General:					
Bond Anticipation Notes	178,006.00	1,615,000.00	1,615,000.00	178,006.00	
Water:					
Bond Anticipation Notes	722,926.00			722,926.00	
Sewer:					
Bond Anticipation Notes	None			None	
Authorized but not Issued	<u>900,932.00</u>	<u>1,615,000.00</u>	<u>1,615,000.00</u>	<u>900,932.00</u>	
Total Debt Issued and Authorized but not Issued	<u>\$ 35,640,131.44</u>	<u>\$ 3,230,000.00</u>	<u>\$ 4,561,640.75</u>	<u>\$ 34,308,490.69</u>	

Permanently Funded Debt Consisted of the Following:

\$1,050,000.00 Department of Environmental Infrastructure Loan (NJEIT) dated November 9, 2000, payable in semi-annual installments through August 2020. The sewer loan consists of \$530,000.00 trust loan and \$520,000.00 fund loan. The fund loan is at 0% per annum. The trust loan interest is paid at a rate of 4%-5.5% per annum. New Jersey Environmental Infrastructure Trust refunded this loan on June 20, 2006, saving the Borough \$25,542.38 in interest costs. These savings are applied as credits to payments. The balance remaining at December 31, 2015, was \$322,542.06.

\$573,513.00 Department of Environmental Infrastructure Loan (NJEIT) dated November 8, 2001, payable in semi-annual installments through August 2021. The sewer loan consists of \$280,000.00 trust loan and \$293,513.00 fund loan. The fund loan is at 0% per annum. The trust loan interest is paid at a rate of 5%-5.25% per annum. The balance remaining at December 31, 2015, was \$210,826.36.

**BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 13: LONG-TERM DEBT (CONTINUED)

Permanently Funded Debt Consisted of the Following (Continued):

\$726,000.00 Department of Environmental Infrastructure Loan (NJEIT) dated March 10, 2010, payable in semi-annual installments through August 2029. The loan consists of \$180,000.00 trust loan and \$546,000.00 fund loan. The fund loan is at 0% per annum. The trust loan interest is paid at a rate of 3%-5% per annum. The balance remaining at December 31, 2015, was \$360,310.03.

\$1,914,314.00 Department of Environmental Infrastructure Loan (NJEIT) dated May 22, 2013, payable in semi-annual installments through August 1, 2032. The water loan consists of \$640,000.00 trust loan and \$1,274,314.00 fund loan. Principal was forgiven on the Fund loan in the amount of \$244,600.00 in 2013. The fund loan is at 0% per annum. The trust loan interest is paid at a rate of 3%-5% per annum. The balance remaining at December 31, 2015, was \$1,483,880.24.

\$1,300,000.00 CCIA Revenue Bonds dated September 1, 1999, payable in annual installments through September 1, 2019. Interest is paid semi-annually at a rate of 5.85% per annum. The balance remaining as of December 31, 2015, was \$370,000.00.

\$3,537,000.00 General Improvement Bonds tax-exempt dated February 1, 2008, payable in annual installments through February 1, 2021. Interest is paid semi-annually at a rate of 3.5%-4% per annum. The balance remaining as of December 31, 2015, was \$3,537,000.00.

\$4,935,000.00 General Improvement Bonds taxable bonds dated February 1, 2008, payable in annual installments through February 1, 2016. Interest is paid semi-annually at a rate of 5% per annum. The balance remaining as of December 31, 2015, was \$760,000.00.

\$11,153,000.00 General Improvement Bonds dated June 1, 2009, payable in annual installments through June 1, 2029. Interest is paid semi-annually at a rate of 4.375%-4.5% per annum. The balance remaining as of December 31, 2015, was \$10,293,000.00.

\$3,224,000.00 General Improvement Bonds taxable bonds dated June 1, 2009, payable in annual installments through June 1, 2029. Interest is paid semi-annually at a rate of 6%- 6.25% per annum. The balance remaining as of December 31, 2015, was \$2,664,000.00.

\$3,500,000.00 General Improvement Bonds taxable bonds dated April 15, 2014, payable in annual installments through February 15, 2024. Interest is paid semi-annually at a rate of 2%-3.625% per annum. The balance remaining as of December 31, 2015, was \$3,210,000.00.

\$1,780,000.00 General Obligation Refunding Bonds dated May 15, 2014, payable in annual installments through November 15, 2022. Interest is paid semi-annually at a rate of 1.5% to 3% per annum. The balance remaining as of December 31, 2015, was \$1,430,000.00.

\$1,090,000.00 Water Utility Bonds dated October 1, 1998, payable in annual installments through October 1, 2018. Interest is paid semi-annually at a rate of 4.45%-4.55% per annum. The balance remaining as of December 31, 2015, was \$210,000.00.

**BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 13: LONG-TERM DEBT (CONTINUED)

Permanently Funded Debt Consisted of the Following (Continued):

\$558,000.00 Water Utility Bonds dated December 4, 2002, payable in annual installments through November 15, 2022. Interest is paid semi-annually at a rate of 4.3%-5.25% per annum. The balance remaining as of December 31, 2015, was \$248,000.00.

\$2,420,500.00 Water Utility Bonds dated February 1, 2008, payable in annual installments through February 1, 2028. Interest is paid semi-annually at a rate of 3.5%-4% per annum. The balance remaining as of December 31, 2015, was \$1,792,500.00.

\$1,135,000.00 Sewer Utility Bonds dated October 1, 1998, payable in annual installments through October 1, 2018. Interest is paid semi-annually at a rate of 4.45%-4.55% per annum. The balance remaining as of December 31, 2015, was \$210,000.00.

\$1,712,500.00 Sewer Utility Bonds dated February 1, 2008, payable in annual installments through February 1, 2028. Interest is paid semi-annually at a rate of 3.5%-4% per annum. The balance remaining as of December 31, 2014, was \$1,265,500.00.

As of December 31, 2015, debt service requirements on long-term debt in future years are:

Year Ended December	Principal	Interest	Total
General Serial Bonds			
Current Fund			
2016	\$ 1,765,000.00	\$ 907,366.28	\$ 2,672,366.28
2017	1,834,000.00	838,811.28	2,672,811.28
2018	1,904,000.00	772,406.90	2,676,406.90
2019	1,980,000.00	699,996.90	2,679,996.90
2020	2,054,000.00	618,233.78	2,672,233.78
2021-2025	7,595,000.00	2,005,753.21	9,600,753.21
2026-2029	5,132,000.00	514,497.50	5,646,497.50
	<u>\$ 22,264,000.00</u>	<u>\$ 6,357,065.85</u>	<u>\$ 28,621,065.85</u>

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014

NOTE 13: LONG-TERM DEBT (CONTINUED)

Year Ended December	Principal	Interest	Total
General Serial Bonds			
Water Operating Fund			
2016	\$ 209,000.00	\$ 89,309.26	\$ 298,309.26
2017	214,000.00	81,011.26	295,011.26
2018	219,000.00	72,136.88	291,136.88
2019	155,000.00	62,832.50	217,832.50
2020	161,000.00	56,483.76	217,483.76
2021-2025	785,000.00	180,272.50	965,272.50
2026-2028	507,500.00	31,070.00	538,570.00
	<u>\$ 2,250,500.00</u>	<u>\$ 573,116.16</u>	<u>\$ 2,823,616.16</u>

Year Ended December	Principal	Interest	Total
General Serial Bonds			
Sewer Operating Fund			
2016	\$ 147,000.00	\$ 57,426.26	\$ 204,426.26
2017	149,000.00	51,581.26	200,581.26
2018	151,000.00	45,580.63	196,580.63
2019	85,000.00	39,333.75	124,333.75
2020	87,000.00	36,000.00	123,000.00
2021-2024	499,000.00	123,280.00	622,280.00
2025-2028	357,500.00	21,830.00	379,330.00
	<u>\$ 1,475,500.00</u>	<u>\$ 375,031.90</u>	<u>\$ 1,850,531.90</u>

Year Ended December	Principal	Interest	Total
NJEIT Loan			
Water Operating Fund			
2016	\$ 77,812.66	\$ 21,150.00	\$ 98,962.66
2017	77,812.66	20,150.00	97,962.66
2018	82,812.66	19,150.00	101,962.66
2019	82,812.66	17,950.00	100,762.66
2020	82,812.66	16,750.00	99,562.66
2021-2025	429,063.30	64,600.00	493,663.30
2026-2030	464,063.30	31,500.00	495,563.30
2031-2032	186,690.34	4,050.00	190,740.34
	<u>\$ 1,483,880.24</u>	<u>\$ 195,300.00</u>	<u>\$ 1,679,180.24</u>

**BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 13: LONG-TERM DEBT (CONTINUED)

Year Ended December	Principal	Interest	Total
<u>NJET Loan</u>			
Sewer Operating Fund			
2016	\$ 136,499.09	\$ 22,081.26	\$ 158,580.35
2017	134,775.01	18,787.50	153,562.51
2018	141,027.84	15,450.00	156,477.84
2019	139,119.82	11,850.00	150,969.82
2020	137,212.00	8,350.00	145,562.00
2021-2024	155,044.69	16,600.00	171,644.69
2025-2029	50,000.00	5,350.00	55,350.00
	<u>\$ 893,678.45</u>	<u>\$ 98,468.76</u>	<u>\$ 992,147.21</u>

Summary of Statutory Debt Condition – Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 2.666%.

	Gross Debt	Deductions	Net Debt
Local School District Debt	\$ 14,650,000.00	\$ 14,650,000.00	
Water Debt	4,457,306.24	4,457,306.24	
Sewer Debt	2,369,178.45	2,369,178.45	
General Debt	27,482,006.00		\$ 27,482,006.00
	<u>\$ 48,958,490.69</u>	<u>\$ 21,476,484.69</u>	<u>\$ 27,482,006.00</u>

Net Debt \$27,482,006.00/Equalized Valuation Basis per NJSA 40A:2-2 as amended
\$1,030,826,864.00 = 2.666%.

Borrowing Power Under NJSA 40:A2-6 As Amended

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 36,078,940.24
Net Debt	<u>27,482,006.00</u>
Remaining Borrowing Power	<u>\$ 8,596,934.24</u>

**BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 13: LONG-TERM DEBT (CONTINUED)

Calculation of "Self-Liquidating Purpose" Water Utility Per NJSA 40:2-45

Cash Receipts From Fees, Rents, or Other Charges		\$ 2,458,564.31
Deductions:		
Operating and Maintenance Costs	\$ 1,661,000.00	
Debt Service Per Water Account	361,227.41	
	<u>2,022,227.41</u>	
Excess in Revenue		<u>\$ 436,336.90</u>

Calculation of "Self-Liquidating Purpose" Sewer Utility Per NJSA 40:2-45

Cash Receipts From Fees, Rents, or Other Charges		\$ 2,061,134.57
Deductions:		
Operating and Maintenance Costs	\$ 1,385,000.00	
Debt Service Per Sewer Account	316,099.36	
	<u>1,701,099.36</u>	
Excess in Revenue		<u>\$ 360,035.21</u>

Calculation of "Self-Liquidating Purpose" Parking Utility Per NJSA 40:2-45

Cash Receipts From Fees, Rents or Other Charges		\$ 233,885.39
Deductions:		
Operating and Maintenance Costs	\$ 103,200.00	
Debt Service Per Parking Account	None	
	<u>103,200.00</u>	
Excess in Revenue		<u>\$ 130,685.39</u>

NOTE 14: PENSION FUNDS

Description of Plans - All eligible employees of the Borough are covered by the Public Employees' Retirement System, (PERS), a cost-sharing, multiple-employer defined benefit pension plan which has been established by state statute and is administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of the System will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees' Retirement System. The reports may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey 08625-0295 or can be accessed on the internet at <http://www.state.nj.us/treasury/pensions/actuarial-rpts.shtml>.

Public Employees' Retirement System (PERS) - The Public Employees' Retirement System (PERS) was established as of January 1, 1955, under the provisions of NJSA 43:15A to provide retirement, death, disability, and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing, multiple-employer plan. Membership is generally required for substantially all full-time employees of the State or any county, municipality, school district or public agency provided the employee is not a member of another state-administered retirement system or other state or local jurisdiction.

**BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 14: PENSION FUNDS (CONTINUED)

Police and Firemen's Retirement System (PFRS) - The Police and Firemen's Retirement System was established in July 1944, under the provisions of NJSA 43:16A to provide coverage to substantially all full-time county or municipal police and fire-fighters and State fire-fighters appointed after June 30, 1944. Enrollment is required for permanent, full-time employees appointed to positions in law enforcement or firefighting in the State of New Jersey.

Defined Contribution Retirement Program (DCRP) - The Borough established Defined Contribution Retirement Program by ordinance on September 2, 2008, as required by Chapter 92 of the Laws of 2007 and NJSA 43:15C-1 et. seq. DCRP is a cost-sharing, multiple-employer defined contribution pension fund. 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 in NJSA 43:15C-1 et. seq. DCRP provides for employee contributions of 5.5%, of employees' annual base salary. Employers are required to contribute 3% of the employees' base salary.

Pension Deferral - On May 4, 2009, the Borough adopted a resolution requesting approval by the Local Finance Board of pension deferral pursuant to NJSA 43:15A-24(c) and NJSA 43:16A-15(9). This was approved on June 30, 2009, as follows: PERS amount deferred \$99,284.00, and PFRS - Police \$280,692.00 and Fire \$120,301.00, for a total of \$500,277.00. This amount is being repaid starting in April 2012, over a 15 year period through April 2027. The amount will fluctuate based on pension system investments earnings on the deferred amount.

Funding Policy -The contribution policy is set by NJSA 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997, and NJSA 18:66 and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. PERS provide for employee contributions of 6.92% to 7.06% of employees' annual compensation, as defined. Subsequent increases will be phased in over 7 years (each July 1) to bring the total pension contribution rate to 7.5% as of July 1, 2018. PFRS provides for employee contributions of 10% thereafter of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in PERS and PFRS. The PERS and PFRS rates in effect for 2015 are 11.92% and 24.32%, respectively, of covered payroll, as reported on June 30, 2013. The actuarially determined contribution includes funding for, cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. The Borough's contributions to PERS for the years ending December 31, 2015, 2014, and 2013, were \$307,929.00, \$284,215.00, and \$331,984.16, respectively, equal to the required contributions for each year. The Borough's contributions to PFRS for the years ending December 31, 2015, 2014, and 2013, were \$726,922.00, \$741,740.00, and \$797,939.00, respectively, equal to the required contributions for each year. \$14,156.88 of the PFRS pension was charged to a grant.

The total payroll for the years ending December 31, 2015, 2014, and 2013, was \$6,804,560.61, \$6,552,097.79, and \$6,681,458.91. Covered payroll for PERS was \$2,248,889.00, \$2,363,021.00, and \$2,334,189.00, respectively. Covered payroll for PFRS (Police) was \$1,566,040.00, \$1,624,827.00, and \$1,733,638.00, respectively. Covered payroll for PFRS (Fire) was \$1,160,480.00, \$1,107,559.00, and \$988,043.00, respectively.

**BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 14: PENSION FUNDS (CONTINUED)

Significant Legislation - Chapter 78, P.L. 2011, effective June 28, 2011, made various changes to the manner in which the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) operate and to the benefit provisions of those systems.

Chapter 78's provisions impacting employee pension and health benefits include:

- New members of the PERS hired on or after June 28, 2011, (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of $\frac{1}{4}$ of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members.
- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011, (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.
- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary.
- In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

Chapter 1, P.L. 2010, effective May 21, 2010, made a number of changes to the State-administered retirement systems concerning eligibility, the retirement allowance formula, the definition of compensation, the positions eligible for service credit, the non-forfeitable right to a pension, the prosecutor's part of the PERS, special retirement under the PFRS, and employer contributions to the retirement systems.

