

**CAMDEN COUNTY  
IMPROVEMENT AUTHORITY**

**REPORT OF AUDIT**

**WITH  
SUPPLEMENTARY INFORMATION**

**FOR THE YEARS ENDING  
DECEMBER 31, 2011 and 2010**

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
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**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
ROSTER OF OFFICIALS  
As of December 31, 2011

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Members

William R. Hosey  
Linda M. Rohrer  
Jason D. Gonzalez  
Joseph P. Schooley

Position

Chairman  
Vice-Chairman  
Member  
Member

Other Officials

James P. Blanda  
Reginald C. Stevenson  
Maressa & Patterson, LLC

Executive Director  
Treasurer  
General Counsel

**CAMDEN COUNTY  
IMPROVEMENT AUTHORITY**

**PART 1**

**FINANCIAL SECTION**

**FOR THE YEARS ENDED**

**DECEMBER 31, 2011 and 2010**

## **INDEPENDENT AUDITORS' REPORT**

The Chairman and Members of  
The Camden County Improvement Authority  
Cherry Hill, New Jersey

We have audited the accompanying statements of net assets of the Camden County Improvement Authority, State of New Jersey, a component unit of the County of Camden, as of December 31, 2011 and 2010, and the related statements of revenues, expenses and changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Bureau of Authority Regulation, Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Camden County Improvement Authority as of December 31, 2011 and 2010, and the respective changes in financial position thereof for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated June 14, 2012 on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of funding progress for the OPEB plan and budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because of the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Camden County Improvement Authority's basic financial statements as a whole. The accompanying Schedule of State Financial Assistance is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and State of New Jersey Circular 04-04-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, and is not a required part of the financial statements. In addition, the supplementary schedules listed in the table of contents are also presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of State Financial Assistance and supplementary schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The 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 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 information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Respectfully submitted,

*Bowman & Company LLP*

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

Voorhees, New Jersey  
June 14, 2012

**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**

The Chairman and Members of  
The Camden County Improvement Authority  
Cherry Hill, New Jersey

We have audited the financial statements of the Camden County Improvement Authority, in the County of Camden, State of New Jersey, a component unit of the County of Camden, as of and for the year ended December 31, 2011, and have issued our report thereon dated June 14, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and in compliance with audit requirements as prescribed by the Bureau of Authority Regulation, Division of Local Government Services, Department of Community Affairs, State of New Jersey.

**Internal Control Over Financial Reporting**

Management of the Camden County Improvement Authority is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Authority's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over financial reporting.

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 Authority's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Camden County Improvement Authority'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 no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards, and audit requirements as prescribed by the Bureau of Authority Regulation, Division of Local Government Services, Department of Community Affairs, State of New Jersey.

This report is intended solely for the information and use of the management of the Authority, others within the Authority, the Bureau of Authority Regulation, Division of Local Government Services, Department of Community Affairs, State of New Jersey and State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

  
BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

Voorhees, New Jersey  
June 14, 2012

  
**Camden County**  
**Improvement Authority**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDING DECEMBER 31, 2011**

**PURPOSE**

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The Camden County Improvement Authority (“CCIA” or “Authority”) Management’s Discussion and Analysis provides an overview of CCIA’s projects as well as financial position for the fiscal year ended 2011.

**2011 BUSINESS REVIEW**

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As 2011 progressed, the Authority saw the rise of two structures that will change the landscape of Camden County and Southern New Jersey. The Cooper Medical School of Rowan University and the Rutgers Housing Project are two major projects that have fueled the Authority’s Public Financing and Project Management Divisions. The success of these projects is a catalyst for growth of the Improvement Authority.

A six-story, 200,000 square foot, four year, state-of-the-art allopathic medical school will be erected in the City of Camden as a result of the Authority’s financing and project management capabilities. The Cooper Medical School of Rowan University is a \$140,000,000 investment in both the City of Camden and the aspiring doctors who will practice medicine for many years to follow. The Authority was instrumental in seeing this project to fruition and continues to maintain an active role in the diligent effort to ensure the project is delivered on time for a fall 2012 commencement.



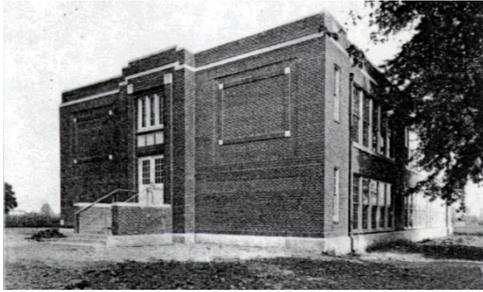
The Authority has partnered with Rutgers University and Camden Student Housing, LLC to develop and construct a 350 bed, 12 story graduate student apartment facility that will sit at the foot of the Ben Franklin Bridge in the City of Camden. This \$48.5 million project, scheduled to open in July 2012, will provide much needed housing for the students of various expanding graduate programs at Rutgers Camden.



In 2011, the Authority also made major progress on expanding our role and diversifying the agency. One growth sector was alternative energy/energy management. The Authority took an active role in both financing and implementing Energy Savings Improvement Plans (“ESIP”). The Authority worked with the Camden County Technical School to broker a \$7 million ESIP to provide new windows and upgraded mechanical systems for the school. This ESIP will allow the school to use the saving from the energy improvements to pay the debt service for this project. This ESIP program was one of many started in 2011 with the anticipation to close in 2012.

## 2011 BUSINESS REVIEW (CONT'D)

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In addition to energy, the housing sector of the Authority continues to grow. With a continued commitment to County-wide housing initiatives and the completion of Gateway Village housing project, the Authority is working with the Camden County Housing Association to develop two projects within the County. The first project is the transformation of the historic Lawnside Elementary school into 40 units of senior housing. The second development is Revere Run located in Gloucester Township. This affordable housing project will bring approximately 80 multi-family rental units to the Township.

Furthermore, the Authority continues to make progress on another housing project to be located in the Borough of Clementon on Route 30. Such project will include 204 townhomes and 40,000 square feet of commercial fronting Route 30 of which will be developed and constructed by Leewood Realty Group.

The Authority experienced an enormous amount of success in 2011 attributable to the vision of the Camden County Board of Chosen Freeholders; namely the liaison to the Authority - Freeholder Director Louis Cappelli, CCIA's Board of Commissioners, and, equally as important, the Authority's Board and staff. As the Authority remains committed to our mission of providing low costs financing, effective project management coupled with outreach efforts and procurement, the Authority will continue to flourish into the future.

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## FINANCIAL ANALYSIS

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The following table presents a summary of the Authority's financial position as of December 31, 2011, 2010 and 2009.

	<u>2011</u>	<u>Percentage Change</u>	<u>2010</u>	<u>Percentage Change</u>	<u>2009</u>
<b>Unrestricted Current Assets</b>	\$5,756,496	14.28%	\$5,037,088	30.78%	\$3,486,450
<b>Restricted Current Assets</b>	669,792	-76.19%	2,812,769	-34.68%	4,306,207
<b>Investment in Redevelopments</b>	23,041,170	3.27%	22,312,454	5.86%	21,077,170
<b>Plant Property &amp; Equipment</b>	26,341,414	-3.82%	27,388,711	-3.83%	28,436,354
<b>Deferred Assets</b>	<u>437,490</u>	<u>-3.67%</u>	<u>454,156</u>	<u>-3.67%</u>	<u>470,822</u>
<b>Total Assets</b>	<u>56,246,362</u>	<u>-3.03%</u>	<u>58,005,179</u>	<u>0.39%</u>	<u>57,777,003</u>
<b>Current Liabilities</b>	24,889,463	-6.11%	26,507,985	0.15%	26,467,416
<b>Long-Term Liabilities</b>	<u>31,276,758</u>	<u>-1.67%</u>	<u>31,806,869</u>	<u>-1.57%</u>	<u>32,314,491</u>
<b>Total Liabilities</b>	<u>56,166,221</u>	<u>-3.68%</u>	<u>58,314,854</u>	<u>-0.79%</u>	<u>58,781,907</u>
<b>Invested in Capital Assets, Net of Related Debt</b>	(2,544,392)	-25.86%	(2,021,638)	-44.64%	(1,397,655)
<b>Unrestricted</b>	<u>2,624,533</u>	<u>53.31%</u>	<u>1,711,963</u>	<u>335.89%</u>	<u>392,751</u>
<b>Total Net Assets</b>	<u>\$80,141</u>	<u>125.88%</u>	<u>\$(309,675)</u>	<u>69.18%</u>	<u>\$(1,004,904)</u>

## OPERATING ACTIVITIES AND OPERATING REVENUE

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The Authority is an autonomous agency that charges fees for services it renders such as, but not limited to, bond financing, application review, project management, intergovernmental services, grant writing, proprietary responsibilities, planning services, due diligence, construction-monitoring and development fees.

## OPERATING ACTIVITIES AND OPERATING REVENUE (CONT'D)

The Authority's Net Assets for increased by \$ 389,816 from 2010 to 2011. The following table presents a summary of the changes in net assets for the years ended December 31, 2011 and 2010:

	2011	2010	Increase (Decrease)
<b>Revenues:</b>			
<i>Operating revenues:</i>			
<i>Parking Center Revenue</i>	\$ 3,458,223	\$ 3,442,560	\$ 15,663
<i>Financing and Related Fees</i>	598,449	1,625,109	(1,026,660)
<i>Project Management Fees</i>	2,062,769	697,719	1,365,050
<i>State Financial Assistance</i>	1,793,000		1,793,000
<i>Lease Income</i>	185,300	164,482	20,818
<i>Miscellaneous Revenues</i>	54,087	44,256	9,831
<i>Non-Operating revenues:</i>			
<i>Investment Income</i>	37,559	15,165	22,394
<b>Total revenues</b>	<b>8,189,388</b>	<b>5,989,292</b>	<b>2,200,096</b>
<b>Expenses:</b>			
<i>Operating expenses:</i>			
<i>Administrative expenses:</i>			
<i>Salaries and Wages</i>	986,897	684,282	302,615
<i>Employee Benefits</i>	616,894	398,040	218,854
<i>Other Expenses</i>	2,483,502	549,109	1,934,393
<i>Administrative expenses:</i>			
<i>Salaries and Wages</i>	133,797	129,478	4,319
<i>Employee Benefits</i>	22,668	30,242	(7,575)
<i>Other Expenses</i>	786,250	774,432	11,818
<i>Depreciation expense:</i>	1,047,298	1,047,642	(344)
<i>Non-Operating expenses:</i>			
<i>Contribution to Camden County</i>	96,638		96,638
<i>Cancellation of Prior Year Receivable</i>		26,886	(26,886)
<i>Amortization of Bond Issue Costs</i>	16,666	16,666	0
<i>Interest Expense</i>	1,608,963	1,637,285	(28,322)
<b>Total expenses</b>	<b>7,799,572</b>	<b>5,294,062</b>	<b>2,505,510</b>
<b>Increase/ (Decrease) in net assets</b>	<b>389,816</b>	<b>695,230</b>	<b>(305,414)</b>
<b>Net Assets January 1</b>	<b>(309,674)</b>	<b>(1,004,904)</b>	<b>695,230</b>
<b>Net Assets December 31</b>	<b>\$ 80,142</b>	<b>\$ (309,674)</b>	<b>\$ 389,816</b>

## CAPITAL ASSET AND DEBT ADMINISTRATION

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**Capital Assets:** The Authority's capital assets include investments in certain real estate redevelopment projects. These include the Crossroads Redevelopment Area in Pennsauken Township, the Clementon Redevelopment Project, the Parking Center Garage Project in Camden and the marina commercial site located in the City of Camden. With the exception of the Parking Center Garage Project, these project sites may ultimately be sold to private real estate developers as part of the redevelopment plan for the site which will convert these assets into cash for the Authority's use in operations.

