



**camden**  **county**  
**Improvement Authority**

**REPORT OF AUDIT**

**WITH  
SUPPLEMENTARY INFORMATION**

**FOR THE YEARS ENDED  
DECEMBER 31, 2013 and 2012**

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
Table Of Contents

<u>Exhibit No.</u>		<u>Page No.</u>
	Roster of Officials	1
<b><u>PART I – FINANCIAL SECTION</u></b>		
	Independent Auditors' Report	3
	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	5
	Management's Discussion and Analysis	7
	<b><u>Basic Financial Statements</u></b>	
A	Comparative Statements of Net Position	14
B	Comparative Statements of Revenues, Expenses and Changes in Net Position	16
C	Comparative Statements of Cash Flows	17
	Notes to Financial Statements	19
	<b><u>Supplemental Exhibits</u></b>	
<u>Schedule No.</u>		
1	Combining Schedule of Revenues, Expenses and Changes in Net Position	34
2	Schedule of Cash Receipts and Disbursements	35
3	Schedule of Improvement Authority Revenues and Expenses – Budget and Actual – Non-GAAP Budgetary Basis	36
4	Schedule of Parking Center Revenues and Expenses – Budget and Actual – Non-GAAP Budgetary Basis	37
5	Analysis of Parking, Financing and Related Fees Receivable	39
6	Analysis of Investment in Redevelopment Sites	40
7	Analysis of Capital Assets	41
8	Analysis of Accrued Interest Payable	41
9	Schedule of Revenue Bonds Payable	42
<b><u>PART II - REQUIRED SUPPLEMENTARY SCHEDULES</u></b>		
10	Schedule of Conduit Debt	44
<b><u>PART III – FINDINGS AND RECOMMENDATIONS</u></b>		
	Schedule of Findings and Recommendations	48
	Summary Schedule of Prior Year Audit Findings and Recommendations as Prepared by Management	49
	<b>APPRECIATION</b>	50

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
ROSTER OF OFFICIALS  
As of December 31, 2013

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Members

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

Position

Chairman  
Vice-Chairman  
Member  
Member  
Member

Other Officials

James P. Blanda  
David McCollum  
David Patterson, Maressa Patterson, LLC

Executive Director  
Treasurer  
General Counsel

**CAMDEN COUNTY  
IMPROVEMENT AUTHORITY**

**PART I**

**FINANCIAL SECTION**

**FOR THE YEARS ENDED**

**DECEMBER 31, 2013 and 2012**

## **INDEPENDENT AUDITORS' REPORT**

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

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

We have audited the accompanying financial statements of the business-type activities of the Camden County Improvement Authority (Authority), in the County of Camden, State of New Jersey, a component unit of the County of Camden, as of and for the years ended December 31, 2013 and 2012 and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and in compliance 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of the Camden County Improvement Authority, in the County of Camden, State of New Jersey as of December 31, 2013 and 2012, and the changes in its financial position and its cash flows thereof for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

**Other Matters***Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, 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 the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying supplementary schedules as listed in the table of contents are not a required part of the basic financial statements.

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

**Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated April 29, 2014 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Authority's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

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

**INDEPENDENT AUDITORS' REPORT**

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, and 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 the financial statements of the business-type activities of the Camden County Improvement Authority (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, 2013, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated April 29, 2014.

**Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a deficiency in internal control, described in the accompanying Schedule of Findings and Recommendations that we consider to be a significant deficiency as finding 2013-1.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under Government Auditing Standards or audit requirements as prescribed by the Bureau of Authority Regulation, Division of Local Government Services, Department of Community Affairs, State of New Jersey, and which is described in the accompanying Schedule of Findings and Recommendations as finding 2013-1.

**The Authority's Response to Findings**

The Authority's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Recommendations. The Authority's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

**Purpose of this Report**

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

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

Voorhees, New Jersey  
April 29, 2014



## **Improvement Authority**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS** **FOR THE YEAR ENDING DECEMBER 31, 2013**

#### **PURPOSE**

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The Management's Discussion and Analysis ("MD&A") addresses the financial state of the Camden County Improvement Authority ("Authority") after completing operations for calendar year 2013. Prepared through a collaborative effort of senior management, the MD&A offers insights to each business segment, provides a summary of the financial statements and highlights both successes and challenges of the Authority over the year, including opportunities going forward.

#### **2013 BUSINESS REVIEW**

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##### *Organizational: New Business Opportunity*

In its 35<sup>th</sup> year in existence, the Authority not only continued to broaden its presence financing and managing capital projects throughout the County, but was able to achieve a long-standing strategic goal of assuming the Community Development operation of Camden County, to complement the existing business segments of the Authority. Like the Authority, the role of the Community Development group is to ensure decent affordable housing, to provide services to the most vulnerable in our communities, and to create jobs through the expansion and retention of businesses. The U.S. Department of Housing and Urban Development allocates federal funds for Community Development Programs to assist local governments tackle serious challenges facing their communities.

Given the similar roles, the merging of Community Development into the Authority will provide the Authority with a valuable "tool" to assist towns improve their communities, while at the same time creating efficiencies and generating cost savings from the synergies created in merging the two operations. Currently, the Community Development Program manages more than fifty (50) projects and a \$2.3 million budget. This merger, which included the Authority's relocation to larger offices, has resulted in the overall staff of the Authority growing from fifteen (15) to twenty three (23) employees, yet the Community Development operation is being run with three (3) less employees due to the value of the synergies created. The groundwork for this merger was laid in 2012 early 2013, before becoming official on July 1, 2013.

##### *Core Services: Public Financing and Project Management*

With interest rates still hovering at historical lows, the Authority capitalized on market conditions issuing more than \$182 million in tax-exempt and taxable bonds in 2013. Most notably, the Authority completed a \$56 million bond issue to finance Rowan University's purchase of the School of Osteopathic Medicine of the University of Medicine and Dentistry of New Jersey (UMDNJ). State legislation in early 2013 dissolved UMDNJ, dividing its medical school assets among Rowan University and Rutgers University, leading to this financing that joined the Authority and the State in a collaborative effort. The Authority's financing team received the "Deal of the Year" award for completing this complex transaction by the premier public financing daily news publication, The Bond Buyer.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)**

### **2013 BUSINESS REVIEW (CONT'D)**

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#### *Core Services: Public Financing and Project Management (Cont'd)*

In addition, both County government and private industry were active, as the County borrowed \$38 million, the County College borrowed \$12 million and Cooper University Hospital borrowed \$55 million, plus the Rowan University transaction listed above. The Authority is working with private industry, municipalities and school districts to improve their access to low interest capital for their 2014 projects.

The professional relationships created from the new efforts of the Community Development group and expanding client base for bond financings have increased the demand for the Authority's Project Management team. Currently, staff is providing management and oversight for over 30 capital improvement projects for Camden County. Of particular note is the Authority's success facilitating projects that generate energy savings as a result of the implementation of the Energy Conservation Measure. The project management team successfully financed and managed a capital project for the Camden County Technical Schools that provided new windows and upgraded mechanical, lighting and electrical systems for their two schools. Given the success in this area, the project management team is now marketing this model to municipalities and school districts seeking to reduce energy costs enough to cover or offset debt service on the capital investment borrowing for the project and eliminate any financial burden.

Finally, the Authority continues to work with the Borough of Clementon on redevelopment of a commercial site on White Horse Pike (Route 30). A redevelopment and property acquisition agreement was signed with Leewood Realty Group NJ for this 204 owner-occupied townhouses and 40,000 square feet of commercial development fronting White Horse Pike. Construction of the project is expected to commence in the third quarter of 2014.

#### *Economic Development*

Camden County has seen a return to economic growth throughout many municipalities over the last year. The southern portion of the County has seen an increase in both retail and commercial development. Major projects have been approved that will transform the southern New Jersey retail landscape. Plans are in place with construction scheduled in 2014 for a new joint venture premium outlet and commercial center to be located in Gloucester Township. The Gloucester Premium Outlets will house approximately 450,000 square feet of both retail and commercial spaces. In addition, Winslow Township has seen increase in development along Cross Keys Roads with a new 30,000 square foot car dealership set to open.