Also, Chapter 1, P.L. 2010 changed the membership eligibility criteria for new members of PERS from the amount of annual compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for new members of PERS to 1/60th from 1/55th, and it provided that new members of PERS have the retirement allowance calculated using the average annual compensation for the last five years of service instead of the last three years of service. New members of PERS will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only. For new members of the PFRS, the law capped the maximum compensation that can be used to calculate a pension from these plans at the annual wage contribution base for social security, and requires the pension to be calculated using a three year average annual compensation instead of the last year's salary. This law also closed the Prosecutors Part of the PERS to new members and repealed the law for new members that provided a non-forfeitable right to receive a pension based on the laws of the retirement system in place at the time 5 years of pension service credit

**BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 14: PENSION FUNDS (CONTINUED)

is attained. The law also requires the State to make its full pension contribution, defined a 1/7th of the required amount, beginning in fiscal years 2012.

Chapter 3, P.L. 2010, effective May 21, 2010, replaced the accidental and ordinary disability retirement for new members of the PERS with disability insurance coverage similar to that provided by the State to individuals enrolled in the State's Defined Contribution Retirement Program (DCRP).

Chapter 92, P.L. 2007 implemented certain recommendations contained in the December 1, 2006, report of the Joint Legislative Committee on Public Employee Benefits Reform; established a DCRP for elected and certain appointed officials, effective July 1, 2007; the new pension loan interest rate became 4.69% per year, and an \$8.00 processing fee per loan was charged, effective January 1, 2008. The legislation also removed language from existing law that permits the State Treasurer to reduce employer pension contributions needed to fund the Funds and Systems when excess assets are available.

NOTE 15: FINANCIAL INFORMATION RELATED TO GASB 68 & GASB 71 FOR PUBLIC RETIREMENT SYSTEMS

New Jersey municipalities do not follow GAAP accounting principles and, as such, do not follow GASB requirements with respect to recording the net pension liability as a liability on their balance sheets. However, NJAC 5:30-6.1(c)(2) requires municipalities and counties to disclose GASB 68 and GASB 71 information in the Notes to the Financial Statements. The following disclosures meet the requirements of GASB 68 & GASB 71 for the PERS and PFRS retirement systems.

Public Employee's Retirement System - At December 31, 2015, the Borough's liability of \$6,291,303 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2014, the Borough's proportion was 0.0336024802% compared to 0.0337235419% at June 30, 2013.

For the year ended December 31, 2015, the Borough's pension expense would be \$350,632 if New Jersey municipalities followed GAAP accounting principles. The Borough's deferred outflows of resources and deferred inflows of resources (which are not recorded) related to PERS are from the following sources:

**BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 15: FINANCIAL INFORMATION RELATED TO GASB 68 & GASB 71 FOR PUBLIC RETIREMENT SYSTEMS (CONTINUED)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	\$ 197,832	
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		\$ 374,927
Changes in Proportion and Differences Between the Borough's Contributions and Proportionate Share of Contributions		19,545
District Contributions Subsequent to the Measurement Date	307,929	
	<u>\$ 505,761</u>	<u>\$ 394,472</u>

\$307,929 represents deferred outflows of resources related to pensions, resulting from Borough contributions, subsequent to the measurement date (i.e. for the year ending December 31, 2015, the plan measurement date is June 30, 2014) is not recognized as a reduction of the net pension liability in the year ended December 31, 2015. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions are not recognized in pension expense since New Jersey municipalities do not follow GAAP accounting principles:

Year Ended June 30	Amount
2016	\$ (62,252)
2017	(62,252)
2018	(62,252)
2019	(62,252)
2020	36,366
Thereafter	16,002
	<u>\$ (196,640)</u>

Additional information – Collective balances at June 30, 2013 and 2014, are as follows:

	June 30, 2013	June 30, 2014
Collective Deferred Outflows of Resources		\$ 952,194,675
Collective Deferred Inflows of Resources		1,479,224,662
Collective Net Pension Liability	\$ 19,111,986,911	18,722,735,003
 Borough's Proportion	 0.0337235419%	 0.0336024802%

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014

NOTE 15: FINANCIAL INFORMATION RELATED TO GASB 68 & GASB 71 FOR PUBLIC RETIREMENT SYSTEMS (CONTINUED)

Contributions - The contribution policy for PERS is set by NJSA 15A and requires contributions by active members and contributing employers. The Borough's contribution amount was based on an actuarially determined rate which includes the normal cost and unfunded accrued liability.

Actuarial Assumptions

The total pension liability for the June 30, 2014, measurement date was determined by an actuarial valuation as of July 1, 2013, which was rolled forward to June 30, 2014. The total pension liability for the June 30, 2013, measurement date was determined by an actuarial valuation as of July 1, 2013. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate	3.01%
Salary Increases:	
2012-2021	2.15 – 4.40% Based on Age
Thereafter	3.15 – 5.40% Based on Age
Investment Rate of Return	7.90%

Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for females) with adjustments for mortality improvements from the base year of 2012 based on Projection Scale AA.

The actuarial assumptions used in the July 1, 2013, valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011.

Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Division of Pension and Benefits financial report at: <http://www.nj.gov/treasury/pensions/employer-home.shtml>.

Police and Firemen's Retirement System - The Borough has two separate retirement systems one for police and one for firefighters.

At December 31, 2015, the Borough's liability of \$6,960,449 for its proportionate share of the net pension liability for Police (Location 25801). The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2014, the Borough's proportion was 0.0553335655% compared to 0.0615535496% at June 30, 2013.

For the year ended December 31, 2015, the Borough's pension expense would be \$386,440 if New Jersey municipalities followed GAAP accounting principles. The Borough's deferred outflows of resources and deferred inflows of resources (which are not recorded) related to PFRS are from the following sources:

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014

NOTE 15: FINANCIAL INFORMATION RELATED TO GASB 68 & GASB 71 FOR PUBLIC RETIREMENT SYSTEMS (CONTINUED)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	\$ 261,319	
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		\$ 710,290
Changes in Proportion and Differences Between the Borough's Contributions and Proportionate Share of Contributions		692,873
District Contributions Subsequent to the Measurement Date	467,136	
	<u>\$ 728,455</u>	<u>\$ 1,403,163</u>

\$467,136 represents deferred outflows of resources related to pensions, resulting from Borough contributions, subsequent to the measurement date (i.e. for the year ending December 31, 2015, the plan measurement date is June 30, 2014) is not recognized as a reduction of the net pension liability in the year ended December 31, 2015. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions are not recognized in pension expense since New Jersey municipalities do not follow GAAP accounting principles:

Year Ended June 30,	Amount
2016	\$ (300,245)
2017	(300,245)
2018	(300,245)
2019	(300,245)
2020	50,545
Thereafter	8,591
	<u>\$ (1,141,844)</u>

Additional information – Collective balances at June 30, 2013 and 2014, are as follows:

	June 30, 2013	June 30, 2014
Collective Deferred Outflows of Resources		\$ 750,532,959
Collective Deferred Inflows of Resources		1,561,923,934
Collective Net Pension Liability	\$ 13,294,097,604	12,579,072,492
 Borough's Proportion	 0.0615535496%	 0.0553335655%

At December 31, 2015, the Borough has a liability of \$3,958,891 for its proportionate share of the net pension liability for Fire (Location 25802). The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014

NOTE 15: FINANCIAL INFORMATION RELATED TO GASB 68 & GASB 71 FOR PUBLIC RETIREMENT SYSTEMS (CONTINUED)

determined by an actuarial valuation as of that date. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2014, the Borough's proportion was 0.0314720395% compared to 0.0320241402% at June 30, 2013.

For the year ended December 31, 2015, the Borough's pension expense would be \$260,160 if New Jersey municipalities followed GAAP accounting principles. The Borough's deferred outflows of resources and deferred inflows of resources (which are not recorded) related to PFRS are from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	\$ 148,630	
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		\$ 403,991
Changes in Proportion and Differences Between the Borough's Contributions and Proportionate Share of Contributions		61,501
District Contributions Subsequent to the Measurement Date	259,786	
	<u>\$ 408,416</u>	<u>\$ 465,492</u>

\$259,786 represents deferred outflows of resources related to pensions, resulting from Borough contributions, subsequent to the measurement date (i.e. for the year ending December 31, 2015, the plan measurement date is June 30, 2014) is not recognized as a reduction of the net pension liability in the year ended December 31, 2015. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions are not recognized in pension expense since New Jersey municipalities do not follow GAAP accounting principles:

Year Ended June 30,	Amount
2016	\$ (87,624)
2017	(87,624)
2018	(87,624)
2019	(87,624)
2020	28,749
Thereafter	4,885
	<u>\$ (316,862)</u>

**BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 15: FINANCIAL INFORMATION RELATED TO GASB 68 & GASB 71 FOR PUBLIC RETIREMENT SYSTEMS (CONTINUED)

	June 30, 2013	June 30, 2014
Collective Deferred Outflows of Resources		\$ 750,532,959
Collective Deferred Inflows of Resources		1,561,923,934
Collective Net Pension Liability	\$ 13,294,097,604	12,579,072,492
 Borough's Proportion	 0.0320241402%	 0.0314720395%

Contributions

The contribution policy for PFRS is set by NJSA 43:16A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The Borough's contribution amount was based on an actuarially determined rate which includes the normal cost and unfunded accrued liability.

Actuarial Assumptions

The total pension liability for the June 30, 2014, measurement date was determined by an actuarial valuation as of July 1, 2013, which was rolled forward to June 30, 2014. The total pension liability for the June 30, 2013, measurement date was determined by an actuarial valuation as of July 1, 2013. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate	3.01%
Salary Increases:	
2012-2021	3.95 – 8.62% Based on Age
Thereafter	4.95 – 9.62% Based on Age
Investment Rate of Return	7.90%

Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for females) with adjustments for mortality improvements from the base year of 2011 based on Projection Scale AA.

The actuarial assumptions used in the July 1, 2013, valuation were based on the results of an actuarial experience study for the period July 1, 2007 to June 30, 2010.

Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Division of Pension and Benefits financial report at: <http://www.nj.gov/treasury/pensions/employer-home.shtml>.

A special funding situation exists for the Local employers of the Police and Fire Retirement System of New Jersey. The State of New Jersey, as a non-employer, is required to pay the additional costs incurred by Local employers under Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The June 30, 2014 and June 30, 2013, special funding situation net pension liability amounts of \$749,523 and \$762,754 for Police and \$396,834 and \$426,306 for Fire, respectively, are the accumulated differences between the annual actuarially determined State obligation under the special funding situation and the actual State contribution through the valuation date.

**BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 16: POST-RETIREMENT BENEFITS

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

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. In 2013, the Borough of Collingswood authorized participation in the SHBP's post-retirement benefit program through resolution 2013-83, adopted May 6, 2013, effective August 1, 2013. The Borough's policies provide for health insurance and prescription coverage, to eligible retirees and their spouses that participate in the SHBP's post-retirement benefit program with the local unit. The Borough also offers vision and dental coverage to the retirees and their spouses.

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

Plan Coverage - The Borough currently has 5 collective bargaining units as well as numerous non-union employees. The employee's post-employment benefits are dependent upon the collective bargaining unit to which they are a member as the year of retirement. The benefits by collective bargaining unit are:

FOP Lodge #76 (Superior Officers) - upon completion of 25 years of service the employee receives 100% coverage for themselves and 100% coverage for spouse.

FOP Lodge #76 (Rank and File) - upon completion of 25 years of service the employee receives 100% coverage for themselves and 100% coverage for spouse.

FMBA Local #108 (Superior Officers) - upon completion of 25 years of service the employee receives 100% coverage for themselves and 100% coverage for spouse.

FMBA Local #108 (Rank and File) - upon completion of 25 years of service the employee receives 100% coverage for themselves and 100% coverage for spouse.

Teamsters Local #830 - upon completion of 25 years of service the employee receives 100% coverage for themselves and 100% coverage for spouse.

**BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 16: POST-RETIREMENT BENEFITS (CONTINUED)

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

Contributions to pay for the health premiums of participating retirees in the SHBP, are billed to the Borough of Collingswood on a monthly basis. Plan members receiving benefits are not required to make contributions.

The Borough of Collingswood's contributions to SHBP for healthcare of employees and retirees for the years ended December 31, 2015, 2014, and 2013, were \$2,307,655.14, \$2,162,690.54, and \$932,783.53. The amounts paid for retirees for the years ended December 31, 2015, 2014, and 2013, were \$897,986.38, \$767,516.39, and \$262,651.73, respectively, which equaled the required contributions for each year. There were approximately fifty, fifty, and forty-four participants eligible at December 31, 2015, 2014, and 2013, respectively.

In previous years the Borough's retirees were covered under AmeriHealth. The amounts paid for retirees for the years ended December 31, 2015, 2014, and 2013, were \$0, \$0, and \$553,500.56, respectively, which equaled the required contributions for each year. There were approximately zero participants eligible at December 31, 2015, 2014, and 2013, respectively.

NOTE 17: RISK MANAGEMENT

The Borough is exposed to various risks or loss related to torts, thefts of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Borough maintains commercial insurance coverage for property, liability, and surety bonds. The Borough of Collingswood is a member of the Camden County Municipal Joint Insurance Fund and the Municipal Excess Liability Fund which includes other municipalities throughout the region. The Borough is obligated to remit insurance premiums into these funds for sufficient insurance coverage. There is an unknown contingent liability with the Camden County Municipal Joint Insurance Fund if there is a catastrophic insurance claim from any member of the fund. The Borough did not incur any claims in excess of coverage amounts, and the amount of coverage did not significantly reduce during the year 2015.

New Jersey Unemployment Compensation Insurance

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

**BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 17: RISK MANAGEMENT (CONTINUED)

Year	Interest Earnings	Employee Contributions	Employer Contribution	Amount Reimbursed	Balance Dec. 31
2015	103.87	\$ 10,190.57		\$ 19,358.32	\$ 34,786.85
2014	37.63	9954.32		24140.73	43,850.73
2013	26.06	10065.93		619.04	57,999.51

NOTE 18: LABOR CONTRACTS

As of December 31, 2015, the majority of the Borough's employees are organized in the following collective bargaining units. Contracts are continually being negotiated and the following table shows their current status.

	Category	Expiration	Covers
Teamsters Local 830	Public Works, Clerical	12/31/2016	All Employees in Public Works and Clerical Workers Excluding Supervisors
FOP Lodge #76	Police	12/31/2015	All Uniformed Police Excluding Officers
FOP Lodge #76	Police	12/31/2015	Superior Officers
FMBA Local 108	Fire	12/31/2015	All Uniformed Fire Fighters Excluding Officers
FMBA Local 108A	Fire	12/31/2015	Fire Officers

NOTE 19: DEFERRED COMPENSATION

The Borough offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Borough employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available for withdrawal by employees until termination, retirement, death, or unforeseeable emergency.

An unrelated financial institution administers the deferred compensation plan. Under the terms of an IRC Section 457 deferred compensation plan, all deferred compensation and income attributable to the investment of the deferred compensation amounts held by the financial institution, until paid or made available to the employees or beneficiaries, are the property of the employees.

As part of its fiduciary role, the Borough has an obligation of due care in selecting the third party administrators. In the opinion of the Borough's legal counsel, the Borough has acted in a prudent manner in selecting the administrators of Variable Annual Life Insurance Company and Nationwide Retirement Solutions, and is not liable for losses that may arise from the administration of the plan.

**BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 20: JOINT VENTURE/SHARED SERVICES

The Borough of Collingswood entered into a joint venture agreement with the Borough of Oaklyn to provide construction code services for electrical and plumbing. The agreement with Oaklyn was approved on May 3, 2010.

On November 6, 2007, the Borough of Collingswood entered into a joint venture agreement with the Haddon Borough Fire District #2 to provide fire protection services, effective January 1, 2008. Total expenditures for compensation and benefits are billed annually at an agreed upon amount. The Borough also provides fire code services to the Borough of Oaklyn.

NOTE 21: TAX ABATEMENT PROGRAM

The tax abatement program was established to encourage commercial and industrial development in the Borough. The various abatements include; Pewter Village, Parkview, Volunteers of America, Methodist Home, Zane School, Tedeschi, and Lumberyard. Lumberyard is a five year program where real estate taxes on the approved buildings are abated and payments are made in lieu. Specific qualifications for properties are delineated in the Code Book of the Borough. Qualifying properties are tax exempt until the project is complete. Once completed, the taxpayer pays no tax in the first year after completion. Beginning in the second year, the taxpayer is assessed taxes on 20% of the assessed value, with annual increases of 20% until the end of five years. The Borough also has long-term programs in accordance with the Local Redevelopment and Housing Law and the Long-Term Exemption Law, codified at NJSA 40A:20-1 et seq. During the 2015 and 2014 calendar years, the tax abatement program generated \$1,248,624.13 and \$1,109,434.24, respectively, in revenue for the Borough.