**Conduit Debt:** The Authority has issued in excess of \$2.1 billion conduit debt in support of various types of projects throughout the County. The Authority assumes no responsibility for repayment of this debt beyond the resources provided by the underlying leases and mortgage loans. As of December 31, 2011 there were 57 series of these Special Revenue Bonds and 1 bond anticipation note outstanding. The corresponding aggregate principal totaling \$840,142,134 is treated strictly as conduit debt obligations under Interpretation No. 2 of the Governmental Accounting Standards Board (GASB) and accordingly is not included in the financial statements other than as noted. See Note 1 to the Notes to Financial Statements for a more detailed explanation of conduit debt.

**Capital Debt:** The Authority has also issued two series of notes and one series of revenue bonds to fund the acquisition, clearance, remediation and other related costs of redeveloping the Crossroads Redevelopment Area in Pennsauken Township, the Clementon Redevelopment Project in Clementon Borough and the construction of the Parking Center Garage Project. The original issue amount of the notes and bonds of \$21,385,000, \$2,500,000 and \$32,005,000 respectively, will be redeemed through project revenues, grants, sale of the development sites, and tax revenues.

## FINANCIAL HIGHLIGHTS

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- Total Unrestricted Assets increased by 53.31% or \$2,624,533 as a result of various CCIA efforts in certain redevelopment projects and project management services.
  - Financing and related fees decreased by 63.17% or \$1,026,660 attributable to a very successful 2010 and mild 2011. The 2011 financing revenues are more consistent with past years.
  - Project management and construction monitoring revenue increased 195.64% or \$1,365,050
  - Operating Revenue increased 36.45% or \$2,177,702 largely due to a grant that will be distributed to the Rutgers Housing project
  - Change in Total Net Assets, including depreciation, realized a decrease in an amount equal to 43.93% or \$305,414
  - The Authority completed four (4) bond and three (1) note financings totaling \$46,660,000.
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## **NEW BUSINESS**

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The Authority is committed to providing low cost financing, project management, and economic development services to all government, health care, educational, 501(c)3, and qualifying business entities located in the County.

The Project Management Division will continue to provide needed oversight to County Capital projects but we are also looking to extend these services to the related County Agencies. Both the Camden County Municipal Utilities Authority and the Library System have expressed interest in using the Authority to manage certain Capital project and facility management tasks.

The Authority looks to continue its commitment to provide energy efficiency and sustainability to Camden County through a potential pooled finance program that would allow various entities, including municipalities, to borrow money to pay for energy improvements against the savings derived by the same improvement. The Authority hopes to unveil such program in mid to late 2012. Moreover, the Authority desires to assume a position as project manager to ensure the implementation is consistent with the energy savings plan.

Acting as the Owner's Representative for Camden County College, the Authority will assist with a "do it yourself" energy savings program for the college. The Authority will provide technical knowledge and will serve as financing agent for this ESIP. The Authority anticipates solidifying the project in mid-2012

Maintaining a presence in the City of Camden, the Authority has approved a Memorandum of Understanding (MOU) with Our Lady of Lourdes Hospital to utilize the Authority's capabilities in the erecting of a new parking center to be located along Haddon Avenue adjacent to the hospital. This project would be part of a large scale redevelopment effort that would include an office building and grocery store for the purposes of capitalizing on Urban Transit Hub Tax Credit Equity administered by the New Jersey Economic Development Authority.

With Camden's Pride Charter School looking to renovate the YMCA building in Camden City, the Authority intends to serve as financing agent and project manager for this \$6 million project. This expansion will provide a downtown presents for Camden's Pride and it will allow provided growth of their high school program

## **CONTACTING THE AUTHORITY'S MANAGEMENT**

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This financial report is designed to provide New Jersey, and Camden County residents in particular, and our customers, clients, investors and creditors, with a general overview of the Authority's finances. If you have questions about this report or need additional financial information, contact the Authority at 1909 Route 70 East, Suite 300, Cherry Hill, New Jersey 08003.

## **BASIC FINANCIAL STATEMENTS**

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
Comparative Statements of Net Assets  
As of December 31, 2011 and 2010

<b>ASSETS</b>	<u>2011</u>	<u>2010</u>
Current Assets:		
Unrestricted Assets:		
Cash and Cash Equivalents	\$ 5,110,833.00	\$ 3,770,698.74
Cash Held with Fiscal Agents		85,018.85
Financing and Related Fees Receivable	446,999.46	487,578.08
Parking Fees Receivable	91,890.64	129,124.00
Other Accounts Receivable	106,772.89	557,840.31
Prepaid Expenses		6,827.93
Total Unrestricted Assets	5,756,495.99	5,037,087.91
Restricted Assets:		
Cash and Cash Equivalents	669,791.98	2,812,768.88
Total Current Assets	6,426,287.97	7,849,856.79
Non-current Assets:		
Investment in Redevelopment Sites	23,041,170.14	22,312,454.34
Property, Plant and Equipment:		
Property, Plant & Equipment (Net of Accumulated Depreciation)	26,341,414.11	27,388,711.93
Deferred Assets:		
Unamortized Bond Issue Costs	437,489.88	454,156.17
Total Non-current Assets	49,820,074.13	50,155,322.44
Total Assets	56,246,362.10	58,005,179.23

(Continued)

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
Comparative Statements of Net Assets  
As of December 31, 2011 and 2010

<b>LIABILITIES</b>	<u>2011</u>	<u>2010</u>
Current Liabilities Payable from Unrestricted Assets:		
Accounts Payable	\$ 80,287.23	\$ 79,675.24
Other Accounts Payable	68,961.65	258,316.00
Deferred Revenue	113,062.03	100,396.00
Total Current Liabilities Payable from Unrestricted Assets	<u>262,310.91</u>	<u>438,387.24</u>
Current Liabilities Payable from Restricted Assets:		
Accounts Payable		446,812.45
Bond Anticipation Notes	22,690,000.00	23,885,000.00
Intergovernmental Loans Payable	1,031,087.59	991,779.64
Bonds Payable	755,000.00	580,000.00
Accrued Interest Payable	151,064.49	166,005.55
Total Current Liabilities Payable from Restricted Assets	<u>24,627,152.08</u>	<u>26,069,597.64</u>
Long-Term Liabilities:		
Bonds Payable	30,670,000.00	31,425,000.00
Net OPEB Obligation	574,600.00	349,900.00
Reserve for Compensated Absences	32,157.65	31,968.80
Total Long-Term Liabilities	<u>31,276,757.65</u>	<u>31,806,868.80</u>
Total Liabilities	<u>56,166,220.64</u>	<u>58,314,853.68</u>
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt	(2,544,392.01)	(2,021,637.50)
Unrestricted	2,624,533.47	1,711,963.05
Total Net Assets	<u>\$ 80,141.46</u>	<u>\$ (309,674.45)</u>

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

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
 Comparative Statements of Revenues, Expenses and Changes in Net Assets  
 For The Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Operating Revenues:		
Parking Center Revenue	\$ 3,458,222.96	\$ 3,442,560.14
Financing and Related Fees	598,449.24	1,625,109.33
Project Management Fees	2,062,769.33	697,719.28
State Financial Assistance	1,793,000.00	
Lease Income	185,300.40	164,481.94
Miscellaneous Revenues	54,086.74	44,256.07
	<hr/>	<hr/>
Total Operating Revenues	8,151,828.67	5,974,126.76
Operating Expenses:		
Administrative Expenses:		
Salaries and Wages	986,896.70	684,282.09
Employee Benefits	616,894.01	398,040.35
Other Expenses	2,483,501.83	549,109.27
Cost of Providing Services:		
Salaries and Wages	133,796.93	129,477.95
Employee Benefits	22,667.69	30,242.27
Other Expenses	786,249.48	774,431.54
Depreciation Expense	1,047,297.82	1,047,641.59
	<hr/>	<hr/>
Total Operating Expenses	6,077,304.46	3,613,225.06
Operating Income	<hr/>	<hr/>
	2,074,524.21	2,360,901.70
Non-Operating Income (Expenses):		
Investment Income	37,559.16	15,165.10
Contribution to Camden County Per N.J.S.A. 40A:5A-1	(96,638.00)	
Cancellation of Prior Year Receivable		(26,885.64)
Amortization of Bond Issue Costs	(16,666.29)	(16,666.28)
Interest Expense	(1,608,963.17)	(1,637,285.24)
	<hr/>	<hr/>
Net Non-Operating Income (Expenses)	(1,684,708.30)	(1,665,672.06)
Change in Net Assets	389,815.91	695,229.64
Net Assets, Jan. 1	<hr/>	<hr/>
	(309,674.45)	(1,004,904.09)
Net Assets, Dec. 31	<hr/>	<hr/>
	\$ 80,141.46	\$ (309,674.45)