In the center of the County, Cherry Hill continues to lead the way in new growth. A new Whole Foods Markets is expected to open spring 2014 bringing new employment prospects and life to an older shopping center. In addition, the Cherry Hill Mall continues to be a regional powerhouse. By flanking the Mall with new restaurants, this regional shopping center continues to dominate the retail market and is a major employment center for the County. Voorhees Township has also seen new commercial activity with the opening of a 120 room hotel and a second hotel approved by Virtua Hospital. Finally, Camden City continues to see progress with redevelopment activity with the construction of the Kroc Center in the Cramer Hill Section and rehabilitation of historic building into much needed office space for Rutgers University. As the Camden County Police Force stabilizes the city and recent economic development incentives begin to take place, Camden City is expected to ride a wave of new growth in 2014 and beyond.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)**

### **FINANCIAL ANALYSIS**

The following table presents a summary of the Authority's financial position as of December 31, 2013, 2012 and 2011.

	<b><u>2013</u></b>	<b><u>Percent Change</u></b>	<b><u>2012</u></b>	<b><u>Percent Change</u></b>	<b><u>2010</u></b>
<b>ASSETS</b>					
Unrestricted Current Assets	\$ 5,373,928	-11%	\$ 6,025,677	20%	\$ 5,037,088
Restricted Current Assets	482,739	27%	378,994	-87%	2,812,769
Investments in Redevelopments	20,396,192	2%	20,059,687	-10%	22,312,455
Capital Assets	<u>24,513,287</u>	-3%	<u>25,294,458</u>	-8%	<u>27,388,711</u>
Total Assets	<u>50,766,146</u>	-2%	<u>51,758,817</u>	-10%	<u>57,551,023</u>
<b>LIABILITIES</b>					
Current Liabilities	21,562,091	1%	21,436,432	-19%	26,507,985
Long Term Liabilities	<u>29,582,030</u>	-2%	<u>30,131,821</u>	-5%	<u>31,806,869</u>
Total Liabilities	<u>51,144,121</u>	-1%	<u>51,568,253</u>	-12%	<u>58,314,854</u>
<b>Net Position</b>					
Net Investment in Capital Assets	(3,554,963)	2%	(3,473,631)	40%	(2,475,794)
Unrestricted	<u>3,203,541</u>	-13%	<u>3,664,195</u>	114%	<u>1,711,963</u>
Total Net Position	<u>\$ (351,422)</u>	-284%	<u>\$ 190,564</u>	-125%	<u>\$ (763,831)</u>

### **OPERATING ACTIVITIES AND OPERATING REVENUE**

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.

**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)****OPERATING ACTIVITIES AND OPERATING REVENUE (CONT'D)**

	<u>2013</u>	<u>Percent Change</u>	<u>2012</u>	<u>Percent Change</u>	<u>2011</u>
Operating Revenues:					
Parking Center Revenue	\$ 4,019,239	9%	\$ 3,704,362	7%	\$ 3,458,223
Financing and Related Fees	1,240,221	81%	685,950	15%	598,449
Project Management Fees, Net	1,846,642	-17%	2,216,923	7%	2,062,769
State Financial Assistance					1,793,000
Lease Income	192,653	1%	190,979	3%	185,300
Miscellaneous Revenues	<u>116,426</u>	153%	<u>46,016</u>	-15%	<u>54,087</u>
Total Operating Revenues	<u>7,415,181</u>	8%	<u>6,844,230</u>	-16%	<u>8,151,828</u>
Operating Expenses:					
Administrative Expenses:					
Salaries and Wages	1,685,633	32%	1,281,702	30%	986,897
Employee Benefits	559,764	34%	416,636	-32%	616,894
Other Expenses	1,696,401	17%	1,455,552	-41%	2,483,502
Cost of Providing Services:					
Salaries and Wages	136,600	-11%	152,821	14%	133,797
Employee Benefits	19,983	-19%	24,758	9%	22,668
Other Expenses	859,671	20%	714,404	-9%	786,249
Depreciation Expense	<u>1,079,074</u>	3%	<u>1,046,956</u>	0%	<u>1,047,297</u>
Total Operating Expenses	<u>6,037,127</u>	19%	<u>5,092,829</u>	-16%	<u>6,077,304</u>
Operating Income	<u>1,378,053</u>	-21%	<u>1,751,401</u>	-16%	<u>2,074,524</u>
Net Non-Operating Income (Expenses)	<u>(1,943,321)</u>	61%	<u>(1,203,489)</u>	-28%	<u>(1,668,042)</u>
Income (Loss) Before Contributions	<u>(565,267)</u>	-203%	<u>547,912</u>	35%	<u>406,482</u>
Capital Contributions	<u>23,282</u>		<u>-</u>		<u>-</u>
Change in Net Position	<u>(541,985)</u>	-199%	<u>547,912</u>	35%	<u>406,482</u>
Net Position - Beginning	<u>190,564</u>	-153%	<u>(357,348)</u>	-53%	<u>(763,830)</u>
Net Position - Ending	<u>\$ (351,422)</u>	-284%	<u>\$ 190,564</u>	-153%	<u>\$ (357,348)</u>

## **MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)**

### **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, 2013 there were 59 series of these Special Revenue Bonds outstanding. The corresponding aggregate principal totaling \$900,289,573 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 a note 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 and the construction of the Parking Center Garage Project. The original issue amount of the notes and bonds of \$32,000,000, 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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- Operating revenue increased by 8% or \$570,951.
- Financing and related fees increased by 81% or \$554,272.
- Parking Center revenue increased 9% or \$314,877 as a result of increased use.
- Operating expenses increased 19% or \$944,298 due to increased services provided by the Authority, including community development and county project management services.
- The Authority completed five (5) bond financings totaling \$182,795,000.

### **LOOKING AHEAD**

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In 2014, the Authority will remain 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. A few areas of focus in 2014 are as follows:

## **MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)**

### **LOOKING AHEAD (CONT'D)**

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The Project Management Division will continue to provide needed oversight to County Capital projects but also the Division is looking to extend these services to the related County Agencies and local Municipalities. In addition, The Authority continues to explore the use of shared services agreements with Camden County Boards of Education ("BOEs") for Project Management Services. As the BOEs receive various grants for Capital Improvements, the Authority has been actively pursuing agreements to manage these projects and assists these BOEs with the construction of the capital improvements.

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 2014. Moreover, the Authority desires to assume a position as project manager to ensure the implementation is consistent with the energy savings plan.

Camden's Charter School Network is looking to build a new kindergarten through eighth grade Charter School in the Cramer Hill section of Camden City. The Authority expects to serve a financing agent and project manager for the construction of the new school. The project is expected to break ground in the fall of 2014 and be operational by fall 2015

The Community Development Division is researching various ways to use program income to create pilot programs to fund economic development activities such as grants or loans to assist small businesses. In addition, the Division is working with financial institutions to see if a pilot program can be created to assist municipalities with the purchase and rehabilitation of foreclosed homes using program income. Both pilot programs are expected to be released in summer 2014.

The Authority is anticipating working with the Camden County Housing Association ("CCHA") to build more affordable housing units within the County over the next year. The Authority has been working with the CCHA over the last year providing owner's representation services to the CCHA for two housing developments. The Authority expects to continue this role in 2014 for three new projects.

### **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, a general overview of the Authority's financial operations.

Questions about this report should be directed to the:

Camden County Improvement Authority  
2220 Voorhees Town Center,  
Voorhees, New Jersey 08043  
856-751-2242

## **BASIC FINANCIAL STATEMENTS**

## CAMDEN COUNTY IMPROVEMENT AUTHORITY

Comparative Statements of Net Position

As of December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
<b>ASSETS</b>		
Current Assets:		
Unrestricted Assets:		
Cash and Cash Equivalents	\$ 3,738,969.91	\$ 5,189,154.93
Cash Held with Fiscal Agents	68,133.87	
Financing and Related Fees Receivable (Net of Allowance for Doubtful Accounts of \$108,690.01 for 2013 and \$0.00 for 2012)	983,318.05	593,436.15
Parking Fees Receivable	510,730.35	210,736.00
Other Accounts Receivable	45,016.53	32,349.66
Prepaid Expenses	27,759.33	
Total Unrestricted Assets	<u>5,373,928.04</u>	<u>6,025,676.74</u>
Restricted Assets:		
Cash and Cash Equivalents	482,739.08	378,994.29
Financing and Related Fees Receivable	26,553.35	
Total Restricted Assets	<u>509,292.43</u>	<u>378,994.29</u>
Total Current Assets	<u>5,883,220.47</u>	<u>6,404,671.03</u>
Non-current Assets:		
Investment in Redevelopment Sites	20,396,191.73	20,059,687.47
Capital Assets:		
Property, Plant & Equipment (Net of Accumulated Depreciation)	24,513,287.03	25,294,458.21
Total Non-current Assets	<u>44,909,478.76</u>	<u>45,354,145.68</u>
Total Assets	<u>50,792,699.23</u>	<u>51,758,816.71</u>