NOTE 22: CAPITAL LEASE OBLIGATIONS

The Borough has lease agreements in effect at December 31, 2015, for police cars which are funded by Ford Motor Credit at an interest rate of 6%. Future minimum lease payments under capital lease agreements are as follows:

Year Ended December	Principal	Interest	Total
2016	\$ 45,465.24	\$ 2,809.72	\$ 48,274.96
2017	24,057.07	1,443.47	25,500.54
	<u>\$ 69,522.31</u>	<u>\$ 4,253.19</u>	<u>\$ 73,775.50</u>

**BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 23: OPERATING LEASES

The Borough has commitments to lease copiers dated December 8, 2014, and February 13, 2015 with terms of 36 months. The monthly lease payment is \$133.00 and \$84.00 per month. Future lease payments are as follows:

Year Ended December	Payments
2016	\$ 2,604.00
2017	2,471.00
2018	84.00
	\$ 5,159.00

NOTE 24: LOAN TO REDEVELOPER

On August 4, 2003, the Borough of Collingswood adopted Bond Ordinance 1322 providing for a \$5,000,000.00 loan to a redeveloper, Collingswood Foundation for the Arts, for improvements to Scottish Rite Auditorium pursuant to Section 37 of the Local Redevelopment and Housing Law NJSA 40A:12A-1 et. seq. This loan was to the Collingswood Foundation for the Arts, a New Jersey non-profit corporation, for the purpose of renovations of the Scottish Rite Auditorium as a performing arts and community theater center. The amount owed to the Borough of Collingswood as of December 31, 2015 and 2014, is \$4,992,466.33. No payment plan has been established as of the date of the audit.

In 2010, the Borough of Collingswood authorized debt with the passage of Bond Ordinances 1480 and 1486, which provides funding for the Lumberyard Redevelopment Project pursuant to the Local Redevelopment & Housing Law, constituting Chapter 79 of the Laws of 1992 as amended and supplemented by NJSA 40A:12-37. This loan was to the Lumberyard Redevelopment LLC, for the purpose of renovations of the Lumberyard Project. As of December 31, 2015 and 2014, there is a Loan Receivable in the General Capital Fund from Lumberyard Redevelopment LLC, for \$1,300,000.00.

On July 24, 2015, the Borough of Collingswood under a Redeveloper Agreement provided for a Mortgage Note to a redeveloper, 741 Haddon Avenue LLC, for improvements to property as a food market. This mortgage is for \$200,000.00 at 1% per annum with a due date of July 24, 2016. The mortgage owed to the Borough of Collingswood as of December 31, 2015 is \$200,000.00.

NOTE 25: GUARANTEE OF THIRD PARTY INDEBTEDNESS (NJSA 40A:12A-67(f))

Collingswood Partners, Inc.

The Borough of Collingswood is contingently liable as a guarantor for Collingswood Partners Inc., a Special Improvement District (NJSA 40:56 et. seq.); with respect to the New Jersey Department of Community Affairs program Downtown Business Improvement Loan Fund in an amount not exceeding \$500,000.00. This is a fifteen year loan at 0% interest. This loan was for funding of the Lumberyard project. The Borough paid \$33,333.00 during 2015 and 2014 towards the loan. The loan balance at December 31, 2015 and 2014, is \$235,334.00 and \$268,667.00, respectively.

**BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 26: SUBSEQUENT EVENTS

On February 1, 2016, the Board of Commissioners introduced a bond ordinance authorizing up to \$18,100,000.00 to advance refund bonds in the amount of \$15,827,000.00. It is anticipated that the bonds will close by the end of April 2016.

Management has reviewed and evaluated all event and transactions that occurred between December 31, 2015 and March 2, 2016, the date that the financial statements were issued for possible disclosure and recognition in the financial statements, and no additional items have come to the attention of the Borough that would require disclosure.

NOTE 27: CONTINGENCIES

The Borough participates in federal and state assistance grant programs. The Borough is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

It is the Borough of Collingswood Counsel's opinion there is not any litigation or contingent liability that may be pending against the Borough of Collingswood that would have an adverse effect on the financial position in the future.

**SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR PENSIONS
(GASB 68) & (GASB 71)**

SCHEDULE OF THE BOROUGH'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY - PERS
Last Two Fiscal Years

	Fiscal Year Ended	
	<u>12/31/15</u>	<u>12/31/14</u>
Borough's Proportion of the Net Pension Liability (Asset)	0.0336024802%	0.0337235419%
Borough's Proportionate Share of the Net Pension Liability (Asset)	\$ 6,291,303	\$ 6,445,239
Borough's Covered-Employee Payroll	2,248,889	2,363,021
Borough's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	279.75%	272.75%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.08%	48.72%

SCHEDULE OF BOROUGH CONTRIBUTIONS - PERS
Last Two Fiscal Years

	Fiscal Year Ended	
	12/31/15	12/31/14
Contractually Required Contribution	\$ 277,014	\$ 254,100
Contributions in Relation to the Contractually Required Contribution	277,014	254,100
Contribution Deficiency (Excess)	None	None
Borough's Covered-Employee Payroll	\$ 2,248,889	\$ 2,363,021
Contributions as a Percentage of Covered-Employee Payroll	12.32%	10.75%

SCHEDULE OF THE BOROUGH'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY - PFRS
Last Two Fiscal Years

	Fiscal Year Ended	
	12/31/15	12/31/14
Location 25801 Police		
Borough's Proportion of the Net Pension Liability (Asset)	0.0553335655%	0.0615535496%
Borough's Proportionate Share of the Net Pension Liability (Asset)	\$ 6,960,449	\$ 8,182,989
Borough's Covered-Employee Payroll	1,566,040	1,624,827
Borough's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	444.46%	503.62%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.41%	58.70%
Location 25802 Fire		
Borough's Proportion of the Net Pension Liability (Asset)	0.0314720395%	0.0320241402%
Borough's Proportionate Share of the Net Pension Liability (Asset)	\$ 3,958,891	\$ 4,257,320
Borough's Covered-Employee Payroll	1,160,480	1,107,559
Borough's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	341.14%	384.39%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.41%	58.70%

SCHEDULE OF BOROUGH CONTRIBUTIONS - PFRS
Last Two Fiscal Years

	Fiscal Year Ended	
	12/31/15	12/31/14
Location 25801		
Contractually Required Contribution	\$ 425,000	\$ 449,081
Contributions in Relation to the Contractually Required Contribution	425,000	449,081
Contribution Deficiency (Excess)	<u>None</u>	<u>None</u>
Borough's Covered-Employee Payroll	\$ 1,566,040	\$ 1,624,827
Contributions as a Percentage of Covered-Employee Payroll	27.14%	27.64%
 Location 25802		
Contractually Required Contribution	\$ 241,727	\$ 233,641
Contributions in Relation to the Contractually Required Contribution	241,727	233,641
Contribution Deficiency (Excess)	<u>None</u>	<u>None</u>
Borough's Covered-Employee Payroll	\$ 1,160,480	\$ 1,107,559
Contributions as a Percentage of Covered-Employee Payroll	20.83%	21.10%

SCHEDULE OF THE BOROUGH'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY - PFRS
Last Two Fiscal Years
Special Funding Situation

	Fiscal Year Ended	
	12/31/15	12/31/14
Location 25801 Police		
Borough's Proportion of the Net Pension Liability (Asset)	0.0553335655%	0.0615535496%
Borough's Proportionate Share of the Net Pension Liability (Asset)	\$ 749,523	\$ 762,754
Borough's Covered-Employee Payroll	1,566,040	1,624,827
Borough's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	47.86%	46.94%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.41%	58.70%
Location 25802 Fire		
Borough's Proportion of the Net Pension Liability (Asset)	0.0314720395%	0.0320241402%
Borough's Proportionate Share of the Net Pension Liability (Asset)	\$ 426,306	\$ 396,834
Borough's Covered-Employee Payroll	1,160,480	1,107,559
Borough's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	36.74%	35.83%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.41%	58.70%

The data in the above schedule represents the allocation of the State of New Jersey's obligation on behalf of the Borough.

The Police & Firemen's Retirement System is a Cost-Sharing, Multi-Employer Defined Benefit Plan with a Special Funding Situation - 100% of the additional costs incurred by Local Employers under Chapter 8, PL 2000, Chapter 318, PL 2001, Chapter 86, PL 2001, Chapter 511, PL 1991, Chapter 109, PL 1979, Chapter 247, PL 1993 and Chapter 201, PL 2001.

SCHEDULE OF BOROUGH CONTRIBUTIONS - PFRS
Last Two Fiscal Years
Special Funding Situation

	Fiscal Year Ended	
	12/31/15	12/31/14
Location 25801 Police		
Contractually Required Contribution	\$ 31,122	\$ 30,032
Contributions in Relation to the Contractually Required Contribution	31,122	30,032
Contribution Deficiency (Excess)	<u>None</u>	<u>None</u>
Borough's Covered-Employee Payroll	\$ 1,566,040	\$ 1,624,827
Contributions as a Percentage of Covered-Employee Payroll	1.99%	1.85%
Location 25802 Fire		
Contractually Required Contribution	\$ 17,701	\$ 15,625
Contributions in Relation to the Contractually Required Contribution	17,701	15,625
Contribution Deficiency (Excess)	<u>None</u>	<u>None</u>
Borough's Covered-Employee Payroll	\$ 1,160,480	\$ 1,107,559
Contributions as a Percentage of Covered-Employee Payroll	1.53%	1.41%

SUPPLEMENTARY INFORMATION

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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

Honorable Mayor and Members
of the Borough Council
Borough of Collingswood
678 Haddon Avenue
Collingswood, New Jersey 08108

We have audited, in accordance with the auditing standards generally accepted in the United States of America and 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 accompanying balance sheets - regulatory basis of the various funds and account group, the related statement of operations and changes in fund balance - regulatory basis, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the Borough of Collingswood, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Borough of Collingswood's basic financial statements, and have issued our report thereon dated March 2, 2016, which contained an adverse opinion on those financial statements due to being presented in accordance with the New Jersey regulatory basis of accounting.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Borough of Collingswood's 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 of Collingswood's internal control. Accordingly, we do not express an opinion on the effectiveness of the Borough'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 Collingswood, New Jersey's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or the requirements of the Division of Local Government Services which is described in the accompanying schedule of findings and recommendations as item 2015-001.

Borough's Responses to Findings

The Borough's responses to the findings identified in our audit are described in the accompanying schedule of findings and recommendations. The Borough's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PETRONI & ASSOCIATES LLC



Nick L. Petroni
Certified Public Accountant
Registered Municipal Accountant #252

March 2, 2016

SINGLE AUDIT SECTION

PETRONI & ASSOCIATES LLC

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REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE REQUIRED BY UNIFORM GUIDANCE AND NEW JERSEY OMB 15-08

Independent Auditor's Report

Honorable Mayor and Members
of the Board of Commissioners
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678 Haddon Avenue
Collingswood, New Jersey 08108

Report on Compliance for Each Major Federal Program

We have audited the Borough of Collingswood's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the Borough of Collingswood's major federal programs for the year ended December 31, 2015. The Borough of Collingswood's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Borough of Collingswood's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance 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 the audit requirements of Title 2 US Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Borough of Collingswood's compliance with

those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Borough of Collingswood's compliance.

Opinion on Each Major Federal Program

In our opinion, the Borough of Collingswood complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2015.

Report on Internal Control Over Compliance

Management of the Borough of Collingswood is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Borough of Collingswood's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Borough of Collingswood's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

***Report on Schedules of Expenditures of Federal Awards and State Financial Assistance
Required by Uniform Guidance***

We have audited the financial statements of the accompanying balance sheets – regulatory basis of the various funds and account group, the related statement of operations and changes in fund balance – regulatory basis, and the related statement of revenues – regulatory basis and statement of expenditures – regulatory basis of the Borough of Collingswood as of and for the year ended December 31, 2015, and have issued our report thereon dated March 2, 2016, which contained an adverse opinion on those financial statements due to being presented in accordance with the New Jersey regulatory basis of accounting. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by Uniform Guidance, NJ OMB 15-08 and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of expenditure of federal awards and state financial assistance are fairly stated in all material respects in relation to the financial statements as a whole.

PETRONI & ASSOCIATES LLC



Nick L. Petroni
Certified Public Accountant
Registered Municipal Accountant #252

March 2, 2016

SCHEDULE 1

BOROUGH OF COLLINGSWOOD
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2015

State Funding Department/Program	CFDA	State Grant Number	Program Amount	Matching Funds	Funds Received	Grant Period		Amount of Expenditures	Cumulative Expenditures
						From	To		
Department of Housing and Urban Development Economic Development Initiative (EDI)	14.251	B-08-SP-NJ-0478	\$ 196,000.00		\$ 43,104.00	12/17/07	09/30/15	\$ 43,104.00	\$ 196,000.00
Community Development Block Grant	14.228	100-022-8020-078	52,100.00			07/01/15	06/30/16	19,966.00	19,966.00
	14.228	100-022-8020-078	42,100.00		42,100.00	07/01/14	06/30/15	42,100.00	42,100.00
	14.228	100-022-8020-078	73,594.00			07/01/12	Complete	1,440.00	64,176.27
Department of Justice Bulletproof Vest Partnership	16.607	n/a	1,452.90			07/01/15	06/30/16	380.15	380.15
Department of Environmental Protection Capitalization Grant for Drinking Water Revolving Fund	66.468	0412001-003	174,600.00		21,641.00	01/01/13	Complete		174,600.00
	66.468	0412001-003	349,200.00		43,283.00	01/01/13	Complete		349,200.00
	66.468	0412001-005	252,541.00		57,493.00	01/01/13	Complete		107,876.40
	66.468	0412001-004	287,973.00			01/01/13	Complete		273,611.81
Department of Transportation Pedestrian Safety & Education Enforcement	20.609	PSF-14-01-21	9,600.00			07/01/13	06/01/14		8,791.94
Click It or Ticket	20.616	OP-15-45-01-MC-148	4,000.00			05/18/15	05/31/15		
Department of Homeland Security Staffing for Adequate Fire & Emergency Response	97.044	EMW-2012-FH-00022	239,184.00		84,635.54	11/13/13	11/13/15	119,092.17	239,184.00
Assistance to Firefighters Local Match	97.044	EMW-2014-FR-00151	1,538,758.00		1,538,758.00	04/15/15	04/14/16	1,538,758.00	1,538,758.00
			153,875.00		153,875.00			153,875.00	153,875.00
					<u>\$ 1,984,889.54</u>			<u>\$ 1,918,715.32</u>	<u>\$ 3,168,519.57</u>

BOROUGH OF COLLINGSWOOD
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2015

State Funding Department/Program	State Grant Number	Program Amount	Matching Funds	Funds Received	Grant Period		Amount of Expenditures	Cumulative Expenditures
					From	To		
Department of Community Affairs								
Municipal Alliance on Alcoholism & Drug Abuse	N/A	\$ 16,650.00	\$ 3,537.50		07/01/15	06/30/16		
		24,475.00	6,118.50	\$ 11,498.12	01/01/14	06/30/15	\$ 10,945.68	\$ 14,991.83
Recycling Tonnage	4900-752-042-4900-001-VREV-6020	20,988.57		20,988.57	01/01/15	12/31/15	2,305.04	2,305.04
		15,436.05			01/01/13	12/31/13	15,436.05	15,436.05
		16,156.50			01/01/12	12/31/12	9,082.16	16,156.50
Department of Environmental Protection								
Clean Communities	4900-765-042-4900-004-VCMC-6020	29,610.35		29,610.35	01/01/15	12/31/15	29,610.35	29,610.35
New Jersey Environmental Infrastructure Trust	T02182011-4	349,200.00		43,283.00	01/01/13	Complete		349,200.00
		84,180.00		19,165.00	01/01/13	Complete		35,959.00
Department of Transportation								
Municipal Court Alcohol Education	9735-760-098-Y900-001-X100-6020	278.46			01/01/10	12/31/10		
		946.69			01/01/06	12/31/06		
		219.63			01/01/96	12/31/96		
		453.44			01/01/95	12/31/95		
		220.42			01/01/94	12/31/94		140.00
New Jersey DOT	6320-480-078-6320-AJY-TCAP-6010	185,000.00			01/01/15	Complete		
		200,000.00		128,353.99	01/01/14	Complete	152,650.00	200,000.00
		200,000.00		50,000.00	01/01/13	12/31/13		200,000.00
Department of Law and Public Safety								
Body Armor	1020-718-066-1020-001-YCJS-6120	2,604.85		2,604.85	01/01/15	12/31/15	2,604.85	2,604.85
		2,850.13			01/01/14	12/31/14	774.58	2,850.13
				<u>\$ 305,503.88</u>			<u>\$ 223,408.71</u>	<u>\$ 960,457.75</u>

BOROUGH OF COLLINGSWOOD
NOTES TO SCHEDULES OF EXPENDITURES
OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 1: GENERAL

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance includes federal and state activity of the Borough of Collingswood. The Borough is defined in Note 1 to the Borough's financial statements. All federal and state awards received directly from federal and state agencies, as well as federal and state financial assistance passed through other government agencies, is included on the Schedule of Expenditures of Federal Awards and State Financial Assistance.