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

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
 Comparative Statements of Cash Flows  
 For The Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Cash Flows from Operating Activities:		
Receipts from Customers	\$ 6,197,253.51	\$ 5,652,808.15
Payments to Suppliers	(3,037,611.39)	(1,198,022.85)
Payments to Employees	(1,760,066.48)	(1,294,064.63)
Other Operating Receipts	2,179,441.19	(508,135.69)
	<hr/>	<hr/>
Net Cash Provided by Operating Activities	3,579,016.83	2,652,584.98
	<hr/>	<hr/>
Cash Flows from Capital and Related Financing Activities:		
Capital Acquisitions	(1,016,007.29)	(978,704.83)
Payments for additional ground lease		(67,919.72)
Contribution to Camden County	(96,638.00)	
Intergovernmental Loan Proceeds	39,307.95	266,864.45
Prepaid Construction Costs	127,325.05	
Principal Paid on Bonds	(580,000.00)	(535,000.00)
Interest Paid on Bonds	(1,608,963.17)	(1,637,285.24)
Premium Received on Bond Anticipation Notes	227,861.99	79,325.82
Issuance of Bond Anticipation Notes	22,690,000.00	23,885,000.00
Payment of Bond Anticipation Notes	(23,885,000.00)	(23,885,000.00)
Interest Paid on Bond Anticipation Notes	(405,607.67)	(557,322.57)
	<hr/>	<hr/>
Net Cash Used in Capital and Related Financing Activities	(4,507,721.14)	(3,430,042.09)
	<hr/>	<hr/>
Cash Flows from Investing Activities:		
Interest Received	40,842.82	25,249.87
	<hr/>	<hr/>
Net Decrease in Cash and Cash Equivalents	(887,861.49)	(752,207.24)
	<hr/>	<hr/>
Cash and Cash Equivalents at Beginning of Year	6,668,486.47	7,420,693.71
	<hr/>	<hr/>
Cash and Cash Equivalents at End of Year	<u>\$ 5,780,624.98</u>	<u>\$ 6,668,486.47</u>

(Continued)

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
 Comparative Statements of Cash Flows  
 For The Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating Income	\$ 2,074,524.21	\$ 2,360,901.70
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation Expense	1,047,297.82	1,047,641.59
Change in Assets and Liabilities:		
Financing and Related Fees Receivable	40,578.62	(323,436.22)
Parking Center Fees Receivable	37,233.36	31,146.11
Other Revenues Receivable	134,388.02	(537,174.67)
Prepaid Expenses	6,827.93	(6,827.93)
Accounts Payable	225,311.99	136,100.35
Deferred Revenue	12,666.03	(3,743.98)
Compensated Absences Payable	188.85	(52,021.97)
	\$ 3,579,016.83	\$ 2,652,584.98
Net Cash Provided by Operating Activities	\$ 3,579,016.83	\$ 2,652,584.98

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

## CAMDEN COUNTY IMPROVEMENT AUTHORITY

Notes to Financial Statements

For the Years Ended December 31, 2011 and 2010

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

#### **Reporting Entity**

The Camden County Improvement Authority (the "Authority") was created by a resolution of the Board of Chosen Freeholders of the County of Camden, adopted March 20, 1979, pursuant to the County Improvement Authority Law, Chapter 183 of the Pamphlet Laws of 1960, of the State of New Jersey, as amended and supplemented, ("The Act").

The Act empowers improvement authorities to provide within the County, public facilities, convention halls, equipment and facilities for public transportation, aviation facilities, garbage and solid waste systems, the improvement, furtherance and promotion of tourist industries and recreational attractiveness and planning and carrying out of redevelopment projects.

The Authority consists of five members, appointed by the Camden County Board of Chosen Freeholders. One member is appointed each year for a five-year term.

#### **Component Unit**

The Authority is a component unit of the County as described in Governmental Accounting Standards Board Statement No. 14. These financial statements would be either blended or discreetly presented as part of the County's financial statements if the County reported using generally accepted accounting principles applicable to governmental entities.

GASB Statement No. 14 also provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity, but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*. As of December 31, 2011 and 2010, it has been determined by the Authority that no component units exist.

#### **Basis of Presentation**

The financial statements of the Authority have been prepared in accordance with accounting principles generally accepted in the United States of America applicable to enterprise funds of State and Local Governments on a going concern basis. The focus of enterprise funds is the measurement of economic resources, that is, the determination of operating income, changes in net assets (or cost recovery), financial position and cash flows. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The Authority is a single enterprise fund and maintains its records on the accrual basis of accounting. Enterprise funds account for activities (i) that are financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activity; or (ii) that are required by law or regulations that the activity's cost of providing services, including capital cost (such as depreciation or debt service), be recovered with fees and charges, rather than with taxes or similar revenues; or (iii) that the pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs (such as depreciation or debt service). Under this method, revenues are recorded when earned and expenses are recorded when the related liability is incurred.

The transactions of the Authority are divided into two separate activities (Improvement Authority Operations and Parking Center Operations) within the enterprise fund type. Each activity is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, net assets, revenues and expenditures.

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

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Enterprise funds are accounted for using the accrual basis of accounting.

**Revenues -- Exchange and Non-Exchange Transactions** - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. Management fees, financing fees parking fees are recognized as revenue when services are provided.

Non-exchange transactions, in which the Authority receives value without directly giving equal value in return, include grants, contributed capital, and donations. Revenue from grants, contributed capital, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Authority must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Authority on a reimbursement basis.

**Expenses / Expenditures** - On the accrual basis of accounting, expenses are recognized at the time they are incurred.

**Governmental Accounting Standards Board - Statement No. 20**

The Authority is required to follow all statements of the GASB. GASB Statement No. 20 was issued to give guidance in determining Generally Accepted accounting principles generally accepted in the United States of America for governmental proprietary funds. It provides that all proprietary fund activities follow all Financial Accounting Standards Board ("FASB") Statements issued prior to November 30, 1989, unless they conflict with GASB standards. It also provides that the governmental unit must elect whether to follow FASB Statements issued after that date.

The Authority has elected not to follow any FASB pronouncements issued after November 30, 1989.

**Budgets and Budgetary Accounting**

The Authority must adopt an annual budget in accordance with N.J.A.C. 5:31-2. N.J.A.C. 5:31-2 requires the governing body to introduce the annual Authority budget at least 60 days prior to the end of the current fiscal year and to adopt not later than the beginning of the Authority's fiscal year. The governing body may amend the budget at any point during the year. The budget is adopted on the accrual basis of accounting with provisions for cash payments for bond principal. Depreciation expense, amortization of bond issue costs, bond discounts, deferred loss on defeasance and the annual required contribution for the Authority's OPEB Plan are not included in the budget appropriations.

The legal level of budgetary control is established at the detail shown on the Statement of Revenues, Expenses and Changes in Net Assets. All budget transfers and amendments to those accounts must be approved by resolution of the Authority as required by the Local Finance Board. Management may transfer among supplementary line items as long as the legal level line items are not affected. There are no statutory requirements that budgetary line items not be over-expended. The Authority adopted an amending budget resolution during the year.

The Authority records encumbrances. An encumbrance represents a commitment related to unperformed contracts for goods or services. The issuance of a purchase order or the signing of a contract would create an encumbrance. The encumbrance does not represent an expenditure for the period, only a commitment to expend resources. At year-end, the accounting records are adjusted to record only expenses in accordance with generally accepted accounting principles.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Cash, Cash Equivalents and Investments**

Cash and cash equivalents include petty cash, change funds and cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. Such is the definition of cash and cash equivalents used in the statement of cash flows. U.S. treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

New Jersey governments are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.A. 40A:5-15.1 provides a list of permissible investments that may be purchased by New Jersey governments.

Additionally, the Authority has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act. The Act was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. In lieu of designating a depository, the cash management plan may provide that the local unit make deposits with the State of New Jersey Cash Management Fund.

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include State or federally chartered banks, savings banks or associations located in the State of New Jersey or state or federally chartered banks, savings banks or associations located in another state with a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

**Inventory and Prepaid Expenses**

The Authority has determined that the inventories are immaterial and are not recorded in the financial statements.

Prepaid expenses recorded on the financial statements represent payments made to vendors for services that will benefit periods beyond the current year.

**Property, Plant and Equipment**

Property, Plant, and Equipment consists primarily of the Parking Center and equipment used at the Parking Center and office equipment used by the Authority administrative staff and is stated at cost or estimated cost.

Costs incurred are recorded as Construction in Progress or Investment in Redevelopment Sites. Investment in Redevelopment Sites consists of the Crossroads Redevelopment Area project and the Clementon Redevelopment project.

Expenditures are capitalized when they meet the following requirements:

- 1) Cost of \$5,000 or more
- 2) Useful life of five or more years
- 3) Asset is not affected by consumption

As in accordance with FASB Codification 835-20-30, the interest costs related to acquiring the Clementon and Crossroads Redevelopment Projects with the proceeds of tax-exempt borrowings, will be offset by the interest earned on the temporary investment of those proceeds and capitalized into the cost of the asset.

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

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

**Debt Issuance Costs, and Bond Anticipation Note Premiums**

Debt issuance costs arising from the issuance of the revenue bonds are amortized by the straight-line method from the issue date to maturity. Bond Anticipation Note Premiums are netted with the acquisition costs with the applicable redevelopment projects.

**Depreciation**

Depreciation is provided using the straight-line method over the following estimated useful life of the assets:

	<u>Years</u>
Buildings	30-40
Major Moveable Equipment	7-20

A half-year of depreciation is taken in the year of acquisition.

**Bond Issuance Costs, Bond Discount, Bond Premium and Deferred Loss on Refunding**

Bond issuance costs are amortized by the straight-line method from the issue date to maturity. The unamortized balance of issuance costs are recorded as other assets.

**Conduit Debt Obligations**

To provide within the County public facilities, convention halls, equipment and facilities for public transportation, garbage and solid waste systems, the improvement, furtherance and promotion of tourist industries and recreational attractiveness and the planning and carrying out of redevelopment projects, the Authority has issued certain debt bearing its name to lower the cost of borrowing for specific governmental or non-governmental third parties. This debt is commonly referred to as conduit (or non-commitment) debt. Typically, the debt proceeds are used to finance facilities within the Authority's jurisdiction that are transferred to the third party either by lease or by sale. The underlying lease or mortgage loan agreement, which serves as collateral for the promise of payments by the third party, calls for payments that are essentially the same as those required by the debt. These payments are made by the third-party directly to an independent trustee, who is appointed to service and administer the arrangement. The Authority assumes no responsibility for repayment of this debt beyond the resources provided by the underlying leases or mortgage loans.