(Continued)

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**

Comparative Statements of Net Position

As of December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
<b>LIABILITIES</b>		
Current Liabilities Payable from Unrestricted Assets:		
Accounts Payable	\$ 252,492.10	\$ 187,616.56
Unearned Revenue	265,240.75	30,756.16
	<hr/>	<hr/>
Total Current Liabilities Payable from Unrestricted Assets	517,732.85	218,372.72
Current Liabilities Payable from Restricted Assets:		
Unearned Revenue	75,000.00	75,000.00
Bond Anticipation Notes	20,315,000.00	20,315,000.00
Bonds Payable	580,000.00	750,000.00
Accrued Interest Payable	74,358.47	78,059.69
	<hr/>	<hr/>
Total Current Liabilities Payable from Restricted Assets	21,044,358.47	21,218,059.69
Long-Term Liabilities:		
Bonds Payable	29,500,000.00	30,080,000.00
Compensated Absences	82,029.73	51,820.73
	<hr/>	<hr/>
Total Long-Term Liabilities	29,582,029.73	30,131,820.73
Total Liabilities	<hr/>	<hr/>
	51,144,121.05	51,568,253.14
<b>NET POSITION</b>		
Net Investment in Capital Assets	(3,554,962.57)	(3,473,631.39)
Unrestricted	3,203,540.75	3,664,194.96
	<hr/>	<hr/>
Total Net Position	<u>\$ (351,421.82)</u>	<u>\$ 190,563.57</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 Position  
 For The Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Operating Revenues:		
Parking Center Revenue	\$ 4,019,238.50	\$ 3,704,361.81
Financing and Related Fees	1,240,221.38	685,949.64
Project Management Fees (Net of Change in Allowance for Doubtful Accounts of \$108,690.01 for 2013 and \$0.00 for 2012)	1,846,642.17	2,216,922.83
Lease Income	192,652.93	190,979.40
Miscellaneous Revenues	116,425.70	46,016.06
Total Operating Revenues	<u>7,415,180.68</u>	<u>6,844,229.74</u>
Operating Expenses:		
Administrative Expenses:		
Salaries and Wages	1,685,633.23	1,281,702.02
Employee Benefits	559,764.47	416,636.17
Other Expenses	1,696,401.19	1,455,551.65
Cost of Providing Services:		
Salaries and Wages	136,600.06	152,821.28
Employee Benefits	19,982.90	24,757.83
Other Expenses	859,670.95	714,404.07
Depreciation Expense	1,079,074.41	1,046,955.90
Total Operating Expenses	<u>6,037,127.21</u>	<u>5,092,828.92</u>
Operating Income	<u>1,378,053.47</u>	<u>1,751,400.82</u>
Non-Operating Income (Expenses):		
Investment Income	15,401.26	34,717.36
Contribution to Camden County Per N.J.S.A. 40A:5A-1	(124,628.00)	(107,596.00)
Interest Expense	(1,767,636.82)	(1,581,245.45)
Loss on Sale of Assets Held for Sale		(50,864.74)
Cancellation of Prior Year Receivable	(66,457.30)	(73,100.00)
Cancellation of Prior Year Payable		574,600.00
Net Non-Operating Income (Expenses)	<u>(1,943,320.86)</u>	<u>(1,203,488.83)</u>
Income (Loss) Before Contributions	<u>(565,267.39)</u>	<u>547,911.99</u>
Capital Contributions	<u>23,282.00</u>	
Change in Net Position	(541,985.39)	547,911.99
Net Position - Beginning	<u>190,563.57</u>	<u>(357,348.42)</u>
Net Position - Ending	<u>\$ (351,421.82)</u>	<u>\$ 190,563.57</u>

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, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Cash Flows from Operating Activities:		
Receipts from Customers	\$ 6,323,215.15	\$ 6,651,411.59
Payments to Suppliers	(2,518,955.93)	(2,062,626.39)
Payments to Employees	(2,371,771.66)	(1,856,254.22)
Other Operating Receipts	530,896.35	197,339.93
	<hr/>	<hr/>
Net Cash Provided by Operating Activities	1,963,383.91	2,929,870.91
	<hr/>	<hr/>
Cash Flows from Capital and Related Financing Activities:		
Capital Acquisitions	(712,931.36)	(460,431.79)
Pass Through Conduit Debt Receipts	5,006,381.65	
Pass Through Conduit Debt Disbursements	(5,006,381.65)	
Contribution to Camden County	(124,628.00)	(107,596.00)
Contribution from Camden County	270,198.00	
Principal Paid on Bonds	(750,000.00)	(595,000.00)
Interest Paid on Bonds	(1,767,636.82)	(1,581,245.45)
Discount on Bond Anticipation Note		(29,033.90)
Issuance of Bond Anticipation Notes	20,315,000.00	20,315,000.00
Payment of Bond Anticipation Notes	(20,315,000.00)	(20,315,000.00)
Interest Paid on Bond Anticipation Notes	(172,197.84)	(404,042.78)
	<hr/>	<hr/>
Net Cash Used in Capital and Related Financing Activities	(3,257,196.02)	(3,177,349.92)
	<hr/>	<hr/>
Cash Flows from Investing Activities:		
Interest Received	15,505.75	35,003.25
	<hr/>	<hr/>
Net Decrease in Cash and Cash Equivalents	(1,278,306.36)	(212,475.76)
Cash and Cash Equivalents at Beginning of Year	5,568,149.22	5,780,624.98
	<hr/>	<hr/>
Cash and Cash Equivalents at End of Year	<u>\$ 4,289,842.86</u>	<u>\$ 5,568,149.22</u>

(Continued)

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
 Comparative Statements of Cash Flows  
 For The Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating Income	\$ 1,378,053.47	\$ 1,751,400.82
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation Expense	1,079,074.41	1,046,955.90
Change in Assets and Liabilities:		
Financing and Related Fees Receivable	(482,892.55)	163,022.67
Parking Center Fees Receivable	(299,994.35)	(118,845.36)
Other Revenues Receivable	(12,666.87)	(32,349.66)
Prepaid Expenses	(27,759.33)	
Accounts Payable	64,875.54	107,329.33
Unearned Revenue	234,484.59	(7,305.87)
Compensated Absences Payable	30,209.00	19,663.08
Net Cash Provided by Operating Activities	<u>\$ 1,963,383.91</u>	<u>\$ 2,929,870.91</u>

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, 2013 and 2012

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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 (the "County"), 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**

Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, provide 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 Statements No. 14 and No. 39. In addition, GASB Statement No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*, provides additional guidance for organizations that do not meet the financial accountability criteria for inclusion as component units but that nevertheless should be included because the primary government's management determines that it would be misleading to exclude them. In addition, GASB Statement No. 61 clarifies the manner in which component units are presented, whether discretely presented, blended, or included in the fiduciary fund financial statements.

The Authority is a component unit of the County of Camden as described in Governmental Accounting Standards Board Statements. These financial statements would be either blended or discretely presented as part of the County's financial statements if the County reported using generally accepted accounting principles applicable to governmental entities.

As of December 31, 2013 and 2012, 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 Position (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.

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

The transactions of the Authority are divided into two separate activities (Improvement Authority General 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 position, revenues and expenditures.

**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 and 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.

**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, bond issue costs, bond discounts and deferred loss on defeasance 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 Position. 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 to begin operations for the County of Camden's Community Development Program as of July 1, 2013.

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

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 Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the Governmental Units.

**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 December 31, 2013.

**Capital Assets**

Capital Assets consist primarily of the Parking Center, equipment used at the Parking Center and office equipment used by the Authority administrative staff and is stated at cost or estimated cost. Donated capital assets are recorded at their fair market value as of the date received. The Authority has no infrastructure capital assets

Expenditures, which enhance the asset or significantly extend the useful life of the asset are considered improvements and are added to the capital asset's currently capitalized cost. The cost of normal repairs and maintenance are not capitalized. Costs incurred during construction of an asset are recorded as construction in progress or Investment in Redevelopment Sites. In the year that the project is completed, these costs are transferred to completed capital assets. Interest costs incurred during construction are not capitalized into the cost of the asset.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Capital Assets (Cont'd)**

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

**Depreciation**

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

	<u>Years</u>
Buildings	30-40
Furniture and Equipment	7-10
Vehicles	5
Major Moveable Equipment	7-20

Depreciation is started in the month the asset is placed in service.

**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.

**Unearned Revenue**

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied and are recorded as a liability until the revenue is both measurable and the Authority is eligible to realize the revenue.

