

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
AUDIT REPORT FOR THE YEAR ENDED
DECEMBER 31, 2014**

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COUNTY OF MONMOUTH, NEW JERSEY
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**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH**

PART I

**INDEPENDENT AUDITOR'S REPORTS
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**



HOLMAN | FRENIA
ALLISON, P.C.
Certified Public Accountants & Consultants

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Borough Council
Borough of Lake Como
Lake Como, New Jersey 07719

Report on the Financial Statements

We have audited the accompanying comparative statement of assets, liabilities, reserves and fund balance--regulatory basis of the various funds and account group of the Borough of Lake Como, County of Monmouth, State of New Jersey as of December 31, 2014 and 2013, and the related comparative statements of operations and changes in fund balance--regulatory basis for the years then ended, the related statements of revenues--regulatory basis, statement of expenditures--regulatory basis, and the related notes to the financial statements for the year ended December 31, 2014.

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 and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed in Note 1 to the financial statements, the Borough prepares its financial statements using accounting practices that demonstrate compliance with regulatory basis of accounting and budget laws of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of New Jersey.

The effects on the financial statements of the variances between these regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Borough of Lake Como, County of Monmouth, State of New Jersey, as of December 31, 2014 and 2013, or the results of its operations and changes in fund balance for the years then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance--regulatory basis of the various funds and account group of the Borough of Lake Como, County of Monmouth, State of New Jersey, as of December 31, 2014 and 2013, and the results of its operations and changes in fund balance --regulatory basis of such funds for the years then ended, and the related statement of revenues--regulatory basis, statement of expenditures--regulatory basis of the various funds, and the related notes to financial statements, for the year ended December 31, 2014 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Other Matters

Report on Supplementary Information

Our audit was made for the purpose of forming an opinion on the financial statements referred to in the first paragraph as a whole. The supplemental financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and is not a required part of the above financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally

accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 01, 2015, on our consideration of the Borough of Lake Como'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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of Lake Como's internal control over financial reporting and compliance.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

A handwritten signature in black ink, appearing to read 'R. Allison', written in a cursive style.

Robert W. Allison
Certified Public Accountant
Registered Municipal Accountant
RMA #483

June 01, 2015
Freehold, New Jersey

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HOLMAN | FRENIA
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**INDEPENDENT AUDITOR'S 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***

Honorable Mayor and Members
of the Borough Council
Borough of Lake Como
Lake Como, New Jersey 07719

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements of the Borough of Lake Como as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements, and have issued our report thereon dated June 01, 2015.

Our report on the financial statements-regulatory basis was modified to indicate that the financial statements were not prepared and presented in accordance with accounting principles generally accepted in the United States of America but rather prepared and presented in accordance with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States, to meet the requirements of the State of New Jersey for municipal government entities as described in Note 1.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Municipality'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 Municipality's internal control. Accordingly, we do not express an opinion on the effectiveness of the Municipality's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Comments & Recommendations we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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 Municipality's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying Comments & Recommendations to be material weaknesses as Finding No. 2014-04 and 2014-05.

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. We consider the deficiencies described in the accompanying Comments & Recommendations to be significant deficiencies as Finding No. 2014-01, 2014-07 and 2014-09.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Municipality'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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which are described in the accompanying Comments & Recommendations section as Finding No's. 2014-02, 2014-04, 2014-06, 2014-08, 2014-09 and 2014-10.

Response to Findings

Borough of Lake Como's response to the findings identified in our audit is described in the accompanying Comments & Recommendations section. Borough of Lake Como'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 Municipality's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey in considering the Municipality's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

A handwritten signature in black ink, appearing to read "R. Allison", written over a horizontal line.