NOTE 2: BASIS OF ACCOUNTING

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance includes the federal and state grant activity of the Borough of Collingswood and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Uniform Guidance and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and NJ Circular 04-04 and/or 15-08. Therefore, some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 3: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

NOTE 4: NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE LOANS

The following table shows the outstanding loan balances as of December 31, 2015.

LOAN PROGRAM	
TITLE	AMOUNT
2000 Trust Loan	\$ 190,000.00
2000 Fund Loan	132,542.06
2001 Trust Loan	120,000.00
2001 Fund Loan	90,826.36
2010 Trust Loan	150,000.00
2010 Fund Loan	210,310.03
2013 Trust Loan	160,000.00
2013 Fund Loan	467,224.00
2013 Trust Loan	435,000.00
2013 Fund Loan	421,656.24
	<u>\$ 2,377,558.69</u>

BOROUGH OF COLLINGSWOOD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2015

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

1. Material weakness(es) identified? Yes X No
2. Significant deficiencies identified that are not considered to be material weaknesses? Yes X None reported
- Noncompliance material to financial statements noted? Yes X No

Federal Awards

Internal control over financial reporting:

1. Material weakness(es) identified? Yes X No
2. Significant deficiencies identified that are not considered to be material weaknesses? Yes X None reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516? Yes X No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
97.044	Assistance to Firefighters
97.044	Staffing for Adequate Fire & Emergency Response

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? Yes X No

BOROUGH OF COLLINGSWOOD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2015

Section I – Summary of Auditor’s Results (Continued)

State Awards **N/A**

Dollar threshold used to distinguish between type A and type B programs:

Auditee qualified as low-risk auditee? _____ Yes _____ No

Type of auditor’s report issued on compliance for major programs:

Internal control over major programs:

1. Material weakness(es) identified? _____ Yes _____ No

2. Significant deficiencies identified that
are not considered to be material weaknesses? _____ Yes _____ None reported

Any audit findings disclosed that are required to
be reported in accordance with NJ OMB Circular
Letter 15-08? _____ Yes _____ No

Identification of major programs:

State Grant Number

Name of State Program

Section II – Financial Statement Findings

Finding: 2015-001

Criteria:

NJSA 40A:11-4 requires public advertisement for bids for the performance of any goods or services, when the cost of which in the aggregate exceeds the bid threshold.

Condition:

Expenditures for Solid Waste Disposal costs were not supported by a contract awarded pursuant to NJSA 40A:11-4.

Context:

The Solid Waste Disposal contract expired in 2013, bids for a new contract were not awarded pursuant to NJSA 40A:11-4.

Effect:

The Borough is not in compliance with the provisions of the Local Public Contract Law NJSA 40A:11-4.

BOROUGH OF COLLINGSWOOD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2015

Cause:

The requirements of NJSA 40A:11-4 were not followed with respect to Solid Waste Disposal Services.

Recommendation:

The requirements of NJSA 40A:11-4 be followed for the contracting of Solid Waste Disposal Services.

Section III – Federal Awards Findings

None

Section IV – State Awards Findings

N/A

BOROUGH OF COLLINGWOOD
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2015

No matters were reported in the prior year related to federal or state grant awards.

CURRENT FUND

SCHEDULE OF CURRENT FUND CASH - TREASURER

	Ref.	Current Fund	Grant Fund
Balance December 31, 2014	A	<u>\$ 3,320,465.18</u>	<u>\$ 44,705.04</u>
Increased by Receipts:			
Tax Receivable	A-6	34,310,684.15	
Tax Title Liens	A-7	8,058.68	
Prepaid Taxes		175,490.20	
Tax Overpayments		46,609.28	
Grants Receivable	A-5		2,065,085.05
Reserve for Grants - Unappropriated	A-14		2,650.00
Revenue Accounts Receivable	A-9	4,762,965.59	
Due State of New Jersey:			
Senior Citizen and Veterans Deductions	A-12	94,162.77	
Construction DCA Fees		10,305.00	
Marriage License Fees/Burial Permits		2,653.00	
Due Camden County Municipal Utilities Authority		135,408.22	
Security Deposits		15,890.00	
Petty Cash		600.00	
Due Trust Other		4,118.00	
Due from Payroll Trust Fund		12,565.59	
Due from General Capital Fund		1,000,640.82	
Susan G. Komen The Cure Donations - Unappropriated		60.00	
Reserve for Debt Service - Unappropriated	A	840,464.49	
Due from Federal and State Grant Fund	A-4		55,659.20
Total Receipts		<u>41,420,675.79</u>	<u>2,123,394.25</u>
		<u>44,741,140.97</u>	<u>2,168,099.29</u>

SCHEDULE OF CURRENT FUND CASH - TREASURER

	Ref.	Current Fund	Grant Fund
Decreased by Disbursements:			
Budget Appropriations	A-3	14,340,121.32	
Appropriation Reserves	A-10	225,642.34	
Encumbrances Payable	A-11	81,940.78	25,975.26
Reserve for Grants - Appropriated	A-15		2,142,124.03
Due State of New Jersey:			
Marriage License Fees/Burial Permits		3,410.00	
Construction DCA Fees		10,945.00	
Reserve for Maintenance Free Public Library		3,192.35	
County Taxes Payable	A-6	8,182,233.24	
County Open Space Taxes Payable	A-6	203,324.91	
Due County Added & Omitted Taxes		6,647.92	
Special Improvement District Taxes		263,799.96	
Due Camden County Municipal Utilities Authority		135,408.22	
Tax Overpayments		4,635.41	
Petty Cash		600.00	
Due Trust Other		4,118.00	
Due General Capital Fund		1,000,000.00	
Reserve for Security Deposits		17,490.00	
Local District School Tax	A-13	15,420,470.00	
Due from Current Fund	A-4	55,659.20	
		<u>39,959,638.65</u>	<u>2,168,099.29</u>
Balance December 31, 2015	A	<u>\$ 4,781,502.32</u>	

SCHEDULE OF GRANTS RECEIVABLE

Grants	Balance Dec. 31, 2014	Budget Revenue Realized	Received	Transfer from Unappropriated	Balance Dec. 31, 2015
Federal Grants:					
Community Development Block Grant FY 2016		\$ 52,100.00			\$ 52,100.00
Community Development Block Grant FY 2015		42,100.00	\$ 42,100.00		
EDI Theatre Project Grant	\$ 43,104.00		43,104.00		
Pedestrian Safety Grant	9,600.00				9,600.00
FEMA - Safer Grant	84,635.54		84,635.54		
Assistance to Firefighters		1,538,758.00	1,538,758.00		
Assistance to Firefighters - Local Match		134,420.20	134,420.20		
Bulletproof Vest Partnership		1,452.90			1,452.90
DOT Comly Avenue	50,000.00		50,000.00		
	<u>187,339.54</u>	<u>1,768,831.10</u>	<u>1,893,017.74</u>		<u>63,152.90</u>
State Grants:					
New Jersey DOT Colford Avenue	200,000.00		128,353.99		71,646.01
New Jersey DOT Dayton		185,000.00			185,000.00
Safe Routes to Schools		241,000.00			241,000.00
Clean Communities Program		29,610.35	29,610.35		
Recycling Tonnage Grant		20,988.57		\$ 20,988.57	
Drunk Driving Enforcement Program		17,714.70			17,714.70
Domestic Violence Training	5,000.00				5,000.00
Municipal Alliance Youth Service	16,891.35	16,650.00	11,498.12		22,043.23
Police Body Armor		2,604.85	2,604.85		
	<u>221,891.35</u>	<u>513,568.47</u>	<u>172,067.31</u>	<u>20,988.57</u>	<u>542,403.94</u>
	<u>\$ 409,230.89</u>	<u>\$ 2,282,399.57</u>	<u>\$ 2,065,085.05</u>	<u>\$ 20,988.57</u>	<u>\$ 605,556.84</u>
Ref.	A	A-2	A-4	A-14	A

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance Dec. 31, 2014	Levy	Added Taxes	Collected		Overpayments Applied	Canceled	Transferred to Tax Title Liens	Balance Dec. 31, 2015
				2014	2015				
2013	\$ 1,943.84				\$ 412.21				\$ 1,531.63
2014	6,218.96		\$ 3,750.00		9,968.96				
	8,162.80		3,750.00		10,381.17				1,531.63
2015		\$ 34,763,390.16		\$ 142,972.16	34,398,115.48	\$ 116,252.56	\$ 88,940.17	\$ 7,952.14	9,157.65
	<u>\$ 8,162.80</u>	<u>\$ 34,763,390.16</u>	<u>\$ 3,750.00</u>	<u>\$ 142,972.16</u>	<u>\$ 34,408,496.65</u>	<u>\$ 116,252.56</u>	<u>\$ 88,940.17</u>	<u>\$ 7,952.14</u>	<u>\$ 10,689.28</u>
Ref.	A			A				A-7	A
		Cash		Ref.					
		Due State of New Jersey		A-4	\$ 34,310,684.15				
				A-12	97,812.50				
					<u>\$ 34,408,496.65</u>				

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Analysis of Property Tax Levy

Tax Yield

General Purpose Tax:			
General Property Tax	\$	34,490,865.96	
Special Improvement District		264,767.67	
		<hr/>	
	\$	34,755,633.63	
Added Taxes (54:4-63.1 et seq.)		7,756.53	
		<hr/>	
	\$		34,763,390.16
			<hr/>

Tax Levied

	Ref.			
Local District School Tax (Abstract)	A-13		\$	15,420,470.00
County Taxes:				
County Tax (Abstract)	A-1	\$	8,182,233.24	
County Open Space (Abstract)	A-1		203,324.91	
County Added & Omitted per (54:4-63.1 & 54:4-63.12 et seq.)	A-1		1,888.88	
			<hr/>	
Total County Taxes				8,387,447.03
Special Improvement District Tax	A-1			264,767.67
Local Tax for Municipal Purposes	A-2		10,336,836.00	
Minimum Library Tax	A-2		338,312.00	
Add: Additional Taxes Levied			15,557.46	
			<hr/>	
				10,690,705.46
				<hr/>
			\$	34,763,390.16
				<hr/>

EXHIBIT A-7

SCHEDULE OF TAX TITLE LIENS RECEIVABLE

Balance December 31, 2014	Ref. A	\$ 45,954.09
Increased by:		
Transfers from Taxes Receivable	A-6	7,952.14
		<hr/> 53,906.23
Decreased by:		
Receipts	A-4	8,058.68
Balance December 31, 2015	A	<hr/> <hr/> \$ 45,847.55

EXHIBIT A-8

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES
(AT ASSESSED VALUATION)

Balance December 31, 2014	Ref. A	\$ 79,975.00
Balance December 31, 2015	A	<hr/> <hr/> \$ 79,975.00

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Balance Dec. 31, 2014	Accrued	Collected by Treasurer	Balance Dec. 31, 2015
Miscellaneous Revenue Anticipated				
Licenses:				
Other		\$ 2,186.00	\$ 2,186.00	
Fees and Permits		55,987.04	55,987.04	
Fines and Costs:				
Municipal Court	\$ 11,837.21	143,153.74	144,549.31	\$ 10,441.64
Interest and Costs on Taxes		81,662.00	81,662.00	
Interest on Investments		15,457.32	15,450.26	7.06
Department of Recreation Fees		48,341.00	48,341.00	
Fire Code Fees		73,065.75	73,065.75	
Delaware River Port Authority		30,000.00	30,000.00	
Pool Tags		189,422.00	189,422.00	
Rental Inspections		23,220.00	23,220.00	
Resale Inspection Fees		10,385.00	10,385.00	
Third Party Billing - Ambulance		349,696.37	349,696.37	
Collingswood Ambulance Service:				
Memberships		12,640.00	12,640.00	
Housing Inspections		82,052.50	82,052.50	
Senior Community Center Rents		96,739.10	96,739.10	
Consolidated Municipal Property Tax Relief		148,831.00	148,831.00	
Energy Receipts Tax		1,046,587.00	1,046,587.00	
Uniform Construction Code Official		162,451.00	162,451.00	
Interlocal Agreements - Construction Code:				
Borough of Oaklyn		12,000.00	12,000.00	
Interlocal Agreements - Fire Services:				
Haddon Township Fire District #2		30,091.44	30,091.44	
Borough of Oaklyn		3,000.00	3,000.00	
Cable TV Franchise Fee		97,866.92	97,866.92	
Telephone/Internet Franchise Fees		98,275.84	98,275.84	
Sale of Property		202,290.62	202,290.62	
Recycled Newspapers		2,500.52	2,500.52	
Sewer Operating Surplus		70,000.00	70,000.00	
Parking Operating Surplus		20,000.00	20,000.00	
Payments in Lieu of Taxes:				
Parkview		809,358.40	809,358.40	
Methodist Home		44,512.00	44,512.00	
Collingswood Housing Authority		19,906.00	19,906.00	
Lumberyard		221,591.24	221,591.24	
Pewter Village		125,135.40	125,135.40	
Veteran's Office Administration		13,459.87	13,459.87	
Zane School		8,487.20	8,487.20	
Tedeschi		6,174.02	6,174.02	
Due from Scottish Rite		162,999.71	162,999.71	
Due from Collingswood Partners		112,949.34	112,949.34	
Lease Payments:				
Catelli Parking		12,000.00	12,000.00	
Lumberyard		11,880.00	11,880.00	
Robert's Pool Concession Stand Sales		25,261.00	25,261.00	
Due from Volunteer Fire Company		1,076.50	1,076.50	
JIF Safety Awards		2,500.00	2,500.00	
Commodity Resale Administration Fee		5,000.00	5,000.00	
Sale of Composters and Rain Barrels		1,815.00	1,815.00	

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Balance Dec. 31, 2014	Accrued	Collected by Treasurer	Balance Dec. 31, 2015
Miscellaneous Revenue Not Anticipated				
Uniform Fire Safety Act		11,534.25	11,534.25	
Commercial C/O Inspections		1,150.00	1,150.00	
Conrail		300.00	300.00	
Senior Citizen Administration Fee		1,883.26	1,883.26	
DMV Inspection Fines		1,950.00	1,950.00	
Clean up Charges		5,986.51	5,986.51	
Taxi Cab Vehicle		375.00	375.00	
Miscellaneous Revenue		12,269.94	12,269.94	
Sale of Assets		5,861.50	5,861.50	
Tax Searches		340.00	340.00	
Miscellaneous Tax Fees		1,103.68	1,103.68	
Prior Year Refund		26,017.19	26,017.19	
Other Refunds		797.91	797.91	
	<u>\$ 11,837.21</u>	<u>\$ 4,761,577.08</u>	<u>\$ 4,762,965.59</u>	<u>\$ 10,448.70</u>
Ref.	A		A-4	A