**Bond Anticipation Note Premiums and Discounts**

Bond Anticipation Note Premiums and Discounts are netted with the acquisition costs for the applicable redevelopment projects.

**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.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Conduit Debt Obligations (Cont'd)**

As of December 31, 2013, there were 59 series of Special Revenue Bonds outstanding with corresponding aggregate principal totaling \$900,289,573. As of December 31, 2012, there were 59 series of Special Revenue Bonds outstanding with corresponding aggregate principal totaling \$813,101,299. The conduit debt 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.

**Net Position**

The Authority has classified its net position into three components – net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

**Net Investment in Capital Assets** - This component of net position 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 net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

**Restricted** - This component of net position 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 position.

**Unrestricted** - This component of net position consists of net position that do not meet the definition of "restricted" or "net investment in capital assets." This component includes net position 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, losses, cancellations and contributions to Camden County 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 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Recently Issued and Adopted Accounting Pronouncements**

In November 2010, the GASB issued Statement 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*. GASBS 61 provides additional criteria for classifying entities as component units to better assess the accountability of elected officials by ensuring that the financial reporting entity includes only organizations for which the elected officials are financially accountable or that are determined by the government to be misleading to exclude. This Statement is effective for periods beginning after June 15, 2012. The adoption of GASBS 61 does not have any impact on the Authority's financial statements.

In March 2012, the GASB issued Statement 66, *Technical Corrections - 2012 - an amendment of GASB Statements No. 10 and No. 62*. GASBS 66 is to improve accounting and financial reporting by state and local governmental entities by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Since the release of these Statements, questions have arisen concerning differences between the provisions in Statement 54 and Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, regarding the reporting of risk financing activities. Questions also have arisen about differences between Statement 62 and Statements No. 13, *Accounting for Operating Leases with Scheduled Rent Increases*, regarding the reporting of certain operating lease transactions, and No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*, concerning the reporting of the acquisition of a loan or a group of loans and the recognition of servicing fees related to mortgage loans that are sold. This Statement is effective for periods beginning after December 15, 2012. The adoption of GASBS 66 does not have any impact on the Authority's financial statements.

In June 2012, the GASB issued Statement 67, *Financial Reporting for Pension Plans - an amendment of GASB Statement No. 25*. GASBS 67 is to improve the usefulness of pension information included in the general purpose external financial reports (financial reports) of state and local governmental pension plans for making decisions and assessing accountability. This Statement is effective for periods beginning after June 15, 2013. The Authority does not administer any state or local pension plans; therefore, the adoption of GASBS 67 will not have any impact on the Authority's financial statements.

In June 2012, the GASB issued Statement 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*. GASBS 68 is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. In addition, this Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. The requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of this Statement. This Statement is effective for periods beginning after June 15, 2014. Management is currently evaluating the impact of the adoption of this Statement on the Authority's financial statements and expects the impact to be material.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Recently Issued and Adopted Accounting Pronouncements (Cont'd)**

In January 2013, the GASB issued Statement 69, *Government Combinations and Disposals of Government Operations*. GASBS 69 establishes accounting and financial reporting standards related to government combinations and disposals of government operations. As used in this Statement, the term government combinations includes a variety of transactions referred to as mergers, acquisitions, and transfers of operations. This Statement is effective for periods beginning after December 15, 2013. Management is currently evaluating the impact of the adoption of this Statement on the Authority's financial statements although no impact is expected.

In April 2013, the GASB issued Statement 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. GASBS 70 is to improve accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees. This Statement requires a government that extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee. The amount of the liability to be recognized should be the discounted present value of the best estimate of the future outflows expected to be incurred as a result of the guarantee. When there is no best estimate but a range of the estimated future outflows can be established, the amount of the liability to be recognized should be the discounted present value of the minimum amount within the range. This Statement requires a government that has issued an obligation guaranteed in a nonexchange transaction to report the obligation until legally released as an obligor. This Statement also requires a government that is required to repay a guarantor for making a payment on a guaranteed obligation or legally assuming the guaranteed obligation to continue to recognize a liability until legally released as an obligor. When a government is released as an obligor, the government should recognize revenue as a result of being relieved of the obligation. This Statement also provides additional guidance for intra-entity nonexchange financial guarantees involving blended component units. This Statement is effective for periods beginning after June 15, 2013. Management is currently evaluating the impact of the adoption of this Statement on the Authority's financial statements although no impact is expected.

In November 2013, the GASB issued Statement 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*—an amendment of GASB Statement No. 68. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. This Statement amends paragraph 137 of Statement 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. Statement 68, as amended, continues to require that beginning balances for other deferred outflows of resources and deferred inflows of resources related to pensions be reported at transition only if it is practical to determine all such amounts. The provisions of this Statement are required to be applied simultaneously with the provisions of Statement 68.

**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 \$250,000.00 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, 2013 and 2012, the Authority's bank balances were exposed to custodial credit risk as follows:

	<u>2013</u>	<u>2012</u>
Insured	\$ 500,000.00	\$ 500,000.00
Uninsured and Collateralized with Securities		
Held by Pledging Financial Institutions (GUDPA)	3,944,132.29	4,986,620.07
Uninsured and Uncollateralized		
Held by Financial Institutions	5,519.17	
Held by Other Fiscal Agents	68,133.87	
	<hr/>	<hr/>
Total	<u>\$ 4,517,785.33</u>	<u>\$ 5,486,620.07</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, 2013 and 2012 the Authority's deposit with the New Jersey Cash Management Fund was \$132,152.15 and \$227,055.74, respectively.

**Financing, Management and Parking Fees**

The following is a three-year comparison of the various billings and collections for all types of accounts maintained by the Authority:

<u>Year</u>	<u>Beginning Balance</u>	<u>Billings and Pass Through Disbursements</u>	<u>Total Collections</u>	<u>Percentage of Collections</u>
2013	\$ 836,521.81	\$ 12,589,026.75	\$ 11,751,240.27	87.53%
2012	564,035.31	6,771,129.74	6,498,643.24	88.60%
2011	616,702.08	6,119,441.53	6,197,253.51	92.00%

**Note 3: DETAIL NOTES – ASSETS (CONT'D)****Capital Assets**

During the year ended December 31, 2013, the following changes in Capital Assets occurred:

	<b>Balance Jan. 1, 2013</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance Dec. 31, 2013</b>
Buildings	\$ 30,535,865.52	\$ 203,832.55		\$ 30,739,698.07
Furniture and Equipment	22,076.00	70,788.68	\$ (22,076.00)	70,788.68
Vehicles	-	23,282.00		23,282.00
Major Movable Equipment	290,937.00			290,937.00
	<u>30,848,878.52</u>	<u>297,903.23</u>	<u>(22,076.00)</u>	<u>31,124,705.75</u>
Accumulated Depreciation	5,554,420.31	1,079,074.41	(22,076.00)	6,611,418.72
	<u>\$ 25,294,458.21</u>	<u>\$ (781,171.18)</u>	<u>\$ -</u>	<u>\$ 24,513,287.03</u>

During the year ended December 31, 2012, the following changes in Capital Assets occurred:

	<b>Balance Jan. 1, 2012</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance Dec. 31, 2012</b>
Buildings	\$ 30,535,865.52			\$ 30,535,865.52
Furniture and Equipment	22,076.00			22,076.00
Vehicles	-			-
Major Movable Equipment	290,937.00			290,937.00
	<u>30,848,878.52</u>			<u>30,848,878.52</u>
Depreciation	4,507,464.41	\$ 1,046,955.90		5,554,420.31
	<u>\$ 26,341,414.11</u>	<u>\$ (1,046,955.90)</u>	<u>\$ -</u>	<u>\$ 25,294,458.21</u>

**Note 4: DETAIL NOTES - LIABILITIES**

During the year ended December 31, 2013, the following changes occurred in long-term obligations:

	<b>Principal Outstanding Jan. 1, 2013</b>	<b>Additions</b>	<b>Reductions</b>	<b>Principal Outstanding Dec. 31, 2013</b>	<b>Due Within One Year</b>
Revenue Bonds	\$ 30,830,000.00		\$ 750,000.00	\$ 30,080,000.00	\$ 580,000.00
Compensated Absences	51,820.73	\$ 30,209.00		82,029.73	
	<u>\$ 33,408,198.46</u>	<u>\$ 30,209.00</u>	<u>\$ 750,000.00</u>	<u>\$ 30,162,029.73</u>	<u>\$ 580,000.00</u>

**Note 4: DETAIL NOTES – LIABILITIES (CONT'D)**

During the year ended December 31, 2012, the following changes occurred in long-term obligations:

	<b>Principal Outstanding <u>Jan. 1, 2012</u></b>	<b><u>Additions</u></b>	<b><u>Reductions</u></b>	<b>Principal Outstanding <u>Dec. 31, 2012</u></b>	<b>Due Within <u>One Year</u></b>
Revenue Bonds	\$ 31,425,000.00		\$ 595,000.00	\$ 30,830,000.00	\$ 750,000.00
Compensated Absences	32,157.65	\$ 19,663.08		51,820.73	
	<u>\$ 33,408,198.46</u>	<u>\$ 19,663.08</u>	<u>\$ 595,000.00</u>	<u>\$ 30,881,820.73</u>	<u>\$ 750,000.00</u>

During the year ended December 31, 2013, the following changes occurred in short-term obligations:

	<b>Principal Outstanding <u>Jan. 1, 2013</u></b>	<b><u>Additions</u></b>	<b><u>Reductions</u></b>	<b>Principal Outstanding <u>Dec. 31, 2013</u></b>	<b>Due within <u>One Year</u></b>
Bond Anticipation Notes	\$ 20,315,000.00	\$ 20,315,000.00	\$ 20,315,000.00	\$ 20,315,000.00	\$ 20,315,000.00

During the year ended December 31, 2012, the following changes occurred in short-term obligations:

	<b>Principal Outstanding <u>Jan. 1, 2012</u></b>	<b><u>Additions</u></b>	<b><u>Reductions</u></b>	<b>Principal Outstanding <u>Dec. 31, 2012</u></b>	<b>Due within <u>One Year</u></b>
Bond Anticipation Notes	\$ 22,690,000.00	\$ 20,315,000.00	\$ 22,690,000.00	\$ 20,315,000.00	\$ 20,315,000.00

**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. 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 \$15,000.00. The accrued liability for accumulated vacation time at December 31, 2013 and 2012 is estimated at \$82,039.73 and \$51,820.73, respectively.

**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, Authority employees could 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.

**Note 4: DETAIL NOTES – LIABILITIES (CONT'D)**

**Retirement Systems (Cont'd)**

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

The 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>
2013	\$ 39,388.00	\$ 69,650.00	\$ 109,038.00	\$ 109,038.00
2012	30,360.00	43,720.00	74,080.00	74,080.00
2011	44,822.32	55,046.00	99,868.32	99,868.32

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

**Postemployment Benefits Other Than Pensions**

State Health Benefits Program

In September 2012, the Authority switched from the County of Camden Health Plan to the State Health Benefit Program (SHBP) for employee benefits. The SHBP is a cost sharing multiple-employer defined benefit post-employment healthcare plan and the financial statements of the SHBP records the actuarial accrued liability for post-employment benefits and not the Authority. As a result, the Authority cancelled the accrued liability for post-employment benefits in 2012.

*Plan Description*

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

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. In 2012, the Authority authorized participation in the SHBP's post-retirement benefit program. The 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.

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

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

*Funding Policy*

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

Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Authority on a monthly basis. The Authority contributions to SHBP for the year ended December 31, 2013, was \$69,728.32 for active employees and \$32,549.32 for the two retired employees, which equaled the required contributions for the year. There are currently 2 retired employees and 1 spouse who are eligible for the program. The Authority contributions to SHBP for the year ended December 31, 2012 was \$8,321.24 for the single retired employee, which equaled the required contributions for the year.

**Operating Leases**

As of December 31, 2013, 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>Lease Payment Amount</u>
2014	\$ 238,970.80
2015	240,263.68
2016	240,873.76
2017	243,697.48
2018	246,583.96
2019-2023	1,278,413.60
2024-2028	500,000.00
2029-2033	500,000.00
2034-2038	425,000.00
	<u>\$ 3,913,803.28</u>

Rental payments under operating leases for the year ended December 31, 2013 were \$104,018.00.

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

On July 17, 2013, the Authority issued a bond anticipation note in the amount of \$20,315,000.00 in order to provide temporary financing for the costs of the Crossroads Redevelopment project. The note is a special obligation of the Authority which carries a guarantee by the County of Camden. The federally taxable bond anticipation note matures on July 16, 2014 and carries an interest rate of .80%. The original amount of the project was \$32,000,000.00 and the Casino Redevelopment Authority contributed \$12,000,000.00 in 2007 as part of an intergovernmental agreement. It is anticipated that the remaining amount of the bond anticipation note will be permanently financed rather than renewed.

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>	<u>Estimated Interest *</u>	<u>Total Estimated Debt Payments</u>
2014	\$ 580,000.00	\$ 1,203,200.00	\$ 1,783,200.00
2015	600,000.00	1,180,000.00	1,780,000.00
2016	640,000.00	1,156,000.00	1,796,000.00
2017	685,000.00	1,130,400.00	1,815,400.00
2018	720,000.00	1,103,000.00	1,823,000.00
2019-2023	4,300,000.00	1,074,200.00	5,374,200.00
2024-2028	5,795,000.00	902,200.00	6,697,200.00
2029-2033	7,795,000.00	670,400.00	8,465,400.00
2034-2038	8,965,000.00	358,600.00	9,323,600.00
	<u>\$ 30,080,000.00</u>	<u>\$ 8,778,000.00</u>	<u>\$ 38,858,000.00</u>

\* The future interest payments have been estimated at 4%.

**Note 5: DETAILED NOTES – NET POSITION****Net Position Appropriated**

Of the \$3,191,540.75 unrestricted net position available at December 31, 2013, \$310,334.00 was appropriated as anticipated revenue in the general operating budget for the year ended December 31, 2014.

**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.

The County is also a significant customer of the Authority; about 45% of total revenues are derived through the County and other component units of the County. The County also has the ability to negotiate rates significantly lower than the market rates that the Authority would charge to other customers. As a result, the Authority has a significant economic dependence on the County and would not be able to operate at its current level without the revenue generated from the County.

**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: COMMITMENTS AND CONTINGENCIES**

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.

**Note 9: COMMUNITY DEVELOPMENT DEPARTMENT**

As of July 1, 2013, the County of Camden's Community Development Department was transferred to the Authority. All Community Development employees are now considered the Authority's employees and the employees were given credit for all time earned while employed by the County. The Authority has assumed responsibility for managing the Community Development Block Grant programs and the Home Loan Grant programs of the County of Camden. All grants with award periods that started prior to July 1, 2013 will still be recorded in the financial statements of the County of Camden and not the Authority's financial statements. Beginning in 2014, the County of Camden will be considered a pass through agency and the Authority will record the grants in their financial statements and will be subject to the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations since the funding source of these grants is the Federal Department of Housing and Urban Development.

## **SUPPLEMENTAL EXHIBITS**

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
Combining Schedule of Revenues, Expenses and Changes in Net Position  
For the Year Ended December 31, 2013

	<u>General Operations</u>	<u>Parking Center</u>	<u>Total</u>
Operating Revenues:			
Parking Center Revenue		\$ 4,019,238.50	\$ 4,019,238.50
Financing and Related Fees	\$ 1,240,221.38		1,240,221.38
Project Management Fees (Net of Change in Allowance for Doubtful Accounts of \$108,690.01)	1,846,642.17		1,846,642.17
Lease Income		192,652.93	192,652.93
Miscellaneous Revenues	116,425.70		116,425.70
<b>Total Operating Revenues</b>	<b>3,203,289.25</b>	<b>4,211,891.43</b>	<b>7,415,180.68</b>
Operating Expenses:			
Administration:			
Salaries and Wages	1,549,033.17	136,600.06	1,685,633.23
Employee Benefits	539,781.57	19,982.90	559,764.47
Other Expenses	1,596,880.53	99,520.66	1,696,401.19
Cost of Providing Services:			
Salaries and Wages		136,600.06	136,600.06
Employee Benefits		19,982.90	19,982.90
Other Expenses		859,670.95	859,670.95
Depreciation	29,118.52	1,049,955.89	1,079,074.41
<b>Total Operating Expenses</b>	<b>3,714,813.79</b>	<b>2,322,313.42</b>	<b>6,037,127.21</b>
<b>Operating Income (Loss)</b>	<b>(511,524.54)</b>	<b>1,889,578.01</b>	<b>1,378,053.47</b>
Non-operating Income (Expenses):			
Investment Income	7,889.13	7,512.13	15,401.26
Contribution to Camden County Per N.J.S.A. 40A:5A-1	(124,628.00)		(124,628.00)
Interest Expense		(1,767,636.82)	(1,767,636.82)
Cancellation of Prior Year Receivable	(66,457.30)		(66,457.30)
<b>Net Non-Operating Income (Expenses)</b>	<b>(183,196.17)</b>	<b>(1,760,124.69)</b>	<b>(1,943,320.86)</b>
<b>Income (Loss) Before Contributions</b>	<b>(694,720.71)</b>	<b>129,453.32</b>	<b>(565,267.39)</b>
<b>Capital Contributions</b>	<b>23,282.00</b>		<b>23,282.00</b>
<b>Change in Net Position</b>	<b>(671,438.71)</b>	<b>129,453.32</b>	<b>(541,985.39)</b>
<b>Net Position, Beginning of Year</b>	<b>1,695,830.08</b>	<b>(1,505,266.51)</b>	<b>190,563.57</b>
Net Position Dec. 31, 2013:			
Net Investment in Capital Assets Unrestricted	265,784.70	(3,820,747.27)	(3,554,962.57)
	758,606.67	2,444,934.08	3,203,540.75
<b>Total Net Position</b>	<b>\$ 1,024,391.37</b>	<b>\$ (1,375,813.19)</b>	<b>\$ (351,421.82)</b>