Robert W. Allison
Certified Public Accountant
Registered Municipal Accountant
RMA #483

June 01, 2015
Freehold, New Jersey

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BASIC FINANCIAL STATEMENTS

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**BOROUGH OF LAKE COMO
CURRENT FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2014 AND 2013**

	REFERENCE	<u>2014</u>	<u>TY 2013</u>
ASSETS			
Regular Fund:			
Cash:			
Treasurer	A-4	\$ 837,607.25	\$ 1,993,854.61
Change Fund	A-5	<u>275.00</u>	<u>275.00</u>
Total		<u>837,882.25</u>	<u>1,994,129.61</u>
Other Receivable:			
Due from State of NJ - Senior Citizens' and Veterans Dedutions	A-6	<u>5,005.68</u>	<u>4,697.46</u>
Receivables & Other Assets With Full Reserves:			
Delinquent Taxes Receivable	A-7	181,483.30	105,109.56
Revenue Accounts Receivable	A-8	8,968.21	8,314.68
Due from Animal Control Trust Fund	A-9	3,425.55	3,425.55
Due from Water/Sewer Utility Capital Fund	A-10	45,774.00	45,774.00
Due from Water/Sewer Operating Fund	A-11	<u>50,561.45</u>	<u>55,032.01</u>
Total Receivables & Other Assets With Full Reserves		<u>290,212.51</u>	<u>217,655.80</u>
Deferred Charges:			
Special Emergency - Authorization	A-12	193,986.32	224,000.00
Emergency Authorization	A-13	100,906.50	10,000.00
Overexpenditure of Appropriation	A-13	8,028.12	-
Deficit in Operations	A-13	<u>32,795.46</u>	<u>-</u>
		<u>335,716.40</u>	<u>234,000.00</u>
Total Regular Funds		<u>1,468,816.84</u>	<u>2,450,482.87</u>
Federal & State Grants:			
Due From Current Fund	A-30	60,672.33	52,370.15
State Grants Receivable	A-31	<u>1,879.36</u>	<u>1,879.36</u>
Total State Grants		<u>62,551.69</u>	<u>54,249.51</u>
Total Assets		<u>\$ 1,531,368.53</u>	<u>\$ 2,504,732.38</u>

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

**BOROUGH OF LAKE COMO
CURRENT FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2014 AND 2013**

	REFERENCE	<u>2014</u>	<u>TY 2013</u>
LIABILITIES RESERVES & FUND BALANCE			
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3	\$ 46,125.12	\$ 54,261.48
Encumbrances Payable	A-3	12,972.23	14,873.73
Accounts Payable	A-15	19,112.37	14,289.97
Tax Overpayments	A-16	-	2,601.41
Prepaid Taxes	A-17	30,159.26	38,380.03
County Taxes Payable	A-19	2,554.52	2,382.40
Due To:			
Federal and State Grant Fund	A	60,672.33	52,370.15
Trust - Other Fund	B	46,289.42	65,321.87
General Capital Fund	A-20	232,813.29	1,083,165.17
Payroll Fund	A-21	11,534.10	7,213.63
State of New Jersey:			
UCC Fees	A-22	1,860.44	1,627.44
Marriage License Fees	A-23	75.00	200.00
Reserve for:			
Tree Replacement	A-24	5,200.00	5,200.00
Tax Title Lien Premiums	A-25	84,195.20	118,866.56
Revaluation	A-26	93,979.75	220.00
Insurance Reimbursement	A-27	102,674.85	105,794.85
FEMA Reimbursement	A-28	-	114,952.57
Special Emergency Note Payable	A-29	193,986.32	
Subtotal Regular Fund		<u>944,204.20</u>	<u>1,681,721.26</u>
Reserve for Receivables & Other Assets	A	290,212.51	219,233.87
Fund Balance	A-1	<u>234,400.13</u>	<u>549,527.74</u>
Total Regular Fund		<u>1,468,816.84</u>	<u>2,450,482.87</u>
Federal and State Grant Fund:		<u>1,468,816.84</u>	<u>2,450,482.87</u>
Encumbrances Payable	A-32	853.84	1,116.00
Reserve for State Grants:			
Appropriated	A-32	28,065.50	29,442.74
Unappropriated	A-33	<u>33,632.35</u>	<u>23,690.77</u>
Total State & Federal Grants		<u>62,551.69</u>	<u>54,249.51</u>
Total Liabilities, Reserves & Fund Balance		<u>\$ 1,531,368.53</u>	<u>\$ 2,504,732.38</u>