As of December 31, 2011, there were 59 series of Special Revenue Bonds and 2 Bond Anticipation Note outstanding. The corresponding aggregate principal totaling \$1,172,308,707 is treated strictly as conduit debt obligations under Interpretation No. 2 of the Governmental Accounting Standards Board (GASB) and accordingly is not included in the financial statements.

**Compensated Absences**

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the Authority and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the Authority and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

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

Net assets comprise the various earnings from operating income, non-operating revenues, expenses, and capital contributions. Net assets are classified in the following three components:

**Invested in Capital Assets, net of Related Debt** - This component of net assets consists of capital assets, net of accumulated depreciation, reduced, by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net assets component as the unspent proceeds.

**Restricted** - This component of net assets consists of external constraints imposed by creditors (such as debt covenants), grantors, contributors, laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation, that restricts the use of net assets.

**Unrestricted** - This component of net assets consists of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt." This component includes net assets that may be allocated for specific purposes by the Board.

**Income Taxes**

The Authority operates as defined by the Internal Revenue Code Section 115 and appropriately is exempt from income taxes under Section 115.

**Operating and Non-Operating Revenues and Expenses**

Operating revenues include all revenues derived from administration fees, parking fees and other revenue sources. Non-operating revenues principally consist of interest income earned on various interest-bearing accounts.

Operating expenses include expenses associated with the general administration and operation of the Central Parking Garage of the Authority. Non-operating expenses principally include interest and amortizations that are not attributable to the Authority's operations.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

**Note 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY****Compliance with finance related legal and contractual provisions**

Management of the Authority is not aware of any "Events of Default" existing under the bond resolutions authorizing the issuance of the Authority's conduit debt or material violations of finance related legal and contractual provisions.

In 2006 the Authority issued bonds to finance a parking facility located at Cooper Hospital in Camden New Jersey and guaranteed by Cooper Hospital. As part of the bond resolution, the Authority operates the facility and any profits over a 125% debt service coverage ratio are payable to Cooper Hospital.

**Note 3: DETAIL NOTES – ASSETS****Cash and Cash Equivalents**

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

As of December 31, 2011 and 2010, the Authority's bank balances of \$5,093,765 and \$6,528,873, respectively, were exposed to custodial credit risk as follows:

	<u>2011</u>	<u>2010</u>
Insured	\$ 500,000	\$ 500,000
Uninsured and Collateralized with Securities Held by Pledging Financial Institutions (GUDPA)	4,593,765	5,943,854
Uninsured and Uncollateralized Held by Other Fiscal Agents		<u>85,019</u>
Total	<u>\$ 5,093,765</u>	<u>\$ 6,528,873</u>

**New Jersey Cash Management Fund** - During the year, the Authority participated in the New Jersey Cash Management Fund. The Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Funds participants. Deposits with the New Jersey Cash Management Fund are not subject to custodial credit risk as defined above. At December 31, 2011 and 2010 the Authority's deposits with the New Jersey Cash Management Fund are \$669,789 and \$0, respectively.

**Note 3: DETAIL NOTES – ASSETS (Cont'd)****Property, Plant and Equipment**

During the year ended December 31, 2011, the following changes in Property, Plant and Equipment occurred:

	Balance Jan. 1, 2011	<u>Additions</u>	<u>Deletions</u>	Balance Dec. 31, 2011
Buildings	\$ 30,535,866			\$ 30,535,866
Furniture and Equipment	22,076			22,076
Major Movable Equipment	290,937			290,937
	30,848,879			30,848,879
Depreciation	3,460,167	\$ 1,047,298		4,507,464
	<u>\$ 27,388,712</u>	<u>\$ (1,047,298)</u>	<u>\$ ---</u>	<u>\$ 26,341,414</u>

**Note 4: DETAIL NOTES - LIABILITIES**

During the year ended December 31, 2011, the following changes occurred in long-term obligations:

	Principal Outstanding Jan. 1, 2011	<u>Additions</u>	<u>Reductions</u>	Principal Outstanding Dec. 31, 2011	Due Within One Year
Revenue Bonds	\$ 32,005,000		\$ 580,000	\$ 31,425,000	\$ 755,000
Compensated Absences	31,969	\$ 189		32,158	
	<u>\$ 33,408,198</u>	<u>\$ 189</u>	<u>\$ 580,000</u>	<u>\$ 31,457,158</u>	<u>\$ 755,000</u>

During the year ended December 31, 2011, the following changes occurred in short-term obligations:

	Principal Outstanding Jan. 1, 2011	<u>Additions</u>	<u>Reductions</u>	Principal Outstanding Dec. 31, 2011	Due within One Year
Bond Anticipation Notes	\$ 23,885,000	\$ 22,690,000	\$ 23,885,000	\$ 22,690,000	\$ 22,690,000

**Compensated Absences**

Authority employees may accumulate unused sick days with no restrictions but are not compensated for any unused sick days upon separation from the Authority. Prior to 2010, employees could be paid out for any accrued sick days. Vacation days not used during the year may be carried forward for two years. Upon separation from the Authority, the employee will be paid for all accrued vacation time at their then current hourly rate up to a maximum of \$15,000. The accrued liability for accumulated vacation time at December 31, 2011 and 2010 is estimated at \$32,158 and \$31,969 respectively.

**Note 4: DETAIL NOTES – LIABILITIES (Cont'd)****Retirement Systems**

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

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

**Public Employees' Retirement System** - The PERS was established as of January 1, 1955. The PERS provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:15A and 43:3B.

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

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

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Paid by Authority</u>
2011	\$ 44,822	\$ 55,046	\$ 99,868	\$ 99,868
2010	42,204	41,179	83,383	83,383
2009	35,562	32,437	67,999	67,999

Related Party Investments - The Division of Pensions and Benefits does not invest in securities issued by the Camden County Improvement Authority.

**Postemployment Benefits Other Than Pensions***Plan Description*

The Authority's defined benefit postemployment healthcare plan, the Camden County Improvement Authority Postemployment Benefits Plan (the "CCIA Plan"), provides fully paid health and prescription benefits to employees retiring with twenty-five (25) years or more of service with Camden County and/or affiliated organizations and twenty-five (25) or more years of service credit in a state or locally administered retirement system and their spouses. The CCIA Plan is affiliated with the County of Camden Health Plan (CCHP), an agent multiple-employer postemployment healthcare plan administered by the County of Camden. The benefit provisions of the plans that participate in CCHP may be established or amended by the respective employer entities; for the CCIA Plan that authority rests with the Board of the Authority. The CCHP does not issue a separate financial report.

**Note 4: DETAIL NOTES – LIABILITIES (CONT'D)****Postemployment Benefits Other Than Pensions (Cont'd)***Funding Policy*

The contribution requirement of the Authority is established by the policy of the Authority and certain employment contracts and may be amended by same. The required contribution is based on projected pay-as-you-go financing requirements. For the years ended December 31, 2011 and 2010, the Authority contributed for current premiums \$23,700 and \$23,500 respectively. Plan members are not required to make any contributions to the plan.

*Annual OPEB Cost and Net OPEB Obligation*

The Authority's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the Authority's annual OPEB cost for the year, the amount actually contributed to the CCIA Plan, and changes in the Authority's net OPEB obligation to the CCIA Plan:

	<u>2011</u>	<u>2010</u>
Normal cost	\$ 163,200	\$ 99,300
Unfunded actuarial liability	<u>84,200</u>	<u>48,000</u>
Annual required contribution (expense)	247,400	147,300
Interest on NOO	14,000	9,000
Amortization of NOO	<u>(13,000)</u>	<u>8,400</u>
Total Annual OPEB Cost	248,400	164,700
Contributions Made	<u>(23,700)</u>	<u>(23,500)</u>
Increase in Net OPEB Obligation	224,700	141,200
Net OPEB obligation - beginning of year	<u>349,900</u>	<u>225,500</u>
Net OPEB obligation - end of year	<u><u>\$ 574,600</u></u>	<u><u>\$ 366,700</u></u>

*Funded Status and Funding Progress*

As of December 31, 2011, the most recent actuarial valuation date, the CCIA Plan was 0% funded. The actuarial accrued liability for benefits was \$2,265,800, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$2,265,800. The covered payroll (annual payroll of active employees covered by the plan) was \$717,200, and the ratio of the UAAL to the covered payroll was 315.92%. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to financial statements, compares the assets used for funding purposes to the comparable liabilities to determine how well the CCIA Plan is funded and how this status has changed over the past several years. The actuarial liability is compared to the actuarial value of assets to determine the funding ratio. The Actuarial Accrued Liability under GASB is determined assuming that the CCIA Plan is ongoing and participants continue to terminate employment, retire, etc., in accordance with the actuarial assumptions.

**Note 4: DETAIL NOTES – LIABILITIES (CONT'D)****Postemployment Benefits Other Than Pensions (Cont'd)***Actuarial Methods and Assumptions*

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the December 31, 2011, actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included a 4.0 % investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of 8.5% initially, reducing by decrements to an ultimate rate of 5.0% after 2018. Both rates include a 3.5 % salary inflation assumption. The CCIA Plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2011, was twenty five years.

**Operating Leases**

As of December 31, 2011, the Authority had operating lease agreements in effect for the following:

Office Space  
Garage Land  
Copier

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

<u>Year</u>	<u>Amount</u>
2012	\$ 104,018
2013	104,018
2014	103,556
2015	102,151
2016	100,000
2017-2021	500,000
2022-2026	500,000
2027-2031	500,000
2032-2036	500,000
2037-2038	125,000
	<u>\$ 2,638,744</u>

Rental payments under operating leases for the fiscal year ended December 31, 2011 were \$104,018.

**Note 4: DETAIL NOTES – LIABILITIES (CONT'D)****Clementon Redevelopment Project Bond Anticipation Notes**

On November 14, 2011, the Authority issued federally taxable bond anticipation notes in the amount of \$2,375,000 in order to provide temporary financing for the Clementon Redevelopment Project, the costs of issuance and the payment of capitalized interest to maturity. The notes carried an interest rate of 1.35% and mature on November 13, 2012.

The Clementon Redevelopment Project consists of the acquisition of approximately 30 acres of property in the Borough of Clementon, the demolition of the existing facilities and the amelioration of environmental concerns to prepare the property for sale to a developer. The Authority initiated condemnation proceedings during 2004 and subsequently reached an agreement with the property owner for the purchase of the property.