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
 Schedule of Cash Receipts and Disbursements  
 For the Year Ended December 31, 2013

	Unrestricted Operating Accounts		Restricted Accounts			Total
	Improvement Operating	Garage Operating	Other	Redevelopment	Crossroads	
Cash and Cash Equivalents Jan. 1, 2013	\$ 2,314,503.17	\$ 3,026,590.31	\$ -	\$ 227,055.74	\$	\$ 5,568,149.22
Cash Receipts:						
Parking Fees		3,719,244.15				3,719,244.15
Financing and Related Fees	2,843,617.04					2,843,617.04
Interest on Investments	7,626.47	7,512.13	262.66	104.49		15,505.75
Other Accounts Receivable	116,425.70	179,986.06				296,411.76
Unearned Revenue			234,484.59			234,484.59
Proceeds of Bond Anticipation Notes				20,315,000.00		20,315,000.00
Contribution from County				270,198.00		270,198.00
Pass Through Conduit Debt Receipts			5,006,381.65			5,006,381.65
Transfers In	172,878.99		159,257.00			332,135.99
<b>Total Cash Receipts and Cash Available</b>	<b>5,455,051.37</b>	<b>6,933,332.65</b>	<b>5,400,385.90</b>	<b>20,812,358.23</b>		<b>38,601,128.15</b>
Cash Disbursements:						
Budget Appropriations	3,687,162.42	1,112,817.28				4,799,979.70
Accounts Receivable	239,646.04					239,646.04
Accounts Payable	154,571.23	33,045.33				187,616.56
Prepaid Expenses	27,759.33					27,759.33
Principal on Bond and Notes		750,000.00		20,315,000.00		21,065,000.00
Interest Payable on Bonds and Notes		1,767,636.82		172,197.84		1,939,834.66
Capital Acquisitions	274,621.23					274,621.23
Investment in Redevelopment Sites	245,301.89			193,008.24		438,310.13
Pass Through Conduit Debt Disbursements			5,006,381.65			5,006,381.65
Transfers Out	159,257.00	129,461.67	43,417.32			332,135.99
<b>Total Cash Disbursements</b>	<b>4,788,319.14</b>	<b>3,792,961.10</b>	<b>5,049,798.97</b>	<b>20,680,206.08</b>		<b>34,311,285.29</b>
Cash and Cash Equivalents Dec. 31, 2013	\$ 666,732.23	\$ 3,140,371.55	\$ 350,586.93	\$ 132,152.15	\$	\$ 4,289,842.86

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
 Schedule of Improvement Authority Revenues and Expenses - Budget and Actual  
 Non-GAAP Budgetary Basis  
 For the Year Ended December 31, 2013

	Adopted Budget	Community Development Amendment	Modified Budget	Actual	Variance-- Favorable (Unfavorable)
<b>Operating Revenues:</b>					
Financing and Related Fees	\$ 745,070.00		\$ 745,070.00	\$ 1,240,221.38	\$ 495,151.38
Project Management Fees	1,483,046.00	\$ 1,802,482.00	3,285,528.00	1,955,332.18	(1,330,195.82)
Miscellaneous	45,408.00		45,408.00	116,425.70	71,017.70
<b>Non-Operating Revenues:</b>					
Interest on Investments	18,000.00		18,000.00	7,889.13	(10,110.87)
<b>Total Revenues</b>	<b>2,291,524.00</b>	<b>1,802,482.00</b>	<b>4,094,006.00</b>	<b>3,319,868.39</b>	<b>(774,137.61)</b>
<b>Operating Expenses:</b>					
<b>Administration:</b>					
Salaries & Wages	1,350,300.00	207,436.00	1,557,736.00	1,549,033.17	8,702.83
Employee Benefits	524,863.00	78,095.00	602,958.00	539,781.57	63,176.43
Other Expenses	617,425.00	1,470,176.00	2,087,601.00	1,596,880.53	490,720.47
<b>Total Administration</b>	<b>2,492,588.00</b>	<b>1,755,707.00</b>	<b>4,248,295.00</b>	<b>3,685,695.27</b>	<b>562,599.73</b>
<b>Total Operating Expenses</b>	<b>2,492,588.00</b>	<b>1,755,707.00</b>	<b>4,248,295.00</b>	<b>3,685,695.27</b>	<b>562,599.73</b>
<b>Non-Operating Appropriations:</b>					
Contribution to Camden County	124,629.00		124,629.00	124,628.00	1.00
<b>Total Operating Expenses and Unrestricted Net Position</b>	<b>2,617,217.00</b>	<b>1,755,707.00</b>	<b>4,372,924.00</b>	<b>3,810,323.27</b>	<b>562,600.73</b>
<b>Excess Revenues over Expenses</b>	<b>\$ (325,693.00)</b>	<b>46,775.00</b>	<b>\$ (278,918.00)</b>	<b>\$ (490,454.88)</b>	<b>\$ (211,536.88)</b>
<b>Analysis of Charges to Appropriations</b>					
Cash Disbursed				\$ 3,687,162.42	
Accounts Payable				92,951.85	
Decrease in Compensated Absences				30,209.00	
				<u>\$ 3,810,323.27</u>	
<b>Reconciliation to Operating Income (Schedule 1)</b>					
Excess of Operating Expenses over Revenues				\$ (490,454.88)	
Deduct: Interest Revenue				(7,889.13)	
Deduct: Depreciation				(29,118.52)	
Deduct: Change in Allowance for Doubtful Accounts				(108,690.01)	
Add: Contribution to Camden County				124,628.00	
<b>Operating Loss</b>				<u>\$ (511,524.54)</u>	

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
 Schedule of Parking Center Revenues and Expenses - Budget and Actual  
 Non-GAAP Budgetary Basis  
 For the Year Ended December 31, 2013

	Adopted <u>Budget</u>	<u>Actual</u>	Variance-- Favorable (Unfavorable)
Budget Revenues:			
Operating Revenues:			
Parking Fees	\$ 3,827,882.00	\$ 4,019,238.50	\$ 191,356.50
Lease Revenue	198,188.00	192,652.93	(5,535.07)
Non-Operating Revenues:			
Interest on Investments		7,512.13	7,512.13
<b>Total Budget Revenues</b>	<b>4,026,070.00</b>	<b>4,219,403.56</b>	<b>193,333.56</b>
Operating Appropriations:			
Administration:			
Salaries & Wages	91,964.00	136,600.06	(44,636.06)
Employee Benefits	33,107.00	19,982.90	13,124.10
Other Expenses	586,109.00	99,520.66	486,588.34
<b>Total Administration</b>	<b>711,180.00</b>	<b>256,103.62</b>	<b>455,076.38</b>
Cost of Service			
Salaries & Wages	91,964.00	136,600.06	(44,636.06)
Employee Benefits	33,107.00	19,982.90	13,124.10
Other Expenses	586,109.00	859,670.95	(273,561.95)
<b>Total Cost of Service</b>	<b>711,180.00</b>	<b>1,016,253.91</b>	<b>(305,073.91)</b>
<b>Total Operating Expenses</b>	<b>1,422,360.00</b>	<b>1,272,357.53</b>	<b>150,002.47</b>
Principal Payments on Debt in lieu of Depreciation	590,000.00	750,000.00	(160,000.00)
<b>Total Operating Appropriations</b>	<b>2,012,360.00</b>	<b>2,022,357.53</b>	<b>(9,997.53)</b>
Non-Operating Appropriations			
Interest on Bonds	1,608,000.00	1,767,636.82	(159,636.82)
Renewal & Replacement Reserves	174,176.00		174,176.00
<b>Total Non-Operating Appropriations</b>	<b>1,782,176.00</b>	<b>1,767,636.82</b>	<b>14,539.18</b>
<b>Total Budget Appropriations</b>	<b>3,794,536.00</b>	<b>3,789,994.35</b>	<b>4,541.65</b>
<b>Excess Revenues over Expenses</b>	<b>\$ 231,534.00</b>	<b>\$ 429,409.21</b>	<b>\$ 197,875.21</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, 2013