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

BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE -
REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	<u>2014</u>	<u>TY 2013</u>
Revenue and Other Income Realized:		
Fund Balance Utilized	\$ 315,127.61	\$ 34,286.63
Miscellaneous Revenue Anticipated	912,035.68	728,532.57
Receipts From Delinquent Taxes	103,931.25	126,302.24
Receipts From Current Taxes	6,417,654.24	3,254,563.83
Non-Budget Revenues	43,696.04	9,006.20
Other Credits To Income:		
Unexpended Balance of Appropriation Reserves	17,499.35	109,867.40
Cancelled Checks	349.96	-
Interfunds Returned	8,847.25	101,485.97
	<hr/>	<hr/>
Total Revenue	7,819,141.38	4,364,044.84
	<hr/>	<hr/>
Expenditures:		
Budget Appropriations	3,903,265.19	1,824,992.39
Local District School Taxes Payable	3,022,000.00	1,511,000.00
County Taxes Payable	1,147,514.77	612,363.87
Added/Omitted Taxes Payable	2,554.52	2,382.40
Grants Cancelled in Capital Fund	-	74,374.80
Prior Year FEMA Reserve	-	33,113.87
Interfunds Advanced	-	105,809.63
Refund of Prior Year Revenue	-	-
SC & Vet Disallowed	136.98	-
	<hr/>	<hr/>
Total Expenditures	8,075,471.46	4,164,036.96
	<hr/>	<hr/>
Excess/(Deficit) in Revenue	(256,330.08)	200,007.88
Adjustments To Income Before Surplus:		
Expenditures Included Above Which Are By Statute Deferred Charges To Budget of Succeeding Year	<hr/>	<hr/>
	256,330.08	10,000.00
Statutory Excess To Fund Balance	-	210,007.88
Fund Balance, January 1,	<hr/>	<hr/>
	549,527.74	373,806.49
	<hr/>	<hr/>
Decreased By:		
Utilized as Anticipated Revenue	<hr/>	<hr/>
	549,527.74	583,814.37
Fund Balance, December 31,	<hr/>	<hr/>
	\$ 234,400.13	\$ 549,527.74
	<hr/>	<hr/>

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

BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2014

	Anticipated <u>Revenue</u>	<u>Realized</u>	Excess/ <u>(Deficit)</u>
Surplus Anticipated	\$ 315,127.61	\$ 315,127.61	\$ -
Miscellaneous Revenues:			
Licenses:			
Alcoholic Beverages	17,400.00	22,440.00	5,040.00
Other	13,000.00	10,306.00	(2,694.00)
Fees and Permits	35,000.00	33,619.35	(1,380.65)
Fines and Costs:			
Municipal Court	355,000.00	268,711.02	(86,288.98)
Interest and Costs on Taxes	30,000.00	25,333.14	(4,666.86)
Interest on Investments and Deposits	3,000.00	3,255.49	255.49
Ceremony Fees	1,000.00	900.00	(100.00)
State Aid Without Offsetting Appropriations:			
Consolidated Municipal Property Tax Relief Aid	100,753.00	100,753.00	-
Energy Receipts Tax (P.L. 1997, Chapters 162 & 167)	235,365.00	238,771.00	3,406.00
UCC: Fees and Permits	40,000.00	48,338.00	8,338.00
National Geomatica GIS System	13,000.00	10,995.00	(2,005.00)
State Revenues Offset with Appropriations:			
Reserve for Special Emergency Sandy	144,613.68	144,613.68	-
Clean Communities Program	4,000.00	4,000.00	-
Total Miscellaneous Revenues	992,131.68	912,035.68	(80,096.00)
Receipts From Delinquent Taxes	105,109.56	103,931.25	(1,178.31)
Amount to be Raised by Taxes for Support of Municipal Budget	2,412,962.85	2,389,735.92	(23,226.93)
Budget Totals	3,825,331.70	3,720,830.46	(104,501.24)
Non-Budget Revenues	-	43,696.04	43,696.04
Total General Revenues	\$ 3,825,331.70	\$ 3,764,526.50	\$ (60,805.20)