**Crossroads Redevelopment Area Project Bond Anticipation Notes**

On July 22, 2011, the Authority issued bond anticipation notes in the amount of \$20,315,000 in order to provide temporary financing for the costs of the Crossroads Redevelopment project. The notes are special obligations of the Authority which carry a guarantee by the County of Camden. The federally taxable notes mature on July 13, 2012 and carry an interest rate of 2.00%. It is anticipated that the bond anticipation notes will be permanently financed rather than redeemed, secured in part by the Intergovernmental Agreement made with the Casino Reinvestment Development Authority.

The Crossroads Redevelopment Area Project consists of an area of approximately 35 acres located in Pennsauken Township which the Authority has been named redevelopment entity by the Township of Pennsauken in accordance with the Local Redevelopment Law. The Project includes the acquisition of the site, the relocation of merchants, and the demolition of the existing facilities and the amelioration of environmental concerns to prepare the property for sale to a redeveloper. The Authority, through a competitive process, has selected a developer that intends to create a mixed-use development comprised of residential housing with a town center and retail component.

**Camden Parking Facility Project Revenue Bonds**

During 2006, the Authority issued tax exempt Revenue Bonds, Series 2006 for the construction of a parking facility. The facility was built on land leased from the Cooper Medical Center in Camden New Jersey and serves as the main parking garage for Cooper Hospital. The total authorized debt for the project is the lesser of \$33,300,000 or the total principal requirements to build the facility as outlined by the bond agreement. The bonds carry a variable interest rate based on the 30 day LIBOR with a final maturity in 2038.

The following schedule reflects the debt requirements until 2038.

<u>Year</u>	<u>Principal</u>
2012	\$ 755,000
2013	590,000
2014	580,000
2015	600,000
2016	640,000
2017-2021	3,825,000
2022-2026	5,140,000
2027-2031	6,935,000
2032-2036	9,335,000
2037-2038	3,025,000
	\$ 31,425,000
	\$ 31,425,000

**Note 5: COMMITMENTS AND CONTINGENCIES****Net Assets Appropriated**

Of the \$2,624,533 unrestricted net assets available at December 31, 2011, none of which was appropriated as anticipated revenue in the operating or capital budget for the year ended December 31, 2012.

**Note 6: RELATED PARTY TRANSACTIONS****Related Party Transactions**

The Members of the Authority are appointed by the Board of Chosen Freeholders of the County of Camden. Accordingly, the Freeholders have the ability to influence the nature and amounts of business done by the Authority. The Authority and the County have engaged in significant transactions with each other. These transactions include the issuance of conduit debt obligations and economic development activities.

**Note 7: RISK MANAGEMENT**

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Any settled claims from these risks that exceed coverage will be reduced as a component of operating expense in the year incurred. The Authority has not experienced any significant claims for the past several years.

**Note 8: PENDING LITIGATION**

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

## **REQUIRED SUPPLEMENTARY INFORMATION**

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
 Required Supplementary Information  
 Schedule of Funding Progress for the OPEB Plan

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<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Liability - (AAL) Entry Age (b)</u>	<u>Unfunded AAL (UAAL) (b - a)</u>	<u>Funded Ratio (a / b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll ((b - a) / c)</u>
12/31/2009	\$ 0	\$ 1,292,800.00	\$1,292,800.00	0 %	\$676,200.00	191.19%
12/31/2011	0	2,265,800.00	\$2,265,800.00	0 %	717,200.00	315.92%

## Schedule RSI-2

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
 Required Supplementary Information  
 Schedule of Employer Contributions to the OPEB Plan

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<u>Year Ended December 31,</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>
2009	147,900.00	11.02%
2010	147,900.00	15.89%
2011	248,400.00	9.54%

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**

Note to Required Supplementary Information  
For the Year Ended December 31, 2011

**Other Postemployment Benefits**

The information presented in the required supplementary schedules was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation follows:

Valuation Date	December 31, 2011
Actuarial Cost Method	Entry Age Normal (Allocated over Earnings)
Amortization Method	Level percent of projected payroll
Remaining Amortization Period	25 years
Asset Valuation Method	N/A
Actuarial Assumptions:	
Investment Rate of Return (Discount Rate)	4.0%
Rate of Salary Increases	3.5%
Rate of Medical Inflation	8.5% Grading to 5.5% in 2018 and 5.0% in 2019 and later
Rate of Prescription Drug Inflation	9.5% Grading to 5.5% in 2020 and 5.0% in 2021 and later

For determining the ARC, the rate of employer contributions to the Authority Plan is composed of the Normal Cost plus amortization of the Unfunded Actuarial Liability. The Normal Cost is a portion of the actuarial present value of plan benefits and expenses which is allocated to a valuation year by the actuarial cost method. The Actuarial Liability is that portion of the Present Value of Projected Benefits that will not be paid by Future Employer Normal Costs or active employee contributions. The difference between this liability and the funds accumulated as of the same date is the Unfunded Actuarial Liability.

## **SUPPLEMENTAL EXHIBITS**

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
Combining Schedule of Revenues, Expenses and Changes in Net Assets  
For the Year Ended December 31, 2011

	Improvement <u>Authority</u>	Parking <u>Center</u>	<u>Total</u>
Operating Revenues:			
Parking Center Revenue		\$ 3,458,222.96	\$ 3,458,222.96
Financing and Related Fees	\$ 598,449.24		598,449.24
Project Management Fees	2,062,769.33		2,062,769.33
Lease Income		185,300.40	185,300.40
State Financial Assistance	1,793,000.00		1,793,000.00
Miscellaneous Revenues	54,086.74		54,086.74
<b>Total Operating Revenues</b>	<b>4,508,305.31</b>	<b>3,643,523.36</b>	<b>8,151,828.67</b>
Operating Expenses:			
Administration:			
Salaries and Wages	853,099.76	133,796.94	986,896.70
Employee Benefits	594,226.31	22,667.70	616,894.01
Other Expenses	2,409,202.31	74,299.52	2,483,501.83
Cost of Providing Services:			
Salaries and Wages		133,796.93	133,796.93
Employee Benefits		22,667.69	22,667.69
Other Expenses		786,249.48	786,249.48
Depreciation	341.94	1,046,955.88	1,047,297.82
<b>Total Operating Expenses</b>	<b>3,856,870.32</b>	<b>2,220,434.14</b>	<b>6,077,304.46</b>
<b>Operating Income</b>	<b>651,434.99</b>	<b>1,423,089.22</b>	<b>2,074,524.21</b>
Non-operating Income (Expenses):			
Investment Income	26,551.19	11,007.97	37,559.16
Contribution to Camden County Per N.J.S.A. 40A:5A-1	(96,638.00)		(96,638.00)
Interest Expense		(1,608,963.17)	(1,608,963.17)
Amortization of Bond Issuance Costs		(16,666.29)	(16,666.29)
<b>Net Non-Operating Income (Expenses)</b>	<b>(70,086.81)</b>	<b>(1,614,621.49)</b>	<b>(1,684,708.30)</b>
<b>Change in Net Assets</b>	<b>581,348.18</b>	<b>(191,532.27)</b>	<b>389,815.91</b>
<b>Net Assets, Beginning of Year</b>	<b>713,346.75</b>	<b>(1,023,021.20)</b>	<b>(309,674.45)</b>
Net Assets Dec. 31, 2011:			
Invested in Capital Assets, Net of Related Debt (Deficit)		(2,544,392.01)	(2,544,392.01)
Unrestricted	1,294,694.93	1,329,838.54	2,624,533.47
<b>Total Net Assets (Deficit)</b>	<b>\$ 1,294,694.93</b>	<b>\$ (1,214,553.47)</b>	<b>\$ 80,141.46</b>

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
 Schedule of Cash Receipts and Disbursements  
 For the Year Ended December 31, 2011

	<u>Unrestricted Operating Accounts</u>		<u>Restricted Accounts</u>		<u>Total</u>
	<u>Improvement Operating</u>	<u>Garage Operating</u>	<u>Clementon Redevelopment</u>	<u>Crossroads Redevelopment</u>	
Cash and Cash Equivalents Jan. 1, 2011	\$ 1,803,724.03	\$ 2,051,993.56	\$ 1.41	\$ 2,812,767.47	\$ 6,668,486.47
Cash Receipts:					
Parking Fees		3,495,456.32			3,495,456.32
Sales Tax Payable		115,253.33			115,253.33
Financing and Related Fees	2,701,797.19				2,701,797.19
Interest on Investments	26,551.19	11,007.97	0.75	3,282.91	40,842.82
Other Accounts Receivable	21,338,852.03	327,112.37			21,665,964.40
State Financial Assistance	1,793,000.00				1,793,000.00
Proceeds of Bond Anticipation Notes			2,375,000.00	20,315,000.00	22,690,000.00
Intergovernmental Loans Payable			39,307.95		39,307.95
Premium on BAN			725.00	227,136.99	227,861.99
Transfers In			203,184.46		203,184.46
Total Cash Receipts and Cash Available	<u>27,663,924.44</u>	<u>6,000,823.55</u>	<u>2,618,219.57</u>	<u>23,358,187.37</u>	<u>59,641,154.93</u>
Cash Disbursements:					
Budget Appropriations	3,672,029.41	1,142,611.22			4,814,640.63
Accounts Payable	79,675.24			139,487.45	219,162.69
Other Accounts Receivable	21,152,198.16				21,152,198.16
Sales Tax Payable		115,253.33			115,253.33
Principal on Bond and Notes		580,000.00	2,500,000.00	21,385,000.00	24,465,000.00
Interest Payable on Bonds and Notes		1,608,963.17	32,409.72	373,197.95	2,014,570.84
Investment in Redevelopment Sites			85,807.75	790,712.09	876,519.84
Transfers Out	203,184.46				203,184.46
Total Cash Disbursements	<u>25,107,087.27</u>	<u>3,446,827.72</u>	<u>2,618,217.47</u>	<u>22,688,397.49</u>	<u>53,860,529.95</u>
Cash and Cash Equivalents Dec. 31, 2011	<u>\$ 2,556,837.17</u>	<u>\$ 2,553,995.83</u>	<u>\$ 2.10</u>	<u>\$ 669,789.88</u>	<u>\$ 5,780,624.98</u>

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
 Schedule of Improvement Authority Revenues and Expenses - Budget and Actual  
 Non-GAAP Budgetary Basis  
 For the Year Ended December 31, 2011