SCHEDULE OF APPROPRIATION RESERVES

	Balance Dec. 31, 2014	Balance After Transfers	Paid or Charged	Balance Lapsed
Salaries and Wages:				
Municipal Clerk	\$ 541.64	\$ 541.64	\$ 330.60	\$ 211.04
Zoning Commission	3,470.93	3,470.93	3,469.05	1.88
Police	90,146.88	90,146.88	23,952.40	66,194.48
Streets and Roads	9,467.09	9,467.09	1,713.00	7,754.09
Other Expenses:				
Finance	17,100.50	17,100.50	5,523.89	11,576.61
Revenue Collection (Tax Collector)	1,531.24	1,531.24	1,500.00	31.24
Legal Services	6,328.49	6,328.49	691.35	5,637.14
Engineering Services	11,392.25	11,392.25	10,310.75	1,081.50
Community Development	2,814.54	7,814.54	6,253.75	1,560.79
Planning Board	2,680.09	2,680.09	413.09	2,267.00
Zoning Commission	10.91	10.91	10.00	0.91
Nuisance Inspector	2,202.35	2,202.35	2,022.14	180.21
Group Insurance	88,816.53	88,816.53	19,064.96	69,751.57
Ambulance	7,640.73	7,640.73	3,460.80	4,179.93
Fire	11,516.38	11,516.38	11,515.58	0.80
Uniform Fire Safety Act	153.28	153.28	95.00	58.28
Streets and Roads	459.82	459.82	402.37	57.45
Shade Tree	3,230.01	3,230.01	449.00	2,781.01
Solid Waste Collection	51,000.00	51,000.00	40,750.00	10,250.00
Public Buildings and Grounds	8,479.78	8,479.78	1,073.32	7,406.46
Lumberyard	74.35	5,074.35	3,138.83	1,935.52
Public Health Services	236.74	236.74	89.12	147.62
Parks and Playgrounds	22,576.12	22,576.12	2,320.04	20,256.08
Senior Center	5,375.72	5,375.72	466.03	4,909.69
Electricity	59,443.48	49,443.48	8,841.69	40,601.79
Street Lighting	30,293.28	30,293.28	18,974.07	11,319.21
Gas (Natural or Propane)	9,241.14	9,241.14	3,987.56	5,253.58
Fuel Oil	5,325.04	5,325.04	1,930.67	3,394.37
Gasoline	14,419.06	14,419.06	4,679.24	9,739.82
Solid Waste Disposal	68,993.82	68,993.82	51,851.15	17,142.67
Municipal Court	8,787.07	8,787.07	8,730.00	57.07
Construction Code Official	1,308.66	1,308.66	659.82	648.84
Other Accounts - No Change	239,049.64	239,049.64		239,049.64
Operations within CAPS	784,107.56	784,107.56	238,669.27	545,438.29
OPERATIONS EXCLUDED FROM CAPS				
Maintenance of Free Public Library	10,060.68	10,060.68	8,656.54	1,404.14
Shared Service Haddon Township Fire	2,215.70	2,215.70	867.83	1,347.87
Other Accounts - No Change	1,791.31	1,791.31		1,791.31
Operations Excluded from CAPS	14,067.69	14,067.69	9,524.37	4,543.32
Total Appropriations	\$ 798,175.25	\$ 798,175.25	\$ 248,193.64	\$ 549,981.61
Ref.	A			A-1
Due Trust Other			22,551.30	
Cash		A-4	225,642.34	
			248,193.64	

SCHEDULE OF ENCUMBRANCES PAYABLE

	Ref.	Current Fund	Grant Fund
Balance December 31, 2014	A	\$ 102,876.44	\$ 25,975.26
Increased by:			
Charges to Current Appropriations	A-3	124,612.10	
		<u>227,488.54</u>	<u>25,975.26</u>
Decreased by:			
Payments	A-4	81,940.78	25,975.26
Canceled	A-1	20,935.66	
Balance December 31, 2015	A	<u>\$ 124,612.10</u>	

SCHEDULE OF DUE TO STATE OF NEW JERSEY -
SENIOR CITIZEN AND VETERANS DEDUCTIONS

Balance December 31, 2014	Ref. A		\$ 5,149.73
Increased by:			
Receipts	A-4		94,162.77
			<u>99,312.50</u>
Decreased by:			
Deductions per Tax Duplicate		\$ 98,250.00	
Deductions Allowed by Collector		2,250.00	
Deductions Disallowed by Collector		<u>(2,687.50)</u>	
	A-6	97,812.50	
Prior Year Deductions Disallowed	A-1	<u>(3,750.00)</u>	
			<u>94,062.50</u>
Balance December 31, 2015	A		<u>\$ 5,250.00</u>

SCHEDULE OF LOCAL DISTRICT SCHOOL TAX PAYABLE

	Ref.	
Increased by:		
Levy Calendar Year	A-6	\$ 15,420,470.00
Decreased by:		
Payments	A-4	<u>15,420,470.00</u>

SCHEDULE OF RESERVE FOR GRANTS - UNAPPROPRIATED

	Balance Dec. 31, 2014	Receipts	Revenue Realized	Balance Dec. 31, 2015
Click It or Ticket		\$ 2,650.00		\$ 2,650.00
Recycling Tonnage Grant	\$ 20,988.57		\$ 20,988.57	
	<u>\$ 20,988.57</u>	<u>\$ 2,650.00</u>	<u>\$ 20,988.57</u>	<u>\$ 2,650.00</u>
Ref.	A	A-4	A-5	A

SCHEDULE OF RESERVE FOR GRANTS - APPROPRIATED

	Balance Dec. 31, 2014	Transferred from Budget Appropriation	Paid or Charged	Balance Dec. 31, 2015
Federal Grants:				
FEMA - Hazardous Mitigation Grant	\$ 16,947.00			\$ 16,947.00
Community Development Block Grant FY 2016		\$ 52,100.00	\$ 19,966.00	32,134.00
Community Development Block Grant FY 2015		42,100.00	42,100.00	
Community Development Block Grant	10,857.73		1,440.00	9,417.73
EDI Theatre Project Grant	43,104.00		43,104.00	
FEMA - Safer Grant	119,092.17		119,092.17	
Pedestrian Safety & Education Enforcement	808.06			808.06
Bulletproof Vest Partnership		1,452.90	380.15	1,072.75
Assistance to Firefighters		1,538,758.00	1,538,758.00	
Assistance to Firefighters - Local Match		153,875.00	153,875.00	
Total Federal Grants	190,808.96	1,788,285.90	1,918,715.32	60,379.54
State Grants:				
New Jersey DOT Dayton		185,000.00		185,000.00
New Jersey DOT - Colford Avenue	152,650.00		152,650.00	
Clean Communities		29,610.35	29,610.35	
Recycling Tonnage Grant	24,518.21	20,988.57	26,823.25	18,683.53
Municipal Alliance Program	27,871.56	20,187.50	10,945.68	37,113.38
Juvenile Offenders Station House	1,000.00			1,000.00
Child and Adolescent Health Program	2,500.00			2,500.00
Board of Public Utilities - Clean Energy	893.00			893.00
Body Armor Grant	774.58	2,604.85	3,379.43	
Municipal Court Alcohol Education	1,978.64			1,978.64
Domestic Violence Training	3,977.15			3,977.15
Safe Routes to Schools		241,000.00		241,000.00
Drunk Driving Enforcement Program		17,714.70		17,714.70
Total State Grants	216,163.14	517,105.97	223,408.71	509,860.40
	\$ 406,972.10	\$ 2,305,391.87	\$ 2,142,124.03	\$ 570,239.94
Ref.	A	A-3	A-4	A

TRUST FUND

SCHEDULE OF TRUST FUND CASH - TREASURER

	Ref.	Animal Control Trust	Payroll Agency Trust Fund	Performance Bond Trust	Trust Other	Unemployment Compensation Trust
Balance December 31, 2014	B	\$ 6,007.05	\$ 62,222.91	\$ 2,716.30	\$ 144,708.08	\$ 43,850.73
Increased by Receipts:						
Interest Earned		15.34		5.92	493.22	103.87
Dog License Fees:						
Municipal Share	B-3	15,298.40				
State Share		1,332.60				
Zoning Board Escrow Fees					13,277.50	
Planning Board Escrow Fees					66,955.00	
Public Defender Trust Fees					6,758.45	
POAA Fees					1,182.00	
Performance Bond Escrow					4,010.88	
Street Opening Escrow					54,391.50	
Off-Duty Police					605,480.79	
Bike Share Program					2,915.00	
Uniform Fire Penalty Money					4,914.50	
Donations for Fire Department Equipment					175.00	
Storm Recovery Trust Fund					5,000.00	
Law Enforcement Forfeiture					4,476.30	
Commodity Resale					168,480.67	
Donations Community Events					118,312.17	
Accumulated Absences					165,000.00	
Employee Withholding						10,190.57
Payroll Taxes Payable			5,875,903.06			
Net Payroll			4,371,115.83			
Due General Capital Fund	C-2				50,000.00	
Due Current Fund			1,590.80			
		<u>16,646.34</u>	<u>10,248,609.69</u>	<u>5.92</u>	<u>1,271,822.98</u>	<u>10,294.44</u>
Decreased by Disbursements:						
Expenditures Under RS 4:19-15.11	B-3	20,498.56				
NJ State Department of Health		1,330.20				
Encumbrances Payable					14,240.23	
Performance Bond Escrow				2,714.38		
Zoning Board Escrow Fees					11,604.25	
Planning Board Escrow Fees					58,091.50	
Street Opening Escrow					48,241.00	
Public Defender Trust Fund					6,465.20	
POAA Fees					1,839.40	
Off-Duty Police					590,494.34	
Bike Share Program					3,781.86	
Storm Recovery Trust Fund					12,974.36	
Law Enforcement Forfeiture					40.00	
Commodity Resale					153,826.24	
Donations Community Events					110,148.62	
Accumulated Absences					117,751.75	
Due Water Operating Fund	D-5		1,582.00			
Due Sewer Operating Fund			2,187.36			
Unemployment Compensation						19,358.32
Payroll Taxes Payable			5,920,158.08			
Net Payroll			4,371,115.83			
Due General Capital Fund	C-2				50,000.00	
Due Current Fund		17.07	14,156.94	7.84	442.57	
		<u>21,845.83</u>	<u>10,309,200.21</u>	<u>2,722.22</u>	<u>1,179,941.32</u>	<u>19,358.32</u>
Balance December 31, 2015	B	\$ 807.56	\$ 1,632.39		\$ 236,589.74	\$ 34,786.85

SCHEDULE OF TRUST FUND CASH - COLLECTOR

Balance December 31, 2014	Ref. B		\$ 1,172,753.33
Increased by:			
Deposits for Redemption of Tax Sale Certificates	B-4	\$ 1,077,201.78	
Premiums Received at Tax Sale	B-5	617,300.00	
Tax Sale Receipts		302,555.05	
Interest Earned		2,071.03	
			<u>1,999,127.86</u>
			3,171,881.19
Decreased by:			
Redemptions of Tax Sale Certificates	B-4	1,040,678.32	
Tax Sale Premiums	B-5	905,300.00	
Tax Sale Receipts		302,555.05	
Interest Transferred to Current Fund		2,028.88	
			<u>2,250,562.25</u>
Balance December 31, 2015	B		<u>\$ 921,318.94</u>

SCHEDULE OF RESERVE FOR DOG FUND EXPENDITURES

Balance December 31, 2014	Ref. B	\$ 5,997.89
Increased by:		
Municipal Share of Dog License Fees	B-1	15,298.40
		<u>21,296.29</u>
Decreased by:		
Expenditures Under RS 4:19-15.11: Cash	B-1	20,498.56
Balance December 31, 2015	B	<u><u>\$ 797.73</u></u>

License Fees Collected

Year	Amount
2013	\$ 3,911.00
2014	17,515.40
	<u>\$ 21,426.40</u>

EXHIBIT B-4

SCHEDULE OF DEPOSITS FOR REDEMPTION OF TAX SALE CERTIFICATES

Balance December 31, 2014	Ref. B	\$ 22,986.50
Increased by:		
Deposits Received	B-2	1,077,201.78
Due from Water Operating Fund		805.07
		<u>1,100,993.35</u>
Decreased by:		
Refunds - Tax Sale Certificates Redeemed	B-2	1,040,678.32
Balance December 31, 2015	B	<u>\$ 60,315.03</u>

EXHIBIT B-5

SCHEDULE OF DEPOSITS FOR REDEMPTION OF TAX SALE PREMIUMS

Balance December 31, 2014	Ref. B	\$ 1,149,600.00
Increased by:		
Deposits Received at Tax Sale	B-2	617,300.00
		<u>1,766,900.00</u>
Decreased by:		
Premiums Refunded	B-2	905,300.00
Balance December 31, 2015	B	<u>\$ 861,600.00</u>

GENERAL CAPITAL FUND

EXHIBIT C-2

SCHEDULE OF GENERAL CAPITAL CASH - TREASURER

Balance December 31, 2014	Ref. C		\$ 1,276,625.63
Increased by:			
Bond Anticipation Notes	C-9	\$ 1,615,000.00	
Due Current Fund	C-3	1,004,659.50	
Due Water Operating Fund	C-3	16,036.78	
Due Trust Other	C-3	50,000.00	
Due Parking Utility Operating Fund	C-3:F-4	9,500.00	
Due Collingswood Board of Education	C-3	53,000.00	
Due from Knights Park Trustees	C-3	5,000.00	
Due from Camden County Open Space	C-3	25,000.00	
Due from Board of Education	C-3	25,000.00	
Capital Improvement Fund	C-5	393,000.00	
			<u>3,196,196.28</u>
			4,472,821.91
Decreased by:			
Improvement Authorizations	C-7	1,096,144.30	
Encumbrances Payable	C-3	386,546.02	
Due Water Operating Fund	C-3	16,036.78	
Due Parking Utility Operating	C-3:F-4	9,500.00	
Due Current Fund	C-3	1,004,763.34	
Due Trust Other	C-3	50,000.00	
			<u>2,562,990.44</u>
Balance December 31, 2015	C		<u><u>\$ 1,909,831.47</u></u>

Ref.