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

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2014**

Analysis of Realized Revenues

Allocation of Current Tax Collections:		
Revenue From Collections		\$ 6,417,654.24
Less:		
Local District School Taxes	\$ 3,022,000.00	
County Taxes	1,147,514.77	
Added/Omitted Taxes	<u>2,554.52</u>	
		<u>4,172,069.29</u>
Balance for Support of Municipal Budget Appropriations		2,245,584.95
Add: Reserve for Uncollected Taxes		<u>144,150.97</u>
Balance for Support of Municipal Budget		<u><u>\$ 2,389,735.92</u></u>
Receipts From Delinquent Taxes		<u><u>\$ 103,931.25</u></u>
 <u>Miscellaneous Revenue Not Anticipated</u>		
Senior Citizens' and Veterans' Administrative Fees		277.26
Franchise Fees		30,431.38
Miscellaneous Other		<u>12,987.40</u>
		<u><u>\$ 43,696.04</u></u>

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

BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2014

	Appropriated		Expended				Over- expenditure
	Adopted Budget	Budget After Modification	Paid or Charged	Encumbrances	Reserved	Cancelled	
GENERAL GOVERNMENT							
General Administration:							
Salaries and Wages	\$ 45,925.00	\$ 48,475.00	\$ 48,475.00	\$ -	\$ -	\$ -	-
Other Expenses:							
Stationery, Printing and Advertising	4,000.00	2,970.00	2,226.93	-	743.07	-	-
Miscellaneous Other Expenses	2,000.00	2,000.00	1,800.87	41.40	157.73	-	-
Mayor and Council:							
Salaries and Wages	14,500.00	14,500.00	14,500.00	-	-	-	-
Salaries and Wages - Ceremony Fees	1,000.00	1,000.00	775.00	-	225.00	-	-
Other Expenses	1,000.00	1,000.00	978.75	16.00	5.25	-	-
Municipal Clerk:							
Salaries and Wages	51,510.00	51,510.00	51,510.00	-	-	-	-
Other Expenses	1,000.00	1,000.00	803.15	-	196.85	-	-
Elections	400.00	400.00	400.00	-	-	-	-
Financial Administration (Treasury):							
Salaries and Wages	117,000.00	117,000.00	112,485.95	-	4,514.05	-	-
Other Expenses	10,000.00	4,500.00	3,492.01	-	1,007.99	-	-
Audit Services:							
Other Expenses	38,000.00	36,643.00	36,643.00	-	-	-	-
Revenue Administration (Tax Collection):							
Salaries and Wages	62,000.00	62,000.00	61,959.46	-	40.54	-	-
Other Expenses	7,700.00	5,459.88	4,921.55	-	538.33	-	-
Tax Search Officer:							
Salaries and Wages	6,600.00	6,600.00	6,574.02	-	25.98	-	-
Improvement Search Officer							
Salaries and Wages	-	-	-	-	-	-	-

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

BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2014

	Appropriated		Expended			Over- expenditure
	Adopted Budget	Budget After Modification	Paid or Charged	Encumbrances	Reserved	
Tax Sale:						
Other Expenses	360.00	222.60	222.60	-	-	-
Tax Assessment Administration:						
Salaries and Wages	12,055.00	12,055.00	12,054.13	-	0.87	-
Other Expenses	5,000.00	117,575.00	117,315.79	-	259.21	-
Assessment and Municipal Imp. Searcher:						
Salaries and Wages	3,810.00	3,810.00	3,810.00	-	-	-
Legal Services (Legal Department):						
Fees	6,000.00	29,906.50	28,965.88	909.20	31.42	-
Borough Attorney	21,355.00	21,239.00	21,235.38	-	3.62	-
Municipal Court:						
Salaries and Wages	33,900.00	33,900.00	33,895.18	-	4.82	-
Other Expenses	1,000.00	3,019.28	3,019.28	-	-	-
Engineering Services:						
Other Expenses	40,000.00	25,000.00	21,109.85	37.50	3,852.65	-
LAND USE ADMINISTRATION						
Planning Board:						
Salaries and Wages	5,700.00	5,700.00	5,700.00	-	-	-
Other Expenses	5,000.00	7,004.53	7,004.53	-	-	-
CODE ENFORCEMENT AND ADMINISTRATION						
Building Inspector:						
Salaries and Wages	9,476.00	9,476.00	9,475.76	-	0.24	-
Plumbing Inspector:						
Salaries and Wages	7,582.00	7,582.00	7,581.31	-	0.69	-
Fire Protection Inspector:						
Salaries and Wages	7,582.00	7,582.00	7,581.31	-	0.69	-
Electrical Inspector:						
Salaries and Wages	7,582.00	7,582.00	7,581.31	-	0.69	-