	<u>Adopted Budget</u>	<u>Actual</u>	Variance-- Favorable <u>(Unfavorable)</u>
<u>Analysis of Charges to Appropriations</u>			
Cash Disbursed		\$ 1,112,817.28	
Accounts Payable		159,540.25	
Principal on Debt		750,000.00	
Interest on Debt		<u>1,767,636.82</u>	
		<u>\$ 3,789,994.35</u>	
<u>Reconciliation to Operating Income (Schedule 1)</u>			
Excess of Revenues over Operating Expenses		\$ 429,409.21	
Add: Interest Expense		1,767,636.82	
Add: Principal Payments on Debt		750,000.00	
Deduct: Interest Revenue		(7,512.13)	
Deduct: Depreciation		<u>(1,049,955.89)</u>	
Operating Income		<u>\$ 1,889,578.01</u>	

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
 Analysis of Parking, Financing and Related Fees Receivable  
 For the Year Ended December 31, 2013

	Balance Jan. 1, 2013	Accrued	Disbursed	Received	Cancelled	Balance Dec. 31, 2013
Annual Administration Fees	\$159,585.00	\$ 375,321.38		\$ 417,201.38		\$ 117,705.00
Financing Fees	-	864,900.00		864,900.00		-
Project Management Fees	433,851.15	1,621,295.67		1,016,397.83	\$ 64,445.93	974,303.06
Pass Through Grants	-	334,036.51	\$ 239,646.04	547,129.20		26,553.35
Parking Fees	210,736.00	4,019,238.50		3,719,244.15		510,730.35
Parking Center Lease Income	32,349.66	192,652.93		179,986.06		45,016.53
Pass Through Conduit Debt	-		5,006,381.65	5,006,381.65		-
	<u>\$ 836,521.81</u>	<u>\$ 7,407,444.99</u>	<u>\$ 5,246,027.69</u>	<u>\$ 11,751,240.27</u>	<u>\$ 64,445.93</u>	<u>\$ 1,674,308.29</u>

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
Analysis of Investment in Redevelopment Sites  
For the Year Ended December 31, 2013

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	Crossroads Project
Balance Jan. 1, 2013	\$ 20,059,687.47
Increased by:	
Disbursements	438,310.13
Capitalized Interest	<u>168,496.62</u>
	20,666,494.22
Decreased by:	
Interest Revenue	104.49
Contribution from County of Camden	<u>270,198.00</u>
Balance Dec. 31, 2013	<u><u>\$ 20,396,191.73</u></u>

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**

Analysis of Capital Assets  
For the Year Ended December 31, 2013

	Balance Jan. 1, 2013	Additions	Deletions	Balance Dec. 31, 2013
Buildings	\$ 30,535,865.52	\$ 203,832.55		\$ 30,739,698.07
Furniture and Equipment	22,076.00	70,788.68	\$ (22,076.00)	70,788.68
Vehicles		23,282.00		23,282.00
Major Movable Equipment	290,937.00			290,937.00
	30,848,878.52	297,903.23	(22,076.00)	31,124,705.75
Decreased by:				
Accumulated Depreciation	5,554,420.31	1,079,074.41	(22,076.00)	6,611,418.72
	<u>\$ 25,294,458.21</u>	<u>\$ (781,171.18)</u>	<u>\$ -</u>	<u>\$ 24,513,287.03</u>
Disbursed		\$ 274,621.23		
Contributed Capital		23,282.00		
		<u>\$ 297,903.23</u>		

## Schedule 8

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**

Analysis of Accrued Interest Payable  
For the Year Ended December 31, 2013

Balance Jan. 1, 2013	\$ 78,059.69
Increased by:	
Interest Expense on Bonds	\$ 1,767,636.82
Interest on Bond Anticipation Notes--Paid from Note Proceeds	168,496.62
	<u>1,936,133.44</u>
	2,014,193.13
Decreased by:	
Disbursements	<u>1,939,834.66</u>
Balance Dec. 31, 2013	<u>\$ 74,358.47</u>



**CAMDEN COUNTY  
IMPROVEMENT AUTHORITY**

**PART II**

**REQUIRED SUPPLEMENTARY SCHEDULES**

**FOR THE YEAR ENDED**

**DECEMBER 31, 2013**

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**

Schedule of Conduit Debt

For The Year Ended December 31, 2013

Issue	Issue Date	Issued Amount	Balance Jan 1, 2013	Increased	Decreased	Balance Dec. 31, 2013
<b>Guaranteed by Other Governmental Entities:</b>						
Westmont Fire Company	01/22/99	\$ 807,000.00	\$ 357,579.98		\$ 46,879.90	\$ 310,700.08
Collingswood Senior Citizen Center Project	08/27/99	1,300,000.00	605,000.00		75,000.00	530,000.00
Gloucester Township Public Works	04/18/02	5,000,000.00	3,125,000.00		245,000.00	2,880,000.00
Cherry Hill Library Project	05/21/02	19,780,000.00	12,480,000.00		990,000.00	11,490,000.00
Health Services Center Refunding Bonds, Series A	05/28/03	35,180,000.00	19,235,000.00		1,300,000.00	17,935,000.00
Health Services Center Refunding Bonds, Series B	05/28/03	2,015,000.00	100,000.00		100,000.00	-
Lease Revenue Refunding Bonds, Series 2003A	07/14/03	44,075,000.00	18,590,000.00		5,140,000.00	13,450,000.00
Lease Revenue Bonds, Series 2003B	10/30/03	19,275,000.00	1,065,000.00		1,065,000.00	-
Camden Academy Charter High School	12/23/03	4,000,000.00	2,385,000.00		195,000.00	2,190,000.00
Lease Revenue Bonds, Series 2004A	10/01/04	18,480,000.00	1,955,000.00		955,000.00	1,000,000.00
Lease Revenue Refunding Bonds, Series 2005A	05/26/05	21,350,000.00	19,685,000.00		75,000.00	19,610,000.00
Lease Revenue Bonds, Series 2005B	12/13/05	32,510,000.00	24,155,000.00		1,405,000.00	22,750,000.00
Camden County College Project Series 2006	01/15/06	24,640,000.00	19,925,000.00		1,065,000.00	18,860,000.00
Lease Revenue Bonds, Series 2006A	09/01/06	20,455,000.00	16,730,000.00		835,000.00	15,895,000.00
Cherry Hill Recreation Facilities	04/13/07	4,500,000.00	3,380,000.00		275,000.00	3,105,000.00
DRPA loan	05/01/07	1,000,000.00	797,285.73		45,179.88	752,105.85
Cherry Hill Library Project Refunding	09/07/07	12,950,000.00	12,605,000.00		625,000.00	11,980,000.00
Lease Revenue Bonds (County Capital), Series 2007	12/21/07	14,340,000.00	11,740,000.00		585,000.00	11,155,000.00
Camden County College Project, Series 2008	03/01/08	6,000,000.00	4,745,000.00		355,000.00	4,390,000.00
Loan Revenue Bonds (County Capital), Series 2008	11/17/08	32,070,000.00	28,065,000.00		1,430,000.00	26,635,000.00
Mount Ephraim Revenue Bonds	02/11/09	3,000,000.00	2,715,000.00		105,000.00	2,610,000.00
Loan Revenue Bonds (County Capital), Series 2009A	05/01/09	14,130,000.00	3,175,000.00		1,550,000.00	1,625,000.00
Loan Revenue Bonds, Series 2009 BABS	12/02/09	21,110,000.00	20,610,000.00		1,100,000.00	19,510,000.00
Loan Revenue Bonds, Series 2010	10/04/10	17,100,000.00	16,400,000.00		1,080,000.00	15,320,000.00
Camden County College Project, Series 2010A-1	11/24/10	2,080,000.00	1,050,000.00		520,000.00	530,000.00
Camden County College Project, Series 2010A-2	11/24/10	5,830,000.00	5,830,000.00		545,000.00	5,285,000.00
Camden County College Project, Series 2010A-3	11/24/10	17,090,000.00	17,090,000.00		6,790,000.00	10,300,000.00
Loan Revenue Refunding Bonds (County Capital), Series 2010A	12/29/10	6,400,000.00	2,160,000.00		1,060,000.00	1,100,000.00
Loan Revenue Bonds, Series 20011A	09/01/11	5,905,000.00	5,865,000.00		1,020,000.00	4,845,000.00
Camden County College Parking Project, Series 2011	09/01/11	5,750,000.00	4,830,000.00		920,000.00	3,910,000.00
Gloucester Township Public Works Project, Series 2011	10/01/11	3,440,000.00	3,215,000.00		275,000.00	2,940,000.00
Loan Revenue Bonds (County Capital), Series 2011	12/15/11	26,565,000.00	26,565,000.00		1,060,000.00	25,505,000.00
Open Space Revenue Refunding Bonds Series 2012	04/18/12	16,255,000.00	15,990,000.00		1,255,000.00	14,735,000.00