EXHIBIT C-4

SCHEDULE OF DEFERRED CHARGES TO FUTURE
TAXATION - FUNDED

Balance December 31, 2014	Ref. C	\$ 24,059,000.00
Decreased by:		
Payment of Bonds Payable	C-8	1,795,000.00
Balance December 31, 2015	C	<u>\$ 22,264,000.00</u>

EXHIBIT C-5

SCHEDULE OF CAPITAL IMPROVEMENT FUND

Balance December 31, 2014	Ref. C	\$ 285,744.34
Increased by:		
Receipts	C-2	393,000.00
		<u>678,744.34</u>
Decreased by:		
Financed Improvement Authorizations	C-7	677,325.00
Balance December 31, 2015	C	<u>\$ 1,419.34</u>

SCHEDULE OF DEFERRED CHARGES TO FUTURE
TAXATION - UNFUNDED

						Analysis of Balances December 31, 2015	
Ordinance Number	Purpose	Balance	Authorization	Notes Paid by Budget	Balance	Financed By	Unexpended Improvement Authorizations
		Dec. 31, 2014		Appropriation	Dec. 31, 2015	Bond Anticipation Notes	
1486	Lumberyard Redevelopment Project	\$ 850,000.00		\$ 200,000.00	\$ 650,000.00	\$ 650,000.00	
1499	Resurfacing of Various Roads	185,000.00		100,000.00	85,000.00	85,000.00	
1503	Acquisition of Condominium Units	1,755,246.00		365,000.00	1,390,246.00	1,390,000.00	\$ 246.00
1545	Refunding Bond Ordinance	177,760.00			177,760.00		177,760.00
1564	Renovations and Repairs to Robert's Pool Park		\$1,615,000.00		1,615,000.00	1,615,000.00	
		<u>\$ 2,968,006.00</u>	<u>\$1,615,000.00</u>	<u>\$ 665,000.00</u>	<u>\$ 3,918,006.00</u>	<u>\$ 3,740,000.00</u>	<u>\$ 178,006.00</u>
	Ref.	C	C-7	C-9	C		
					Ref.		
					C	\$ (1,300,000.00)	
					C-9	5,040,000.00	
						<u>\$ 3,740,000.00</u>	
						Ref.	
Improvement Authorizations - Unfunded						C-7	\$1,608,504.42
Less: Unexpended Proceeds of Bond Anticipation Notes Issued							
Ordinance Number	Purpose						
1486	Lumberyard Redevelopment Project					C-3	44,744.76
1503	Acquisition of Condominium Units					C-3	214,194.66
1564	Renovations and Repairs to Robert's Pool Park					C-3	1,171,559.00
							<u>\$ 178,006.00</u>

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ordinance Number	Purpose	Date	Amount	Balance Dec. 31, 2014		Authorized		Paid or Charged	Encumbered	Balance Dec. 31, 2015	
				Funded	Unfunded	Fund Balance/ Capital Improvement Fund	Deferred Charges to Future Taxation			Funded	Unfunded
1438	Acquisition of Various Properties	08/14/07	\$ 3,940,000.00	\$ 510.08						\$ 510.08	
1439	Acquisition of Various Pieces of Equipment	08/14/07	2,201,000.00	1,763.52						1,763.52	
1486	Lumberyard Redevelopment Project	08/03/10	3,300,000.00		\$ 49,989.76				\$ 5,245.00		\$ 44,744.76
1503	Acquisition of Condominium Units	10/03/11	5,992,246.00		303,826.09			\$ 79,844.43	9,541.00		214,440.66
1505	Repairs to Municipal Court Roof Building	03/05/12	25,000.00	14,250.00				2,780.00		11,470.00	
1513	Repairs to Municipal Building	04/02/12	15,000.00	15,000.00						15,000.00	
1518	Various Roadway Projects	06/04/12	250,000.00	52,195.80				51,144.70		1,051.10	
1536	Purchase of Public Works Vehicles	06/03/13	35,000.00	3,749.00				3,749.00			
1545	Refunding Bond Ordinance	03/03/14	212,760.00		177,760.00						177,760.00
1546	Roadway Improvements	05/09/14	115,000.00	65,606.38				6,653.38	1,103.00	57,850.00	
1562	Purchase of Property	02/02/15	430,000.00			\$ 430,000.00		419,603.12		10,396.88	
1564	Renovations and Repairs to Robert's Pool Park	03/02/15	1,700,000.00			85,000.00	\$1,615,000.00	380,075.17	148,365.83		1,171,559.00
1567	Various Capital Improvements	04/06/15	320,000.00			320,000.00		152,294.50	18,713.50	148,992.00	
				<u>\$ 153,074.78</u>	<u>\$ 531,575.85</u>	<u>\$ 835,000.00</u>	<u>\$1,615,000.00</u>	<u>\$1,096,144.30</u>	<u>\$ 182,968.33</u>	<u>\$247,033.58</u>	<u>\$1,608,504.42</u>
Ref.				C	C		C-6	C-2		C	C
Capital Improvement Fund					Ref.						
Fund Balance					C-5	\$ 677,325.00					
					C-1	157,675.00					
						<u>\$ 835,000.00</u>					

SCHEDULE OF GENERAL SERIAL BONDS PAYABLE

Date of Issue	Purpose	Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance		Balance Dec. 31, 2015
			Date	Amount		Dec. 31, 2014	Decreased	
10/01/98	General Obligation Bonds - Taxable	\$ 2,100,000.00	10/1/15	\$ 100,000.00	6.000%	\$ 100,000.00	\$ 100,000.00	
09/01/99	CCIA - Revenue Bonds	1,300,000	9/1/16	85,000	5.850%			
			9/1/17	90,000	5.850%			
			9/1/18	95,000	5.850%			
			9/1/19	100,000	5.850%	450,000.00	80,000.00	\$ 370,000.00
02/01/08	General Obligation Bonds - Tax Exempt	3,537,000	2/1/16		3.500%			
			2/1/17	654,000	3.500%			
			2/1/18	679,000	3.625%			
			2/1/19	705,000	3.750%			
			2/1/20	734,000	4.000%			
			2/1/21	765,000	4.000%	3,537,000.00		3,537,000.00
02/01/08	General Obligation Bonds - Taxable	4,935,000	2/1/16	760,000	5.000%	1,525,000.00	765,000.00	760,000.00
06/01/09	General Obligation Bonds - Tax Exempt	11,153,000	6/1/16	300,000	4.375%			
			6/1/17	440,000	4.375%			
			6/1/18	460,000	4.375%			
			6/1/19	485,000	4.375%			
			6/1/20	600,000	4.375%			
			6/1/21	615,000	4.375%			
			6/1/22	750,000	4.500%			
			6/1/23	730,000	4.500%			
			6/1/24	870,000	4.500%			
			6/1/25	915,000	4.500%			
			6/1/26	955,000	4.500%			
			6/1/27	1,005,000	4.500%			
			6/1/28	1,055,000	4.500%			
			6/1/29	1,113,000	4.500%	10,543,000.00	250,000.00	10,293,000.00

SCHEDULE OF GENERAL SERIAL BONDS PAYABLE

Date of Issue	Purpose	Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance Dec. 31, 2014	Decreased	Balance Dec. 31, 2015
			Date	Amount				
06/01/09	General Obligation Bonds - Taxable	3,224,000	6/1/16	130,000	6.000%			
			6/1/17	135,000	6.000%			
			6/1/18	140,000	6.000%			
			6/1/19	150,000	6.000%			
			6/1/20	160,000	6.000%			
			6/1/21	165,000	6.000%			
			6/1/22	175,000	6.000%			
			6/1/23	190,000	6.000%			
			6/1/24	200,000	6.000%			
			6/1/25	215,000	6.125%			
			6/1/26	225,000	6.250%			
			6/1/27	240,000	6.250%			
			6/1/28	260,000	6.250%			
			6/1/29	279,000	6.250%	2,784,000.00	120,000.00	2,664,000.00
04/15/14	General Obligation Bonds - Taxable	3,500,000	2/15/16	300,000	2.000%			
			2/15/17	315,000	2.000%			
			2/15/18	330,000	2.000%			
			2/15/19	340,000	2.150%			
			2/15/20	355,000	3.000%			
			2/15/21	370,000	3.000%			
			2/15/22	385,000	3.000%			
			2/15/23	400,000	3.375%			
			2/15/24	415,000	3.625%	3,500,000.00	290,000.00	3,210,000.00
05/15/14	General Obligation Refunding Bonds	1,780,000	11/15/16	190,000	1.500%			
			11/15/17	200,000	1.500%			
			11/15/18	200,000	2.500%			
			11/15/19	200,000	3.000%			
			11/15/20	205,000	3.000%			
			11/15/21	215,000	3.000%			
			11/15/22	220,000	3.000%	1,620,000.00	190,000.00	1,430,000.00
					<u>\$ 24,059,000.00</u>	<u>\$ 1,795,000.00</u>	<u>\$ 22,264,000.00</u>	
Ref.					C		C	

SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE

Ordinance Number	Purpose	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2014	Increased	Decreased	Balance Dec. 31, 2015
1486	Lumberyard Redevelopment Project	8/09/12	4/23/15	4/22/16	0.9800%	\$ 850,000.00		\$ 200,000.00	\$ 650,000.00
1503	Acquisition of Condominium Units	8/09/12	4/23/15	4/22/16	0.9800%	500,000.00		50,000.00	450,000.00
1499	Resurfacing of Various Roads	8/11/11	8/3/15	8/02/16	0.8500%	185,000.00		100,000.00	85,000.00
1503	Acquisition of Condominium Units	5/01/12	4/23/15	4/22/16	0.9800%	2,497,000.00		315,000.00	2,182,000.00
1503	Acquisition of Condominium Units	4/25/14	4/23/15	4/22/16	0.9800%	58,000.00			58,000.00
1564	Renovations and Repairs to Robert's Pool Park	4/23/15	4/23/15	4/22/16	0.7900%		\$ 1,615,000.00		1,615,000.00
						<u>\$ 4,090,000.00</u>	<u>\$ 1,615,000.00</u>	<u>\$ 665,000.00</u>	<u>\$ 5,040,000.00</u>
Ref.						C	C-2		C

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Ordinance Number	Purpose	Balance Dec. 31, 2014	Authorized	Notes Issued	Balance Dec. 31, 2015
1503	Acquisition of Condominium Units	\$ 246.00			\$ 246.00
1545	Refunding Bond Ordinance	177,760.00			177,760.00
1564	Renovations and Repairs to Robert's Pool Park		\$ 1,615,000.00	\$ 1,615,000.00	
		<u>\$ 178,006.00</u>	<u>\$ 1,615,000.00</u>	<u>\$ 1,615,000.00</u>	<u>\$ 178,006.00</u>
	Ref.		C-7	C-9	

WATER UTILITY FUND

SCHEDULE OF WATER UTILITY CASH - TREASURER

	Ref.	Operating	Capital
Balance December 31, 2014	D	<u>\$ 380,176.46</u>	<u>\$ 238,722.60</u>
Increased by:			
Consumer Accounts Receivable	D-7	2,387,203.55	
Capital Improvement Fund	D-13		200,000.00
Miscellaneous Revenues	D-3	35,861.03	918.33
Water Rent Overpayments		12,108.54	
Due Tax Sale Redemption Trust	D	805.07	
New Jersey Environmental Infrastructure Loan			184,865.00
Funding of Emergency	D-15	75,000.00	
Due Sewer Operating Fund	E-5	13,698.92	
Due Water Capital Fund	D-5	852.30	
Due from Payroll Trust Fund	B-1	1,582.00	
		<u>2,527,111.41</u>	<u>385,783.33</u>
		<u>2,907,287.87</u>	<u>624,505.93</u>
Decreased by:			
Budget Appropriations	D-4	1,883,537.79	
Improvement Authorizations	D-15		75,000.00
Appropriation Reserves	D-11	50,811.78	
Encumbrances Payable	D-12	4,963.04	166,496.82
Accrued Interest Paid	D-14	118,662.51	
Due Water Operating Fund	D-5		852.30
Due Sewer Operating Fund	E-5	9,086.68	
		<u>2,067,061.80</u>	<u>242,349.12</u>
Balance December 31, 2015	D	<u><u>\$ 840,226.07</u></u>	<u><u>\$ 382,156.81</u></u>

ANALYSIS OF WATER UTILITY CAPITAL FUND CASH

			Receipts			Disbursements				
	Balance Dec. 31, 2014	Budget Appropriation	NJEIT Loan	Miscellaneous	Improvement Authorizations	Miscellaneous	Transfers		Balance Dec. 31, 2015	
							From	To		
Fund Balance	\$ 1,301.66								\$ 1,301.66	
Capital Improvement Fund	275,205.99	\$ 200,000.00					\$ 400,000.00		75,205.99	
Encumbrances Payable	309,812.94					\$ 166,496.82	141,524.54		1,791.58	
Due from NJ Environmental Infrastructure Trust	(25,254.30)		\$ 184,865.00				166,351.82	\$ 6,741.12		
Due Water Utility Operating Fund	51.02			\$ 918.33		852.30			117.05	
Improvement Authorizations:										
Ordinance										
Number	Purpose									
1382	Various Capital Improvements		2,385.63						2,385.63	
1516	Various Improvements to Water Treatment System		5,177.42						5,177.42	
1528	Various Water Utility Improvements		(349,481.76)				6,741.12	307,876.36	(48,346.52)	
1546	Purchase Water Meters		19,524.00						19,524.00	
1567	Purchase Water Meters & Construction of Well House							300,000.00	300,000.00	
1582	Repairs to Water Pump at Well # 5					\$ 75,000.00		100,000.00	25,000.00	
	<u>\$ 238,722.60</u>	<u>\$ 200,000.00</u>	<u>\$ 184,865.00</u>	<u>\$ 918.33</u>	<u>\$ 75,000.00</u>	<u>\$ 167,349.12</u>	<u>\$ 714,617.48</u>	<u>\$ 714,617.48</u>	<u>\$ 382,156.81</u>	
Ref.	D	D-5	D-5	D-5	D-15	D-5			D	

EXHIBIT D-7

SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE - WATER

Balance December 31, 2014	Ref. D	\$ 188,594.02
Increased by:		
Utility Rents Levied		2,369,367.34
		<hr/> 2,557,961.36
Decreased by:		
Collections	D-5	2,387,203.55
Overpayments Applied	D-3	10,272.87
Canceled		3,253.03
		<hr/> 2,400,729.45
Balance December 31, 2015	D	<hr/> <hr/> \$ 157,231.91

SCHEDULE OF FIXED CAPITAL - WATER CAPITAL FUND

	Balance Dec. 31, 2014	Balance Dec. 31, 2015
Intangible Plant:		
Organization	\$ 10,996.82	\$ 10,996.82
Source of Supply Plant:		
Land & Land Rights	29,769.00	29,769.00
Structures & Improvements	246,246.00	246,246.00
Wells & Springs	1,253,912.00	1,253,912.00
Supply Mains	83,469.00	83,469.00
Pumping Plant:		
Structures & Improvements	450,139.00	450,139.00
Electric Pumping Equipment	88,093.27	88,093.27
Diesel Pumping	28,907.79	28,907.79
Water Treatment Plant:		
Structures & Improvements	1,034,952.00	1,034,952.00
Water Treatment Equipment	90,375.15	90,375.15
Transmission & Distribution Plant:		
Structures & Improvements	265,970.63	265,970.63
Distribution Reservoirs & Standpipes	772,224.79	772,224.79
Transmission & Distribution Mains	3,028,697.46	3,028,697.46
Services	100,371.10	100,371.10
Meters	315,343.70	315,343.70
Hydrants	93,385.51	93,385.51
General Plant:		
Land & Land Rights	7,292.12	7,292.12
Structures & Improvements	72,811.06	72,811.06
Office Furniture & Equipment	9,748.04	9,748.04
Transportation Equipment	42,139.81	42,139.81
Other General Equipment	3,494.66	3,494.66
	<u>\$ 8,028,338.91</u>	<u>\$ 8,028,338.91</u>
Ref.	D	D

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Ordinance Number	Purpose	Ordinance		Balance	Authorized	Balance
		Date	Amount	Dec. 31, 2014		Dec. 31, 2015
1382	Various Capital Improvements	08/01/05	\$ 1,500,000.00	\$ 1,500,000.00		\$ 1,500,000.00
1516	Various Improvements to Water Treatment System	06/04/12	140,000.00	140,000.00		140,000.00
1528	Various Water Utility Improvements	12/03/12	2,600,000.00	2,600,000.00		2,600,000.00
1545	Refunding Bonds	03/03/14	37,240.00	37,240.00		37,240.00
1546	Purchase Water Meters	05/05/14	25,000.00	25,000.00		25,000.00
1567	Purchase Water Meters & Construction of Well House	04/06/15	300,000.00		\$ 300,000.00	300,000.00
1582	Repairs to Water Pump at Well # 5	12/07/15	100,000.00		100,000.00	100,000.00
				<u>\$ 4,302,240.00</u>	<u>\$ 400,000.00</u>	<u>\$ 4,702,240.00</u>
				Ref. D	D-15	D

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

Ordinance Number	Purpose	Date of Ordinance	Balance Dec. 31, 2014	Authorized	Balance Dec. 31, 2015
1516	Various Improvements to Water Treatment System	06/04/12	\$ 140,000.00		\$ 140,000.00
1567	Purchase Water Meters & Construction of Well House	04/06/15		\$ 300,000.00	300,000.00
1582	Repairs to Water Pump at Well # 5	12/07/15		100,000.00	100,000.00
			<u>140,000.00</u>	<u>400,000.00</u>	<u>540,000.00</u>
		Ref.	D	D-15	D