	Adopted Budget	Actual	Variance-- Favorable (Unfavorable)
<b>Operating Revenues:</b>			
Financing and Related Fees	\$ 1,118,505.00	\$ 598,449.24	\$ (520,055.76)
Project Management Fees	1,660,882.00	2,062,769.33	401,887.33
State Financial Assistance		1,793,000.00	1,793,000.00
Miscellaneous	76,083.00	54,086.74	(21,996.26)
<b>Non-Operating Revenues:</b>			
Interest on Investments	10,000.00	26,551.19	16,551.19
<b>Total Revenues</b>	<b>2,865,470.00</b>	<b>4,534,856.50</b>	<b>1,669,386.50</b>
<b>Operating Expenses:</b>			
<b>Administration:</b>			
Salaries & Wages	1,015,090.00	853,099.76	161,990.24
Employee Benefits	391,036.00	594,226.31	(203,190.31)
Other Expenses	526,625.00	2,409,202.31	(1,882,577.31)
<b>Total Administration</b>	<b>1,932,751.00</b>	<b>3,856,528.38</b>	<b>(1,923,777.38)</b>
<b>Total Operating Expenses</b>	<b>1,932,751.00</b>	<b>3,856,528.38</b>	<b>(1,923,777.38)</b>
<b>Non-Operating Appropriations:</b>			
Contribution to Camden County	96,638.00	96,638.00	
<b>Total Operating Expenses and Unrestricted Net Assets</b>	<b>2,029,389.00</b>	<b>3,953,166.38</b>	<b>(1,923,777.38)</b>
<b>Excess Revenues over Expenses</b>	<b>\$ 836,081.00</b>	<b>\$ 581,690.12</b>	<b>\$ (254,390.88)</b>
<b>Analysis of Charges to Appropriations</b>			
Cash Disbursed		\$ 3,672,029.41	
Accounts Payable		49,420.19	
Prepaid Expenses		6,827.93	
OPEB Annual Required Contribution		224,700.00	
Decrease in Compensated Absences		188.85	
		<b>\$ 3,953,166.38</b>	
<b>Reconciliation to Operating Income (Schedule 1)</b>			
Excess of Operating Expenses over Revenues		\$ 581,690.12	
Deduct: Interest Revenue		(26,551.19)	
Deduct: Depreciation		(341.94)	
Add: Contribution to Camden County		96,638.00	
<b>Operating Income</b>		<b>\$ 651,434.99</b>	

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
 Schedule of Parking Center Revenues and Expenses - Budget and Actual  
 Non-GAAP Budgetary Basis  
 For the Year Ended December 31, 2011

	Adopted <u>Budget</u>	Actual	Variance-- Favorable (Unfavorable)
Budget Revenues:			
Operating Revenues:			
Parking Fees	\$ 3,641,509.00	\$ 3,458,222.96	\$ (183,286.04)
Lease Revenue	186,209.00	185,300.40	(908.60)
Miscellaneous	10,250.00		(10,250.00)
Non-Operating Revenues:			
Interest on Investments		11,007.97	11,007.97
<b>Total Budget Revenues</b>	<b>3,837,968.00</b>	<b>3,654,531.33</b>	<b>(183,436.67)</b>
Operating Appropriations:			
Administration:			
Salaries & Wages	87,953.50	133,796.94	(45,843.44)
Employee Benefits	35,611.00	22,667.70	12,943.30
Other Expenses	157,845.03	74,299.52	83,545.51
<b>Total Administration</b>	<b>281,409.53</b>	<b>230,764.16</b>	<b>50,645.37</b>
Cost of Service			
Salaries & Wages	87,953.50	133,796.93	(45,843.43)
Employee Benefits	35,611.00	22,667.69	12,943.31
Other Expenses	1,671,181.97	786,249.48	884,932.49
<b>Total Cost of Service</b>	<b>1,794,746.47</b>	<b>942,714.10</b>	<b>852,032.37</b>
<b>Total Operating Expenses</b>	<b>2,076,156.00</b>	<b>1,173,478.26</b>	<b>902,677.74</b>
Principal Payments on Debt in lieu of Depreciation	580,000.00	580,000.00	
<b>Total Operating Appropriations</b>	<b>2,656,156.00</b>	<b>1,753,478.26</b>	<b>902,677.74</b>
Non-Operating Appropriations			
Interest on Bonds	1,080,000.00	1,608,963.17	(528,963.17)
Renewal & Replacement Reserves	101,812.00		101,812.00
<b>Total Non-Operating Appropriations</b>	<b>1,181,812.00</b>	<b>1,608,963.17</b>	<b>(427,151.17)</b>
<b>Total Budget Appropriations</b>	<b>3,837,968.00</b>	<b>3,362,441.43</b>	<b>475,526.57</b>
<b>Excess Revenues over Expenses</b>	<b>\$ ---</b>	<b>\$ 292,089.90</b>	<b>\$ 292,089.90</b>

(Continued)

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
 Schedule of Parking Center Revenues and Expenses - Budget and Actual  
 Non-GAAP Budgetary Basis  
 For the Year Ended December 31, 2011

	<u>Adopted Budget</u>	<u>Actual</u>	Variance-- Favorable (Unfavorable)
<u>Analysis of Charges to Appropriations</u>			
Cash Disbursed		\$ 1,142,611.22	
Accounts Payable		30,867.04	
Principal on Debt		580,000.00	
Interest on Debt		1,608,963.17	
		<u>\$ 3,362,441.43</u>	
<u>Reconciliation to Operating Income (Schedule 1)</u>			
Excess of Revenues over Operating Expenses		\$ 292,089.90	
Add: Interest Expense		1,608,963.17	
Add: Principal Payments on Debt		580,000.00	
Deduct: Interest Revenue		(11,007.97)	
Deduct: Depreciation		(1,046,955.88)	
Operating Income		<u>\$ 1,423,089.22</u>	

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
 Analysis of Parking, Financing and Related Fees Receivable  
 For the Year Ended December 31, 2011

	<u>Balance</u> <u>Jan. 1, 2011</u>	<u>Accrued</u>	<u>Received</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
Annual Administration Fees	\$ 9,980.00	\$ 325,149.24	\$ 326,048.91	\$ 9,080.33
Project Management Fees	412,598.08	2,062,769.33	2,101,448.28	373,919.13
Financing & Other Fees	65,000.00	273,300.00	274,300.00	64,000.00
Parking Fees	129,124.00	3,458,222.96	3,495,456.32	91,890.64
	<u>\$ 616,702.08</u>	<u>\$ 6,119,441.53</u>	<u>\$ 6,197,253.51</u>	<u>\$ 538,890.10</u>

## Schedule 6

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
 Analysis of Other Receivables and Payables  
 For the Year Ended December 31, 2011

	<u>Miscellaneous</u>	<u>Due from (to)</u> <u>Rutgers</u> <u>University</u>	<u>Due from (to)</u> <u>Rowan</u> <u>University</u>	<u>Parking</u> <u>Center</u> <u>Lease Income</u>	<u>Total</u>
Balance Jan. 1, 2011	\$ 5,242.08	\$ 423,452.29	\$ (258,316.00)	\$ 129,145.94	\$ 299,524.31
Increased by:					
Revenue Accrued	54,086.74			185,300.40	239,387.14
Disbursed on Behalf of University		349,048.03	20,803,150.13		21,152,198.16
	59,328.82	772,500.32	20,544,834.13	314,446.34	21,691,109.61
Decreased by:					
Received	59,328.82	665,727.43	20,613,795.78	327,112.37	21,665,964.40
Balance Dec. 31, 2011	<u>\$ ---</u>	<u>\$ 106,772.89</u>	<u>\$ (68,961.65)</u>	<u>\$ (12,666.03)</u>	<u>\$ 25,145.21</u>

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
 Analysis of Investment in Redevelopment Sites  
 For the Year Ended December 31, 2011

	<u>Crossroads Project</u>	<u>Clementon Project</u>	<u>Total</u>
Balance Jan. 1, 2011	\$ 18,820,759.06	\$ 3,491,695.28	\$ 22,312,454.34
Increased by:			
Disbursements	790,712.09	85,807.75	876,519.84
Capitalized Interest	358,135.14	32,531.47	390,666.61
	19,969,606.29	3,610,034.50	23,579,640.79
Decreased by:			
Interest Revenue	3,282.91	0.75	3,283.66
Cancellation of Prior Year Payable	307,325.00		307,325.00
Premium on BAN	227,136.99	725.00	227,861.99
Balance Dec. 31, 2011	<u>\$ 19,431,861.39</u>	<u>\$ 3,609,308.75</u>	<u>\$ 23,041,170.14</u>

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
 Analysis of Property, Plant and Equipment  
 For the Year Ended December 31, 2011

	Balance Jan. 1, 2011	Additions	Deletions	Balance Dec. 31, 2011
Buildings	\$ 30,535,865.52			\$ 30,535,865.52
Furniture and Equipment	22,076.00			22,076.00
Major Movable Equipment	290,937.00			290,937.00
	30,848,878.52			30,848,878.52
Decreased by:				
Accumulated Depreciation	3,460,166.59	\$ 1,047,297.82		4,507,464.41
	<u>\$ 27,388,711.93</u>	<u>\$ (1,047,297.82)</u>	<u>\$ ---</u>	<u>\$ 26,341,414.11</u>

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
 Analysis of Accrued Interest Payable  
 For the Year Ended December 31, 2011

Balance Jan. 1, 2011	\$ 166,005.55
Increased by:	
Interest Expense on Bonds	\$ 1,608,963.17
Interest on Bond Anticipation Notes--Paid from Note Proceeds	<u>390,666.61</u>
	<u>1,999,629.78</u>
	2,165,635.33
Decreased by:	
Disbursements	<u>2,014,570.84</u>
Balance Dec. 31, 2011	<u>\$ 151,064.49</u>

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
 Schedule of Revenue Bonds Payable  
 For the Year Ended December 31, 2011

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds</u>		<u>Interest Rate</u>	<u>Balance Jan. 1, 2011</u>	<u>Paid</u>	<u>Balance Dec. 31, 2011</u>
			<u>Year</u>	<u>Amount</u>				
Camden Parking Facility Project, 2006	April 1, 2006	\$ 33,300,000	2012	\$ 755,000	Var			
			2013	590,000	Var			
			2014	580,000	Var			
			2015	600,000	Var			
			2016	640,000	Var			
			2017-2021	3,825,000	Var			
			2022-2026	5,140,000	Var			
			2027-2031	6,935,000	Var			
			2032-2036	9,335,000	Var			
			2037-2039	3,025,000	Var			