(Continued)

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**

Schedule of Conduit Debt

For The Year Ended December 31, 2013

<u>Issue</u>	<u>Issue Date</u>	<u>Issued Amount</u>	<u>Balance Jan 1, 2013</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2013</u>
<b>Guaranteed by Other Governmental Entities (Cont'd):</b>						
Lease Revenue Bonds (CCTS) Series 2012	08/02/12	\$ 7,830,000.00	\$ 7,830,000.00		\$ 240,000.00	\$ 7,590,000.00
Lease Revenue Refunding Bonds Series 2012A	09/27/12	18,225,000.00	18,225,000.00		1,080,000.00	17,145,000.00
Loan Revenue Bonds (County Capital), Series 2012A	11/05/12	5,485,000.00	5,485,000.00			5,485,000.00
Loan Revenue Bonds (Clementon), Series 2012A	11/05/12	2,440,000.00	2,440,000.00			2,440,000.00
Camden County Open Space Revenue Bonds Series 2012	11/05/12	7,265,000.00	7,265,000.00		370,000.00	6,895,000.00
Camden County College Revenue Bonds Series 2013	03/27/13	12,795,000.00	-	\$ 12,795,000.00		12,795,000.00
Loan Revenue Bonds (County Capital), Series 2013	11/26/13	38,200,000.00	-	38,200,000.00		38,200,000.00
Subtotal Guaranteed by Other Governmental Entities			368,464,865.71	50,995,000.00	35,777,059.78	383,682,805.93

**Other Series:**

Moorestown Ecumenical Neighborhood (MEND)	02/01/96	2,000,000.00	1,020,747.29		98,983.33	921,763.96
Catholic Health East Health System	03/01/98	61,885,000.00	42,175,000.00		1,865,000.00	40,310,000.00
Ronald McDonald House	03/11/98	2,540,000.00	2,540,000.00			2,540,000.00
Bestwork Industries for the Blind	02/17/99	700,000.00	99,733.80		99,733.80	-
Harvest Village Project	07/29/99	25,000,000.00	19,630,000.00		19,630,000.00	-
Trinity Presbyterian Church	11/02/00	950,000.00	508,790.68		52,197.35	456,593.33
Berlin Borough Affordable Housing	12/19/00	1,500,000.00	1,253,914.98		1,253,914.98	-
Congregation Beth El Project	06/21/01	4,925,000.00	3,265,000.00		185,000.00	3,080,000.00
Temple Beth Shalom Project	12/12/02	3,000,000.00	1,809,208.18		148,804.18	1,660,404.00
Liberty Park Townhomes Project	02/04/03	9,350,000.00	8,459,021.39		155,729.98	8,303,291.41
Health Care Redevelopment (Cooper Hospital) Series B	08/19/04	40,000,000.00	34,465,000.00		1,080,000.00	33,385,000.00
Health Care Redevelopment (Cooper Hospital) Series A	08/19/04	30,800,000.00	30,380,000.00		3,630,000.00	26,750,000.00
Health System Obligation Bonds (Cooper Hospital) Series A	12/11/05	75,000,000.00	69,260,000.00		1,630,000.00	67,630,000.00
Health System Obligation Bonds (Cooper Hospital) Series B	12/11/05	60,655,000.00	49,120,000.00		2,210,000.00	46,910,000.00
Parkview Redevelopment Housing Project	04/15/06	50,400,000.00	50,400,000.00			50,400,000.00
Coriell Institute for Medical Research	07/01/08	6,000,000.00	4,401,606.82		713,168.82	3,688,438.00
VOADV 2009	05/01/09	5,500,000.00	5,014,747.19		202,922.81	4,811,824.38
Camden Pride Revenue Bonds	06/01/09	5,670,000.00	5,238,662.86		189,210.43	5,049,452.43
Cooper Health Revenue Bond	11/01/09	10,000,000.00	10,000,000.00			10,000,000.00
Cooper Medical School of Rowan University, Series 2010A	07/01/10	93,885,000.00	93,885,000.00		3,295,000.00	90,590,000.00
Cooper Medical School of Rowan University, Series 2010B	07/01/10	19,280,000.00	11,710,000.00		2,735,000.00	8,975,000.00
Rowan University School of Osteopathic Medicine Series 2013A	06/13/13	26,880,000.00		\$ 26,880,000.00	340,000.00	26,540,000.00

(Continued)

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**

Schedule of Conduit Debt

For The Year Ended December 31, 2013

<u>Issue</u>	<u>Issue Date</u>	<u>Issued Amount</u>	<u>Balance Jan 1, 2013</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2013</u>
<b>Other Series (Cont'd):</b>						
Rowan University School of Osteopathic Medicine Series 2013B	06/13/13	\$ 29,690,000.00	-	\$ 29,690,000.00		\$ 29,690,000.00
Cooper Health Revenue Bond	07/24/13	54,915,000.00	-	54,915,000.00		54,915,000.00
			\$ 444,636,433.19	111,485,000.00	\$ 39,514,665.68	516,606,767.51
			\$ 813,101,298.90	\$ 162,480,000.00	\$ 75,291,725.46	\$ 900,289,573.44

**CAMDEN COUNTY  
IMPROVEMENT AUTHORITY**

**PART III**

**FINDINGS AND RECOMMENDATIONS**

**FOR THE YEAR ENDED**

**DECEMBER 31, 2013**

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
Schedule of Findings and Recommendations  
For the Year Ended December 31, 2013

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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.

**Finding No. 2013-1**

Criteria or Specific Requirement

Management is required to establish, document and adhere to effective internal controls that will allow management or employees, in the normal course of performing their assigned function, to comply with Local Fiscal Affairs Law as applicable under New Jersey Statutes Annotated and New Jersey Administrative Code sections. Further, regardless of the source of funds, the Authority must have fully documented procedures for all cash disbursement, including pass-through expenses.

Condition

The Authority's internal control policies and procedures over purchasing and disbursements of funds are not formally memorialized in one document approved by the Board.

Context

Due to the lack of formal documentation, it was unclear as to the level of management that was required for approval of certain purchases we examined during the test of disbursements. Further, the Authority utilized a standard purchase order that indicated certain approvals were required however, out thirty-seven purchases tested, six were not signed by the indicated personnel.

Effect

Without properly documented policies and procedures over purchasing and disbursements, there's an increased chance that the Authority will have transactions that are not in compliance with New Jersey laws and regulations.

Cause

As a result of the increased operations due to the expansion of the project management group, the Authority has not fully updated and approved their internal control documentation in a timely manner.

Recommendation

That the Authority continues to review their purchasing and disbursement processes and document all relevant internal control policies and procedures in a timely fashion to ensure compliance with New Jersey laws and regulations.

View of Responsible Officials and Planned Corrective Action

As an organization, the Authority has almost tripled in size in the past 24 months and, in doing so, branched out into new areas, which, diversified our operations requiring a thorough reevaluation and restructuring of existing practices and policies. As new groups merged, the Authority was also in the process of relocating its office, which was coming together six (6) months into the 2013 audit year. As such, although we were able to complete the necessary changes to certain policies, such as the Personnel Policy approved by the Board in February, it was essential that the operating procedures were developed concurrent with, but not before, the transition of both the merger and the office move were completed. Further, all purchases were approved by the manager as evidenced by the manager preparing the purchase orders, bill lists and preparing and signing the checks.

**CAMDEN COUNTY IMPROVEMENT AUTHORITY**  
Summary Schedule of Prior Year Audit Findings  
And Recommendations as Prepared by Management  
For The Year Ended December 31, 2013

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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 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**

We express our 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