EXHIBIT D-11

SCHEDULE OF APPROPRIATION RESERVES - WATER

	Balance Dec. 31, 2014	Paid or Charged	Balance Lapsed
Operating:			
Salary and Wages	\$ 37,280.27	\$ 14,551.04	\$ 22,729.23
Other Expenses	212,547.29	36,260.74	176,286.55
Other Accounts - No Change	11,382.48		11,382.48
	<u>\$ 261,210.04</u>	<u>\$ 50,811.78</u>	<u>\$ 210,398.26</u>
Ref.	D	D-5	D-1

EXHIBIT D-12

SCHEDULE OF ENCUMBRANCES PAYABLE - WATER

	Ref.	Operating Fund	Capital Fund
Balance December 31, 2014	D	\$ 4,963.04	\$ 309,812.94
Increased by:			
Charges to:			
Current Appropriations	D-4	144,258.71	
		<u>149,221.75</u>	<u>309,812.94</u>
Decreased by:			
Payments	D-5	4,963.04	166,496.82
Canceled	D-15		141,524.54
Balance December 31, 2015	D	<u>\$ 144,258.71</u>	<u>\$ 1,791.58</u>

SCHEDULE OF CAPITAL IMPROVEMENT FUND

Balance December 31, 2014	Ref. D	\$ 275,205.99
Increased by:		
Budget Appropriation	D-5	200,000.00
		<u>475,205.99</u>
Decreased by:		
Appropriated to Finance Improvement Authorizations	D-15	400,000.00
Balance December 31, 2015	D	<u><u>\$ 75,205.99</u></u>

SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES
AND ANALYSIS OF BALANCE

	Ref.	<u>Loans</u>	<u>Bonds</u>
Balance December 31, 2014	D	\$ 9,145.83	\$ 34,873.97
Increased by:			
Budget Appropriation for:			
Interest on Bonds and Notes	D-4	21,616.67	94,798.08
		<u>30,762.50</u>	<u>129,672.05</u>
Decreased by:			
Interest Paid	D-5	21,950.00	96,712.51
Balance December 31, 2015	D	<u><u>\$ 8,812.50</u></u>	<u><u>\$ 32,959.54</u></u>

Analysis of Accrued Interest December 31, 2015

Principal Outstanding Dec. 31, 2015	Interest Rate	From	To	Period	Amount
\$ 210,000.00	Varies	10/1/15	12/31/15	3 Months	\$ 2,362.50
248,000.00	Varies	11/15/15	12/31/15	1.5 Months	1,485.06
1,792,500.00	Varies	8/1/15	12/31/15	5 Months	29,111.98
<u>\$ 2,250,500.00</u>					<u>\$ 32,959.54</u>
\$ 160,000.00	Varies	8/1/15	12/31/15	5 Months	\$ 2,416.67
435,000.00	Varies	8/1/15	12/31/15	5 Months	6,395.83
<u>\$ 640,000.00</u>					<u><u>\$ 8,812.50</u></u>

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS - WATER

Ordinance Number	Purpose	Date	Amount	Balance Dec. 31, 2014		Authorized	Paid or Charged	Encumbrance Canceled	Balance Dec. 31, 2015	
				Funded	Unfunded				Funded	Unfunded
1382	Various Capital Improvements	08/01/05	\$1,500,000.00	\$ 2,385.63					\$ 2,385.63	
1516	Various Improvements to Water Treatment System	06/04/12	140,000.00	5,177.42					5,177.42	
1528	Various Water Utility Improvements	12/03/12	2,600,000.00		\$ 841,994.94			\$ 141,524.54		\$ 983,519.48
1545	Refunding Bond Ordinance	03/03/14	37,240.00		37,240.00					37,240.00
1546	Purchase Water Meters	05/05/14	25,000.00	19,524.00					19,524.00	
1567	Purchase Water Meters & Construction of Well House	04/06/15	300,000.00			\$ 300,000.00			300,000.00	
1582	Repairs to Water Pump at Well #5	12/07/15	100,000.00			100,000.00	\$ 75,000.00		25,000.00	
				<u>\$ 27,087.05</u>	<u>\$ 879,234.94</u>	<u>\$ 400,000.00</u>	<u>\$ 75,000.00</u>	<u>\$ 141,524.54</u>	<u>\$ 352,087.05</u>	<u>\$ 1,020,759.48</u>
			Ref.	D	D	D-9:D-13	D-5	D-12	D	D

SCHEDULE OF WATER SERIAL BONDS

Date of Issue	Purpose	Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance		Balance
			December 31, 2015			Dec. 31, 2014	Decreased	
			Date	Amount				
10/01/98	Water Bonds	\$ 1,090,000.00	10/1/16	70,000.00	4.45%	\$ 280,000.00	\$ 70,000.00	\$ 210,000.00
			10/1/17	70,000.00	4.50%			
			10/1/18	70,000.00	4.55%			
12/04/02	Water Bonds	558,000	11/15/16	31,000.00	4.300%	277,000.00	29,000.00	248,000.00
			11/15/17	32,000.00	5.250%			
			11/15/18	34,000.00	5.250%			
			11/15/19	35,000.00	4.625%			
			11/15/20	37,000.00	4.625%			
			11/15/21	39,000.00	4.750%			
			11/15/22	40,000.00	4.750%			
02/01/08	Water Bonds	2,420,500	2/1/16	108,000.00	3.500%	1,865,500.00	73,000.00	1,792,500.00
			2/1/17	112,000.00	3.500%			
			2/1/18	115,000.00	3.625%			
			2/1/19	120,000.00	3.750%			
			2/1/20	124,000.00	4.000%			
			2/1/21	129,000.00	4.000%			
			2/1/22	135,000.00	4.000%			
			2/1/23	141,000.00	4.000%			
			2/1/24	146,000.00	4.000%			
			2/1/25	155,000.00	4.000%			
			2/1/26	161,000.00	4.000%			
			2/1/27	170,000.00	4.000%			
			2/1/28	176,500.00	4.000%			
				</				

EXHIBIT D-17

SCHEDULE OF NJ ENVIRONMENTAL INFRASTRUCTURE LOANS

Ordinance Number	Purpose	Original Issue	Interest Rate	Balance Dec. 31, 2014	Decreased	Balance Dec. 31, 2015
1528	Various Water Utility Improvements	\$ 175,000.00	3%-5%	\$ 165,000.00	\$ 5,000.00	\$ 160,000.00
1528	Various Water Utility Improvements	540,514.00	None	494,707.75	27,483.75	467,224.00
1528	Various Water Utility Improvements	465,000.00	3%-5%	450,000.00	15,000.00	435,000.00
1528	Various Water Utility Improvements	489,200.00	None	446,985.15	25,328.91	421,656.24
				<u>\$ 1,556,692.90</u>	<u>\$ 72,812.66</u>	<u>\$ 1,483,880.24</u>
Ref.				D		D

EXHIBIT D-18

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Ordinance Number	Purpose	Balance Dec. 31, 2014	Balance Dec. 31, 2015
1528	Various Water Utility Improvements	\$ 685,686.00	\$ 685,686.00
1545	Refunding Bond Ordinance	37,240.00	37,240.00
		<u>\$ 722,926.00</u>	<u>\$ 722,926.00</u>

SEWER UTILITY FUND

EXHIBIT E-5

SCHEDULE OF SEWER UTILITY CASH - TREASURER

	Ref.	Operating	Capital
Balance December 31, 2014	E	<u>\$ 500,813.17</u>	<u>\$ 746,690.73</u>
Increased by:			
Consumer Accounts Receivable	E-7	1,953,021.16	
Miscellaneous Revenues	E-3	7,783.02	1,808.01
Budget Appropriation:			
Capital Improvement Fund	E-13		175,000.00
Sewer Rent Overpayments		5,860.51	
Due Water Operating Fund	D-5	9,086.68	
Due Payroll Trust Fund		2,187.36	
Due Sewer Capital Fund	E-5	1,746.80	
		<u>1,979,685.53</u>	<u>176,808.01</u>
		<u>2,480,498.70</u>	<u>923,498.74</u>
Decreased by:			
Budget Appropriations	E-4	1,739,750.90	
Appropriation Reserves	E-11	24,417.41	
Improvement Authorizations	E-15		713.47
Encumbrances Payable	E-12	3,470.06	170,000.00
Accrued Interest Paid	E-14	77,013.65	
Due Water Operating Fund	D-5	13,698.92	
Due Sewer Operating Fund	E-5		1,746.80
		<u>1,858,350.94</u>	<u>172,460.27</u>
Balance December 31, 2015	E	<u><u>\$ 622,147.76</u></u>	<u><u>\$ 751,038.47</u></u>

ANALYSIS OF SEWER UTILITY CAPITAL FUND CASH

	Balance Dec. 31, 2014	Receipts		Disbursements		Transfers		Balance Dec. 31, 2015
		Budget Appropriation	Miscellaneous	Improvement Authorization	Miscellaneous	From	To	
Fund Balance	\$ 165,053.07							\$ 165,053.07
Capital Improvement Fund	222,391.00	\$ 175,000.00				\$ 100,000.00		297,391.00
Encumbrances Payable	172,697.67				\$170,000.00			2,697.67
Due Sewer Utility Operating Fund Improvement Authorizations:	160.12		\$ 1,808.01		1,746.80			221.33
Ordinance Number								
1383 Various Capital Improvements	116,216.29							116,216.29
1546 Sewer Infrastructure	70,172.58			\$ 713.47				69,459.11
1567 Inlet Repairs							\$ 100,000.00	100,000.00
	<u>\$ 746,690.73</u>	<u>\$ 175,000.00</u>	<u>\$ 1,808.01</u>	<u>\$ 713.47</u>	<u>\$171,746.80</u>	<u>\$ 100,000.00</u>	<u>\$ 100,000.00</u>	<u>\$ 751,038.47</u>
Ref.	E	E-5	E-5	E-15	E-5			E

EXHIBIT E-7

SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE - SEWER

Balance December 31, 2014	Ref. E	\$ 2,349.42
Increased by:		
Utility Rents Levied		1,959,892.50
		<u>1,962,241.92</u>
Decreased by:		
Collections	E-5	1,953,021.16
Overpayments Applied	E-3	6,522.38
Canceled		215.18
		<u>1,959,758.72</u>
Balance December 31, 2015	E	<u><u>\$ 2,483.20</u></u>

EXHIBIT E-8

SCHEDULE OF SEWER UTILITY LIENS RECEIVABLE

Balance December 31, 2014	Ref. E	\$ 155.04
Balance December 31, 2015	E	<u><u>\$ 155.04</u></u>

SCHEDULE OF FIXED CAPITAL - SEWER CAPITAL FUND

	Balance Dec. 31, 2014	Budget	Balance Dec. 31, 2015
Pumping Station	\$ 18,124.86		\$ 18,124.86
Sewer Extension Pumping Station	15,658.85		15,658.85
Lower Level Sewer	5,172.35		5,172.35
Maple Avenue Sewer	122,328.47		122,328.47
Extension and Improvement to:			
Sewer Plant	294,789.45		294,789.45
Chlorinator	744.00		744.00
Manholes	937.16		937.16
Sewer Lines	1,981,014.10		1,981,014.10
Sewer Mains	954,427.92		954,427.92
General Equipment	24,327.67		24,327.67
Plant Equipment	26,415.73		26,415.73
Vineyard Extension	36,271.47		36,271.47
Transportation Equipment	772.20	\$ 73,000.00	73,772.20
Sewer Treatment Plant & Relief Sanitary Sewers	810,555.96		810,555.96
Construction of Sanitary Truck System - South			
Cooper River Drive & Construction of Sewerage			
Pumping Station at Garfield & Hillcrest Avenue	113,300.85		113,300.85
Construction of Sanitary Collecting Sewers, Sewer			
Pumping Station and Additions to Sewerage			
Treatment Plant	545,104.23		545,104.23
Garage	1,500.00		1,500.00
Reconstruction of Cedar Avenue - Sanitary Sewer,			
Diesel Building - Cattell Avenue & Newton Creek,			
Piping & Floater Cover for Digestion Tank	15,000.00		15,000.00
Reconstruction of Portions of Sewerage Treatment			
Plant on Newton Avenue Between Cattell Avenue			
& Comly Avenue, Purchase of Equipment to			
Determine Cause of Ground Water Infiltration,			
Construction of Sewer Manholes & Traps	421,236.87		421,236.87
	<u>\$ 5,387,682.14</u>	<u>\$ 73,000.00</u>	<u>\$ 5,460,682.14</u>
Ref.	E	E-4	E

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED - SEWER

Ordinance Number	Purpose	Ordinance		Balance	Authorized	Balance
		Date	Amount	Dec. 31, 2014		Dec. 31, 2015
1383	Various Capital Improvements	08/01/05	\$ 1,500,000.00	\$ 1,500,000.00		\$ 1,500,000.00
1517	Various Improvements to Infrastructure	06/04/12	75,000.00	75,000.00		75,000.00
1546	Sewer Infrastructure	05/05/14	75,000.00	75,000.00		75,000.00
1567	Inlet Repairs	04/06/15	100,000.00		\$100,000.00	100,000.00
				<u>\$ 1,650,000.00</u>	<u>\$100,000.00</u>	<u>\$ 1,750,000.00</u>
				Ref. E	E-15	E

EXHIBIT E-11

SCHEDULE OF APPROPRIATION RESERVES - SEWER

	Balance Dec. 31, 2014	Paid or Charged	Balance Lapsed
Salaries and Wages	\$ 16,557.74	\$ 9,413.30	\$ 7,144.44
Other Expenses	196,497.86	15,004.11	181,493.75
Other Accounts - No Change	4,661.77		4,661.77
	<u>\$ 217,717.37</u>	<u>\$ 24,417.41</u>	<u>\$ 193,299.96</u>
Ref.	E	E-5	E-1

EXHIBIT E-12

SCHEDULE OF ENCUMBRANCES PAYABLE - SEWER

	Ref.	Operating Fund	Capital Fund
Balance December 31, 2014	E	\$ 3,470.06	\$ 172,697.67
Increased by:			
Charges to:			
Budget Appropriations	E-4	17,797.41	
		<u>21,267.47</u>	<u>172,697.67</u>
Decreased by:			
Payment	E-5	3,470.06	170,000.00
Balance December 31, 2015	E	<u>\$ 17,797.41</u>	<u>\$ 2,697.67</u>

SCHEDULE OF CAPITAL IMPROVEMENT FUND

Balance December 31, 2014	Ref. E	\$ 222,391.00
Increased by:		
Budget Appropriation	E-5	175,000.00
		<u>397,391.00</u>
Decreased by:		
Financed Improvement Authorizations	E-15	100,000.00
Balance December 31, 2015	E	<u><u>\$ 297,391.00</u></u>

SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES
AND ANALYSIS OF BALANCE

	Ref.	Loans	Bonds
Balance December 31, 2014	E	\$ 10,468.75	\$ 24,388.23
Increased by:			
Budget Appropriation for:			
Interest on Bonds and Notes	E-4	13,046.68	61,224.59
		<u>23,515.43</u>	<u>85,612.82</u>
Decreased by:			
Interest Paid	E-5	14,314.90	62,698.75
Balance December 31, 2015	E	<u><u>\$ 9,200.53</u></u>	<u><u>\$ 22,914.07</u></u>

Analysis of Accrued Interest December 31, 2015

Principal Outstanding Dec. 31, 2015	Interest Rate	From	To	Period	Amount
\$ 210,000.00	Varies	10/01/15	12/31/15	3 Months	\$ 2,362.50
1,265,500.00	Varies	08/01/15	12/31/15	5 Months	20,551.57
<u>\$1,475,500.00</u>					<u>\$ 22,914.07</u>
\$ 190,000.00	Varies	08/01/14	12/31/14	5 Months	\$ 4,138.03
120,000.00	Varies	08/01/14	12/31/14	5 Months	2,458.33
150,000.00	Varies	08/01/14	12/31/14	5 Months	2,604.17
<u>\$ 460,000.00</u>					<u><u>\$ 9,200.53</u></u>