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**

**PART II**

**REQUIRED SUPPLEMENTARY SCHEDULES**

**FOR THE YEAR ENDED**

**DECEMBER 31, 2011**

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
 Schedule of Camden County Lease Revenue Bonds Cash Receipts and Disbursements  
 For the Year Ended December 31, 2011

	Camden County College Project Series 2002	Camden County College Project Series 2006 A	Camden County College Project Series 2008	Camden County College Project, Series 2010	Camden County College Project, Series 2011	Health Services Center Refunding Bonds, Series 2003A
Cash, Equivalents and Investments Jan. 1,	\$ 1.86	# \$ 63,309.64	\$ 3,058,567.10	\$ 24,576,287.61		\$ 9.51
Increases:						
Investment Receipts	1.36	6.85	180.32	1,634.67	\$ 0.08	10.63
Proceeds from Issuance of Bonds Lease/Mortgage Revenue	1,801,612.15	1,916,114.81	549,481.62	1,533,419.42	6,049,697.15	2,419,964.79
Total Increases	1,801,613.51	1,916,121.66	549,661.94	1,535,054.09	6,049,697.23	2,419,975.42
Decreases:						
Interest on Bonds Paid	272,110.00	936,125.00	219,482.54	1,018,420.71	39,685.00	894,976.26
Bond Principal	850,000.00	980,000.00	330,000.00	515,000.00	5,875,000.00	1,525,000.00
Bond Issue Costs					128,453.80	
Requisitions	679,504.22	63,303.03	229.94			
Total Decreases	1,801,614.22	1,979,428.03	549,712.48	1,533,420.71	6,043,138.80	2,419,976.26
Cash, Equivalents and Investments Dec. 31,	\$ 1.15	\$ 3.27	\$ 3,058,516.56	\$ 24,577,920.99	\$ 6,558.43	\$ 8.67

(Continued)

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
 Schedule of Camden County Lease Revenue Bonds Cash Receipts and Disbursements  
 For the Year Ended December 31, 2011

	Health Services Center Refunding Bonds, Series 2003B	Lease Revenue Bonds, Series 1997	Lease Revenue Bonds, Series 2000	Lease Revenue Bonds, Series 2001	Lease Revenue Bonds, Series 2002	Lease Revenue Refunding Bonds, Series 2003A
Cash, Equivalents and Investments Jan. 1,	\$ 314.73	\$ 7,149.08	\$ 2,305,260.68	\$ 1,410,580.36	\$ 344,598.10	\$ 8.79
Increases:						
Investment Receipts	0.96	0.47	7,727.62	5,072.31	1,424.99	10.29
Proceeds from Issuance of Bonds Lease/Mortgage Revenue	220,424.05				1,249,200.47	10,983,043.39
Total Increases	220,425.01	0.47	7,727.62	5,072.31	1,250,625.46	10,983,053.68
Decreases:						
Interest on Bonds Paid	15,425.00				329,202.50	1,445,262.50
Bond Principal	205,000.00				920,000.00	6,240,000.00
Bond Issue Costs						
Requisitions		7,147.52	2,312,986.27	1,415,650.98	1,865.45	
Total Decreases	220,425.00	7,147.52	2,312,986.27	1,415,650.98	1,251,067.95	7,685,262.50
Cash, Equivalents and Investments Dec. 31,	\$ 314.74	\$ 2.03	\$ 2.03	\$ 1.69	\$ 344,155.61	\$ 3,297,799.97

(Continued)

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
 Schedule of Camden County Lease Revenue Bonds Cash Receipts and Disbursements  
 For the Year Ended December 31, 2011

	Lease Revenue Bonds, Series 2003B	Lease Revenue Bonds, Series 2004A	Lease Revenue Bonds, Series 2005A	Lease Revenue Bonds, Series 2005B	Lease Revenue Bonds, Series 2006A	Lease Revenue Bonds, Series 2007	Loan Revenue Bonds, Series 2008
Cash, Equivalents and Investments Jan. 1,	\$ 2,323,515.69	\$ 1,519,446.73	\$ 2.25	\$ 1,032,953.92	\$ 2,236,645.76	\$ 3,310,760.15	\$ 7,763,970.92
Increases:							
Investment Receipts	7,299.27	5,471.23	1.25	3,349.74	7,056.43	351.47	523.50
Proceeds from Issuance of Bonds Lease/Mortgage Revenue	1,529,023.86	1,531,510.10	2,328,563.39	2,052,405.40	1,544,047.57	808,865.17 265,872.59	2,837,381.91
Total Increases	1,536,323.13	1,536,981.33	2,328,564.64	2,055,755.14	1,551,104.00	1,075,089.23	2,837,905.41
Decreases:							
Interest on Bonds Paid	539,026.26	646,512.50	848,780.00	1,214,953.76	774,050.00	528,887.54	1,502,387.52
Bond Principal	990,000.00	885,000.00	70,000.00	1,290,000.00	770,000.00	545,000.00	1,335,000.00
Bond Issue Costs Requisitions	8,061.99	179,686.01		110,779.12	228,233.30	851,136.62	2,035,447.87
Total Decreases	1,537,088.25	1,711,198.51	918,780.00	2,615,732.88	1,772,283.30	1,925,024.16	4,872,835.39
Cash, Equivalents and Investments Dec. 31,	<u>\$ 2,322,750.57</u>	<u>\$ 1,345,229.55</u>	<u>\$ 1,409,786.89</u>	<u>\$ 472,976.18</u>	<u>\$ 2,015,466.46</u>	<u>\$ 2,460,825.22</u>	<u>\$ 5,729,040.94</u>

(Continued)

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
 Schedule of Camden County Lease Revenue Bonds Cash Receipts and Disbursements  
 For the Year Ended December 31, 2011

	Loan Revenue Bonds, Series 2009A	Loan Revenue Bonds, Series 2009A BABS	Open Space Trust Bonds, Series 2003	Loan Revenue Bonds, Series 2010	Lease Revenue Refunding Bonds, Series 2010A	Lease Revenue Bonds, Series 2011	Lease Revenue Bonds, Series 2011A
Cash, Equivalents and Investments Jan. 1,	\$ 8.96	\$ 11,001,434.01	\$ 35.67	\$ 12,823,082.17	\$ 15,439.03		
Increases:							
Investment Receipts	4.51	729.19	4.08	798.24	3.37		\$ 0.08
Proceeds from Issuance of Bonds Lease/Mortgage Revenue	3,281,390.79	1,295,459.05	1,850,513.50	781,793.88	2,131,668.40	\$ 28,099,378.70	6,295,637.65
Total Increases	3,281,395.30	1,296,188.24	1,850,517.58	782,592.12	2,131,671.77	28,099,378.70	6,295,637.73
Decreases:							
Interest on Bonds Paid	376,400.00	1,102,521.00	740,517.52	540,670.04	197,108.33		
Bond Principal	2,905,000.00		1,110,000.00		1,950,000.00		
Bond Issue Costs				20,000.00			137,254.28
Requisitions		3,190,960.56		3,629,006.74		19,906,395.43	6,153,050.96
Total Decreases	3,281,400.00	4,293,481.56	1,850,517.52	4,189,676.78	2,147,108.33	19,906,395.43	6,290,305.24
Cash, Equivalents and Investments Dec. 31,	\$ 4.26	\$ 8,004,140.69	\$ 35.73	\$ 9,415,997.51	\$ 2.47	\$ 8,192,983.27	\$ 5,332.49

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
 Schedule of Conduit Debt  
 For The Year Ended December 31, 2011

<u>Issue</u>	<u>Issue Date</u>	<u>Issued Amount</u>	<u>Balance Jan 1, 2011</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2011</u>
<b>Guaranteed by Other Governmental Entities:</b>						
Camden County College Project	07/18/02	12,500,000	\$ 6,725,000		\$ 6,725,000	
Lease Revenue Bonds, Series 2002	11/07/02	19,050,000	7,775,000		7,775,000	
Open Space Trust Bonds	03/13/03	26,475,000	18,235,000		1,110,000	\$ 17,125,000
Health Services Center Refunding Bonds, Series A	05/28/03	35,180,000	22,195,000		1,525,000	20,670,000
Health Services Center Refunding Bonds, Series B	05/28/03	2,015,000	510,000		205,000	305,000
Lease Revenue Refunding Bonds, Series 2003A	07/14/03	44,075,000	29,655,000		6,240,000	23,415,000
Lease Revenue Bonds, Series 2003B	10/30/03	19,275,000	13,235,000		990,000	12,245,000
Camden Academy Charter High School	12/23/03	4,000,000	2,745,000		175,000	2,570,000
Lease Revenue Bonds, Series 2004A	10/01/04	18,480,000	13,755,000		885,000	12,870,000
Lease Revenue Refunding Bonds, Series 2005A	05/26/05	21,350,000	19,830,000		70,000	19,760,000
Lease Revenue Bonds, Series 2005B	12/13/05	32,510,000	26,785,000		1,290,000	25,495,000
Camden County College Project Series 2006	01/15/06	24,640,000	21,930,000		980,000	20,950,000
Lease Revenue Bonds, Series 2006A	09/01/06	20,455,000	18,300,000		770,000	17,530,000
DRPA loan	05/01/07	1,000,000	884,986		43,413	841,573
Lease Revenue Bonds, Series 2007	12/21/07	14,340,000	12,850,000		545,000	12,305,000
Loan Revenue Bonds, Series 2008	11/17/08	32,070,000	30,775,000		1,335,000	29,440,000
Camden County College Project, Series 2008	03/01/08	6,000,000	5,415,000		330,000	5,085,000
Loan Revenue Bonds, Series 2009A	05/01/09	14,130,000	9,100,000		2,905,000	6,195,000
Loan Revenue Bonds, Series 2009 BABS	12/02/09	21,110,000	21,110,000			21,110,000
Loan Revenue Bonds, Series 2010	10/04/10	17,100,000	17,100,000			17,100,000
Camden County College Project, Series 2010A-1	11/24/10	2,080,000	2,080,000		515,000	1,565,000
Camden County College Project, Series 2010A-2	11/24/10	5,830,000	5,830,000			5,830,000
Camden County College Project, Series 2010A-3	11/24/10	17,090,000	17,090,000			17,090,000
Loan Revenue Note, Series 2010	12/29/10	16,120,000	16,120,000		16,120,000	
Loan Revenue Refunding Bonds, Series 2010A	12/29/10	6,400,000	6,400,000		1,950,000	4,450,000
Loan Revenue Bonds, Series 20011	12/15/11	26,565,000		\$ 26,565,000		26,565,000
Loan Revenue Bonds, Series 20011A	09/01/11	5,905,000		5,905,000		5,905,000
Camden County College Parking Project, Series 2011	09/01/11	5,750,000		5,750,000		5,750,000
Subtotal Guaranteed by Other Governmental Entities			346,429,986	38,220,000	52,483,413	332,166,573

(Continued)

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
 Schedule of Conduit Debt  
 For The Year Ended December 31, 2011

<u>Issue</u>	<u>Issue Date</u>	<u>Issued Amount</u>	<u>Balance Jan 1, 2011</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2011</u>
<b>Other Series:</b>						
Moorestown Ecumenical Neighborhood (MEND)	02/01/96	\$ 2,000,000	\$ 1,200,279		\$ 86,826	\$ 1,113,453
Planned Parenthood of Southern New Jersey	02/01/97	800,000	93,606		79,798	13,808
Catholic Health East Health System	03/01/98	61,885,000	45,630,000		1,685,000	43,945,000
Ronald McDonald House	03/11/98	2,540,000	2,540,000			2,540,000
Westmont Theater Project	11/17/98	700,000	378,000		39,000	339,000
Westmont Fire Company	01/22/99	807,000	443,737		41,896	401,840
Bestwork Industries for the Blind	02/17/99	700,000	220,145		58,494	161,650
Harvest Village Project	07/29/99	25,000,000	21,505,000		1,100,000	20,405,000
Collingswood Senior Citizen Center Project	08/27/99	1,300,000	740,000		65,000	675,000
Crestbury Housing Development Revenue Bonds	05/27/00	10,340,000	6,490,000		595,000	5,895,000
Trinity Presbyterian Church	11/02/00	950,000	604,572		46,510	558,062
Berlin Borough Affordable Housing	12/19/00	1,500,000	1,313,439		28,724	1,284,715
Congregation Beth El Project	06/21/01	4,925,000	3,610,000		170,000	3,440,000
Gloucester Township Public Works	04/18/02	5,000,000	3,580,000		220,000	3,260,000
Cherry Hill Library Project	05/21/02	19,780,000	14,330,000		905,000	13,425,000
Temple Beth Shalom Project	12/12/02	3,000,000	2,088,779		136,863	1,951,917
Liberty Park Townhomes Project	02/04/03	9,350,000	8,737,838		134,234	8,603,604
Health Care Redevelopment (Cooper Hospital) Series B	08/19/04	40,000,000	36,480,000		985,000	35,495,000
Health Care Redevelopment (Cooper Hospital) Series A	08/19/04	30,800,000	30,380,000			30,380,000
Health System Obligation Bonds (Cooper Hospital) Series A	12/11/05	75,000,000	72,280,000		1,470,000	70,810,000
Health System Obligation Bonds (Cooper Hospital) Series B	12/11/05	60,655,000	53,315,000		2,075,000	51,240,000
Parkview Redevelopment Housing Project	04/15/06	50,400,000	50,400,000			50,400,000
Cherry Hill Recreation Facilities	04/13/07	4,500,000	3,890,000		250,000	3,640,000
Cherry Hill Library Project Refunding	09/07/07	12,950,000	12,765,000		80,000	12,685,000
Gloucester Southport Project	03/22/08	5,000,000	5,000,000	\$ 5,000,000	5,000,000	5,000,000
Coriell Institute for Medical Research	07/01/08	6,000,000	5,736,397		653,864	5,082,533
Mount Ephraim Revenue Bonds	02/11/09	3,000,000	2,910,000		95,000	2,815,000
VOADV 2009	05/01/09	5,500,000	5,394,006		186,632	5,207,373
Camden Pride Revenue Bonds	06/01/09	5,670,000	5,588,301		170,697	5,417,604
Cooper Health Revenue Bond	11/01/09	10,000,000	10,000,000			10,000,000
Cooper Medical School of Rowan University, Series 2010A	07/01/10	93,885,000	93,885,000			93,885,000
Cooper Medical School of Rowan University, Series 2010B	07/01/10	19,280,000	19,280,000		4,915,000	14,365,000
Gloucester Township Public Works Project, Series 2011	10/01/11	3,440,000		3,440,000		3,440,000
			<b>\$ 867,239,084</b>	<b>\$ 46,660,000</b>	<b>\$ 73,756,950</b>	<b>\$ 840,142,134</b>

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**

**PART III**

**SINGLE AUDIT SECTION**

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON  
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND  
STATE OF NEW JERSEY CIRCULAR 04-04-OMB**

The Chairman and Members of  
The Camden County Improvement Authority  
Cherry Hill, New Jersey

**Compliance**

We have audited the compliance of the Camden County Improvement Authority, in the County of Camden, State of New Jersey, with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement and the New Jersey State Grant Compliance Supplement that could have a direct and material effect on each of the Authority's major state programs for the year ended December 31, 2011. The Authority's major state programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major state programs is the responsibility of the Authority's management. Our responsibility is to express an opinion on the Authority's compliance based on our audit.

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; audit requirements as prescribed by the Bureau of Authority Regulation, Division of Local Government Services, Department of Community Affairs, State of New Jersey; OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations; and State of New Jersey Circular 04-04-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards, OMB Circular A-133, and State of New Jersey Circular 04-04-OMB, 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 state program occurred. An audit includes examining, on a test basis, evidence about the Authority'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. Our audit does not provide a legal determination of the Authority's compliance with those requirements.

In our opinion, Camden County Improvement Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended December 31, 2011.

**Internal Control Over Compliance**

Management of the Camden County Improvement Authority is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to state programs. In planning and performing our audit, we considered the Authority's internal control over compliance with the requirements that could have a direct and material effect on a major state program in order to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and State of New Jersey Circular 04-04-OMB, 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 Authority'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 state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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 state program will not be prevented, or detected and corrected, on a timely basis.

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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be *material weaknesses*, as defined above.

This report is intended solely for the information and use of management of the Authority, others within the Authority, the Bureau of Authority Regulation, Division of Local Government Services, Department of Community Affairs, State of New Jersey, and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

Voorhees, New Jersey  
June 14, 2012

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
 Schedule of Expenditures of State Financial Assistance, Schedule B  
 For the Year Ended December 31, 2011

<u>State Grantor/ Program Title</u>	<u>Grant or State Project Number</u>	<u>Program or Award Amount</u>	<u>Grant Period</u>		<u>January 1, 2011</u>		<u>Cash Received</u>	<u>Expenditures</u>	<u>December 31, 2011</u>	
			<u>From</u>	<u>To</u>	<u>Deferred Revenue</u>	<u>(Accounts Receivable)</u>			<u>Deferred Revenue</u>	<u>(Accounts Receivable)</u>
New Jersey Economic Development Authority: 1996 Economic Development Site Trust Fund	1996-EDSF-March 2011	\$ 1,793,000.00	3-8-11	12-30-11	\$ ---	\$ ---	\$ 1,793,000.00	\$ 1,793,000.00	\$ ---	\$ ---

The accompanying Notes to Financial Statements and Notes to Schedule of Expenditures of State Financial Assistance are an integral part of this schedule.

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
Notes to Schedule of Expenditures of State Financial Assistance  
For the Fiscal Year Ended December 31, 2011

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Note 1: **GENERAL**

The accompanying schedule of expenditures of state financial assistance presents the activity of all state financial assistance programs of the Camden County Improvement Authority. The Authority is defined in Note 1 to the Authority's Notes to Financial Statements. All state financial assistance received directly from state agencies, as well as state financial assistance passed through other government agencies, are included on the schedule of expenditures of state financial assistance.

Note 2: **BASIS OF ACCOUNTING**

The accompanying schedule of expenditures of state financial assistance is presented using the accrual basis of accounting. This basis of accounting is described in Note 1 to the Authority's financial statements.

Note 3: **RELATIONSHIP TO FINANCIAL STATEMENTS**

Amounts reported in the accompanying schedule agrees with amounts reported in the Authority's financial statements.

Note 4: **RELATIONSHIP TO STATE FINANCIAL REPORTS**

Amounts reported in the accompanying schedule agrees with the amounts reported in the related state financial reports.

Note 5: **MAJOR PROGRAMS**

Major programs are identified in the Summary of Auditor's Results section of the Schedule of Findings and Questioned Costs

**CAMDEN COUNTY  
IMPROVEMENT AUTHORITY**

**PART IV**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**FOR THE YEAR ENDED**

**DECEMBER 31, 2011**

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
 Schedule of Findings and Questioned Costs  
 For the Fiscal Year Ended December 31, 2011

**Section 1- Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued Unqualified

Internal control over compliance:

    Material weaknesses identified? \_\_\_ yes X no

    Were significant deficiencies identified that were  
     not considered to be a material weakness? \_\_\_ yes X none reported

Noncompliance material to financial statements noted? \_\_\_ yes X no

**State Financial Assistance**

Internal control over compliance:

    Material weaknesses identified? \_\_\_ yes X no

    Were reportable conditions identified that were not  
     considered to be material weaknesses? \_\_\_ yes X none reported

Type of auditor's report on compliance for major programs Unqualified

Any audit findings disclosed that are required to be reported in  
 accordance with OMB Circular A-133 (section .510(a)) or  
 New Jersey Circular 04-04-OMB? \_\_\_ yes X no

Identification of major programs:

<b><u>GMS Numbers</u></b>	<b><u>Name of State Program</u></b>
1996-EDSF-March 2011	New Jersey Economic Developmnet Authority

Dollar threshold used to determine Type A programs \$300,000.00

Auditee qualified as low-risk auditee? \_\_\_ yes x no \_\_\_ n/a

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended December 31, 2011

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***Section 2- Schedule of Financial Statement Findings***

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

**None**

**CAMDEN COUNTY IMPROVEMNET AUTHORITY**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended December 31, 2011

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***Section 3- Schedule of State Financial Assistance Findings and Questioned Costs***

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major State programs, as required by OMB Circular A-133 and State of New Jersey Circular 04-04-OMB.

**None**

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
Summary Schedule of Prior Year Reportable Conditions  
And Other Findings As Prepared By Management

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This section identifies the status of prior year findings related to the financial statements that are required to be reported in accordance with Government Auditing Standards and with the audit requirements as prescribed by the Bureau of Authority Regulation, Division of Local Government Services, Department of Community Affairs, State of New Jersey.

**None**

31400

**APPRECIATION**

I express my appreciation for the courtesies extended and assistance rendered to me during the course of this audit.

Respectfully submitted,

*Bowman & Company LLP*

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