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS - SEWER

Ordinance Number	Purpose	Date	Amount	Balance Dec. 31, 2014	Authorized	Paid or Charged	Balance Dec. 31, 2015
				Funded			Funded
1383	Various Capital Improvements	08/01/05	\$ 1,500,000.00	\$ 116,216.29			\$116,216.29
1546	Sewer Infrastructure	05/05/14	75,000.00	70,172.58		\$ 713.47	69,459.11
1567	Inlet Repairs	04/06/15	100,000.00		\$100,000.00		100,000.00
				<u>\$ 186,388.87</u>	<u>\$100,000.00</u>	<u>\$ 713.47</u>	<u>\$285,675.40</u>
			Ref.	E	E-13	E-5	E

SCHEDULE OF SEWER SERIAL BONDS PAYABLE

Date of Issue	Purpose	Original Issue	Maturities of Bonds Outstanding December 31, 2015		Interest Rate	Balance		Balance Dec. 31, 2015
			Date	Amount		Dec. 31, 2014	Decreased	
10/01/98	Sewer Bonds	\$ 1,135,000.00	10/1/16	\$ 70,000.00	4.450%	\$ 280,000.00	\$ 70,000.00	\$ 210,000.00
			10/1/17	70,000.00	4.500%			
			10/1/18	70,000.00	4.550%			
02/01/08	Sewer Bonds	1,712,500.00	2/1/16	77,000.00	3.500%	1,317,500.00	52,000.00	1,265,500.00
			2/1/17	79,000.00	3.500%			
			2/1/18	81,000.00	3.625%			
			2/1/19	85,000.00	3.750%			
			2/1/20	87,000.00	4.000%			
			2/1/21	91,000.00	4.000%			
			2/1/22	95,000.00	4.000%			
			2/1/23	99,000.00	4.000%			
			2/1/24	104,000.00	4.000%			
			2/1/25	110,000.00	4.000%			
			2/1/26	114,000.00	4.000%			
			2/1/27	120,000.00	4.000%			
			2/1/28	123,500.00	4.000%			
						<u>\$ 1,597,500.00</u>	<u>\$ 122,000.00</u>	<u>\$ 1,475,500.00</u>
					Ref.	E		E

SCHEDULE OF NJ WASTEWATER TREATMENT TRUST LOAN

Ordinance Number	Trust/Loan Series	Interest Rate	Balance Dec. 31, 2014	Decreased	Balance Dec. 31, 2015
1163	2000 Series Trust Loan	4%-5.5%	\$ 225,000.00	\$ 35,000.00	\$ 190,000.00
1163	2000 Series Fund Loan	0.00%	160,606.83	28,064.77	132,542.06
1259	2001 Series Trust Loan	5%-5.25%	135,000.00	15,000.00	120,000.00
1259	2001 Series Fund Loan	0.00%	104,826.98	14,000.62	90,826.36
1460	2010 Series Trust Loan	3%-5%	150,000.00		150,000.00
1460	2010 Series Fund Loan	0.00%	238,072.73	27,762.70	210,310.03
			<u>\$ 1,013,506.54</u>	<u>\$ 119,828.09</u>	<u>\$ 893,678.45</u>
		Ref.	E	E-4	E

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

Ordinance Number	Purpose	Date of Ordinance	Balance Dec. 31, 2014	Authorized	Balance Dec. 31, 2015
1517	Various Improvements to Infrastructure	06/04/12	\$ 75,000.00		\$ 75,000.00
1546	Sewer Infrastructure	05/05/14	75,000.00		75,000.00
1567	Inlet Repairs	04/06/15		\$ 100,000.00	100,000.00
			<u>\$ 150,000.00</u>	<u>\$ 100,000.00</u>	<u>\$ 250,000.00</u>
		Ref.	E	E-15	E

PARKING UTILITY FUND

SCHEDULE OF PARKING UTILITY FUND CASH - TREASURER

	Ref.	Operating Fund	Capital Fund
Balance December 31, 2014	F	<u>\$ 221,939.95</u>	<u>\$ 15,003.18</u>
Increased by:			
Parking Meter Revenue	F-2	163,515.78	
Miscellaneous Revenue not Anticipated	F-2	6,985.80	183.81
Due from Parking Capital Fund	F-4	159.01	
Due General Capital Fund	C-2	9,500.00	
Budget Appropriation:			
Capital Improvement Fund	F-7		80,000.00
		<u>180,160.59</u>	<u>80,183.81</u>
		<u>402,100.54</u>	<u>95,186.99</u>
Decreased by:			
Budget Appropriations	F-3	217,133.33	
Due General Capital Fund	C-2	9,500.00	
Due Parking Operating Fund	F-4		159.01
		<u>226,633.33</u>	<u>159.01</u>
Balance December 31, 2015	F	<u><u>\$ 175,467.21</u></u>	<u><u>\$ 95,027.98</u></u>

ANALYSIS OF PARKING UTILITY CAPITAL FUND CASH

	Balance	Receipts		Disbursements	Transfers		Balance
	Dec. 31, 2014	Miscellaneous	Budget Appropriation	Miscellaneous	From	To	Dec. 31, 2015
Due Parking Utility Operating Fund	\$ 3.18	\$ 183.81		\$ 159.01			\$ 27.98
Capital Improvement Fund	15,000.00		\$ 80,000.00		\$ 80,000.00		15,000.00
Improvement Authorizations:							
Ordinance							
Number							
1527 Purchase New Kiosk & Pedestrian Safety Improvements						\$ 80,000.00	80,000.00
	<u>\$ 15,003.18</u>	<u>\$ 183.81</u>	<u>\$ 80,000.00</u>	<u>\$ 159.01</u>	<u>\$ 80,000.00</u>	<u>\$ 80,000.00</u>	<u>\$ 95,027.98</u>
Ref.	F	F-4	F-7	F-4			F

EXHIBIT F-6

SCHEDULE OF APPROPRIATION RESERVES - PARKING UTILITY FUND

		Balance Dec. 31, 2014	Balance Lapsed
Other Accounts - No Change		<u>\$ 3,792.79</u>	<u>\$ 3,792.79</u>
	Ref.	F	F-1

EXHIBIT F-7

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	Ref.	
Balance December 31, 2014		\$ 15,000.00
Increased by:		
Budget Appropriation	F-4	<u>80,000.00</u>
		95,000.00
Decreased by:		
Financed Improvement Authorizations	F-9	<u>80,000.00</u>
Balance December 31, 2015	F	<u>\$ 15,000.00</u>

EXHIBIT F-8

SCHEDULE OF ENCUMBRANCES PAYABLE - PARKING UTILITY FUND

	Ref.	
Increased by:		
Charges to:		
Current Appropriations	F-3	<u>\$ 488.84</u>
Balance December 31, 2015	F	<u>\$ 488.84</u>

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ordinance Number	Purpose	Date	Amount	Authorized	Balance
				Capital Improvement Fund	Dec. 31, 2015 Funded
1567	Purchase New Kiosk & Pedestrian Safety Improvements	04/06/15	\$ 80,000.00	\$ 80,000.00	\$ 80,000.00
			Ref.	F-7	F

PART II
LETTER OF COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2015

GENERAL COMMENTS

Contracts and Agreements Required to be Advertised for NJSA 40A:11-4

NJSA 40A:11-4 states "Every contract or agreement awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law."

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Solicitor's opinion should be sought before a commitment is made.

The minutes indicate that bids were requested by public advertisement for the following items:

Brush Chipper
Resurfacing Colford Avenue

Robert's Pool Playground Improvements
Various Road Improvement Contracts

The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts or agreements for "Professional Services" per NJSA 40A:11.5.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishings or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear cut violations existed.

Our examination of expenditures did reveal an individual payment contracts or agreement in excess of the bid threshold "for the performance of any work or the furnishing or hiring of any materials or supplies," other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of NJSA 40A:11-6. Bids were not awarded for Solid Waste Disposal Services.

NJSA 40A:11-6.1 requires that at least two competitive quotations be obtained for all contracts that in the aggregate are less than the bid threshold but 15 percent or more of that amount.

Collection of Interest on Delinquent Taxes and Assessments

The statute provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The governing body on January 5, 2015, adopted the following resolution authorizing interest to be charged on delinquent taxes:

WHEREAS, Chapter 104 P.L. 1965, amending RS 54:4-67 authorized municipalities to provide a grace period, not exceeding ten (10) days within which an installment of taxes or assessments may be received without an additional charge of interest; and

WHEREAS, NJSA 54:4-67 also provides that a governing body may also fix a penalty to a taxpayer charged with a delinquency in excess of ten thousand dollars (\$10,000.00) who fails to pay that delinquency prior to the end of the calendar year;

Collection of Interest on Delinquent Taxes and Assessments (Continued)

THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Borough of Collingswood, County of Camden and State of New Jersey that pursuant to NJSA 54:4-67, the rate of interest on delinquent tax installments and assessments for the year 2015 be and the same is hereby fixed at eight percent per annum on the first \$1,500.00 of delinquency and eighteen percent per annum on any amount in excess of \$1,500.00;

BE IT FURTHER RESOLVED, that for the tax year 2015, a six percent (6%) flat penalty shall be added at the end of each year for delinquencies which exceed ten thousand dollars (\$10,000.00);

BE IT FURTHER RESOLVED, that no interest be charged if payment of an installment is made within ten (10) days after the date on which same became payable.

It appears from an examination of the collector's records that interest was collected in accordance with the foregoing resolution.

Delinquent Taxes and Tax Title Liens

The last tax sale was held on December 17, 2015. Bankruptcies from prior years were not sold. The tax sale was not complete.

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

<u>Year</u>	<u>Number of Liens</u>
2015	4
2014	5
2013	2
2012	5

It is essential to good management that all means provided by statute be utilized to liquidate tax title liens in order to get such properties back on a tax-paying basis.

ASSESSED VALUATION OF REAL PROPERTY AND BUSINESS PERSONAL PROPERTY BY CLASSIFICATION

	2015	2014	2013	2012	2011
Vacant Land	7,696,400	7,993,800	8,313,700	12,139,500	7,978,300
Residential	909,569,100	909,879,300	913,740,100	909,087,200	908,133,700
Commercial	109,533,700	112,657,200	114,053,300	112,440,300	116,485,000
Apartments	37,733,700	38,400,700	38,400,700	39,531,700	40,066,800
	<u>1,064,532,900</u>	<u>1,068,931,000</u>	<u>1,074,507,800</u>	<u>1,073,198,700</u>	<u>1,072,663,800</u>

Assessed Value to True Value	105.32%	104.25%	100.23%	97.97%	97.47%
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	2010	2009	2008	2007	2006
Vacant Land	7,856,900	7,956,500	10,780,100	3,258,300	1,521,700
Residential	908,013,100	907,379,400	908,917,800	402,555,600	402,673,300
Commercial	116,609,600	119,269,300	122,710,600	55,417,400	55,969,300
Apartments	40,265,800	41,523,700	41,623,700	18,525,600	18,525,600
	<u>1,072,745,400</u>	<u>1,076,128,900</u>	<u>1,084,032,200</u>	<u>479,756,900</u>	<u>478,689,900</u>

Assessed Value to True Value	98.96%	98.52%	101.29%	50.18%	59.55%
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Source: Tax Duplicates, Abstract of Ratables (Camden County)

TOP TAXPAYERS

Owner of Record		2015 Assessed Valuation	2014 Assessed Valuation
Cooper River Manor Investors	1	9,818,200	9,818,200
900 Haddon Avenue LLC	2	4,000,000	4,000,000
Collingswood Associates	3	3,624,100	3,624,100
Ace Partnership	4	3,500,000	4,535,000
Parkview Urban Renewal LLC	5	3,384,000	3,384,000
Flaum Properties	6	3,325,000	3,325,000
Cresswood Associates	7	2,751,000	2,751,000
ALDI Inc.	8	2,300,000	2,300,000
New Jersey Bell Telephone	9	1,990,000	1,990,000
Inter Brotherhood Teamsters	10	1,977,400	1,977,400
		<u>36,669,700</u>	<u>37,704,700</u>

Source: Tax Assessor

COMPARISON PROPERTY TAX INFORMATION

	2015	2014	2013
Tax Rate without Special Improvement District	3.24	3.15	3.09
Tax Rate with Special Improvement District	3.42	3.32	3.26
Apportionment of Tax Rate			
Municipal	0.9710	0.9360	0.8820
Municipal Library	0.0310	0.0320	0.0330
County	0.7690	0.7540	0.7640
County Open Space	0.0200	0.0200	0.0210
Local School	1.4490	1.4080	1.3890
Special Improvement District	0.1790	0.1740	0.1666
Assessed Valuation	1,064,532,900	1,068,931,000	1,074,507,800

COMPARISON OF TAX LEVIES AND COLLECTIONS CURRENTLY

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

	2015	2014	2013	2012
Tax Levy	\$ 34,763,390.16	\$ 33,962,201.83	\$ 33,458,432.73	\$ 32,661,991.71
Cash Collections	34,657,340.20	33,817,373.78	33,264,043.36	32,490,665.52
Percentage of Collections	99.69%	99.57%	99.42%	99.48%

COMPARISON DELINQUENT TAXES AND TAX TITLE LIENS

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

	2015	2014	2013	2012
Amount of Tax Title Liens	\$ 45,847.55	\$ 45,954.09	\$ 33,247.02	\$ 38,742.33
Delinquent Taxes	10,689.28	8,162.80	27,890.14	1,114.07
Total Delinquent	\$ 56,536.83	\$ 54,116.89	\$ 61,137.16	\$ 39,856.40
Percentage of Tax Levy	0.16%	0.16%	0.18%	0.12%

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, was as follows:

	2015	2014	2013	2012
Property Acquired for Taxes (Assessed Valuation)	79,975	79,975	79,975	79,975

WATER AND SEWER RENT INFORMATION

WATER	2015	2014	2013	2012
Balance January 1	\$ 188,594.02	\$ 132,298.30	\$ 173,100.94	\$ 175,771.71
Levy	2,369,367.34	2,324,786.46	2,229,108.58	2,300,558.69
Cash Collections	2,397,476.42	2,266,665.04	2,268,141.34	2,299,845.72
Percentage of Collections	93.73%	92.25%	94.42%	92.87%
SEWER				
Balance January 1	2,349.42	2,695.83	1,844.07	2,958.54
Levy	1,959,892.50	1,940,711.00	1,844,893.50	1,839,126.50
Cash Collections	1,959,543.54	1,940,789.87	1,843,862.99	1,838,356.88
Percentage of Collections	99.86%	99.87%	99.84%	99.80%

OTHER COMMENTS

Chief Financial Officer/Treasurer

The records maintained by the Chief Financial Officer and Treasurer were found to be in compliance with requirements prescribed by Division of Local Government Services, state statutes, and administrative code requirements.

Revenue and Finance

The records maintained by the Revenue and Finance Supervisor were found to be in compliance with requirements prescribed by Division of Local Government Services, state statutes, and administrative code requirements.

Ancillary Departments

The financial records maintained by the Construction Code Office and Borough Clerk were found to be properly maintained.

Municipal Court

The financial records maintained by the Municipal Court were found to be properly maintained.

Corrective Action Plan

A corrective action plan was filed for the year 2014 audit with the Division of Local Government Services. Corrective action was not implemented.

STATUS OF PRIOR RECOMMENDATIONS

The following findings appeared in prior reports and corrective action has not been taken.

2014-001 Finding: Bids were not obtained for Solid Waste Disposal Services.

Corrective action was not taken.

FINDINGS AND RECOMMENDATIONS

2015-001 Finding: The requirements of NJSA 40A:11-4 were not followed with respect to Solid Waste Disposal Services.

Recommendation: The requirements of NJSA 40A:11-4 be followed for the contracting of Solid Waste Disposal Services.

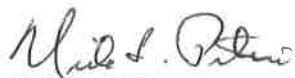
The problems and weaknesses noted in our review were not of such magnitude that they would affect our ability to express an opinion on the financial statements taken as a whole.

Should any question arise as to our comments and recommendations, or should you desire assistance in implementing our recommendations, please do not hesitate to call us.

We received the complete cooperation of all the officials of the Borough and we greatly appreciate the courtesies extended to the members of the audit team.

Respectfully submitted,

PETRONI & ASSOCIATES LLC



Nick L. Petroni
Certified Public Accountant
Registered Municipal Accountant #252