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

BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2014

	Appropriated		Expended			Over- expenditure
	Adopted Budget	Budget After Modification	Paid or Charged	Encumbrances	Reserved	
Construction Code Official:						
Salaries and Wages	40,000.00	44,190.00	44,190.00	-	-	-
Other Expenses	2,500.00	2,500.00	2,164.81	-	335.19	-
Zoning Official	4,682.00	4,682.00	3,965.08	-	716.92	-
Zoning Officer - Application Fees	2,400.00	2,400.00	1,450.00	-	950.00	-
INSURANCE						
Surety Bonds Premiums:						
Other Expenses	8,775.89	8,775.89	8,775.89	-	-	-
General Liability	50,863.84	50,863.84	50,863.84	-	-	-
Workers Compensation	70,691.22	70,691.22	70,691.22	-	-	-
Employee Group Health	305,302.00	331,354.80	331,354.80	-	-	-
PUBLIC SAFETY						
Police Department:						
Salaries and Wages	1,125,000.00	1,209,500.00	1,208,784.20	-	715.80	-
Other Expenses	77,000.00	82,000.00	77,901.82	1,651.00	2,447.18	-
Office of Emergency Management:						
Other Expenses	450.00	-	-	-	-	-
Aid To Volunteer Ambulance Companies:						
Contribution	20,000.00	20,000.00	20,000.00	-	-	-
Other Expenses	1,000.00	1,000.00	515.24	42.40	442.36	-
Public Defender:						
Salaries and Wages	3,000.00	3,000.00	2,754.00	-	246.00	-
Fire Department:						
Salaries and Wages	1,400.00	-	-	-	-	-
Other Expenses:						
Fire Alarm System	1,300.00	975.00	975.00	-	-	-
Miscellaneous	20,000.00	11,500.00	10,061.34	1,158.66	280.00	-

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

BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2014

	Appropriated		Expended			Over- expenditure
	Adopted Budget	Budget After Modification	Paid or Charged	Encumbrances	Reserved	
Municipal Prosecutor:						
Salaries and Wages	18,924.00	19,040.00	19,039.66	-	0.34	-
PUBLIC WORKS						
Streets and Road Maintenance:						
Salaries and Wages	111,000.00	112,870.90	111,870.90	-	1,000.00	-
Other Expenses	22,000.00	26,000.00	23,130.79	636.14	2,233.07	-
Solid Waste Collection:						
Salaries and Wages	-	-	-	-	-	-
Other Expenses	60,000.00	56,000.00	54,702.80	486.47	810.73	-
Recycling:						
Salaries and Wages	83,000.00	83,000.00	83,000.00	-	-	-
Other Expenses	25,000.00	25,286.76	25,286.76	-	-	-
Building and Grounds:						
Other Expenses	50,000.00	48,000.00	43,470.27	3,993.31	536.42	-
HEALTH AND HUMAN SERVICES						
Public Health Services:						
Salaries and Wages	3,465.00	3,465.00	3,465.00	-	-	-
Environmental Health Services:						
Other Expenses	400.00	400.00	-	-	400.00	-
PARK AND RECREATION						
Advancement of Youth Activities:						
Other Expenses	3,000.00	1,500.00	1,500.00	-	-	-

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

BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2014

	Appropriated		Expended			Over- expenditure
	Adopted Budget	Budget After Modification	Paid or Charged	Encumbrances	Reserved	
OTHER OPERATING FUNCTIONS						
Celebration of Public Events:						
Other Expenses	3,000.00	2,869.81	2,869.81	-	-	-
UTILITY EXPENSE AND BULK PURCHASES						
Street Lighting	25,000.00	22,473.58	20,456.77	1,847.42	169.39	-
Telephone (excluding equipment acquisition)	19,000.00	17,500.00	15,863.55	-	1,636.45	-
LANDFILL/SOLID WASTE DISPOSAL COSTS						
Landfill/Solid Waste Disposal Costs	60,000.00	58,500.00	51,891.57	2,152.73	4,455.70	-
Reserve for Accumulated Sick and Vacation	1,000.00	1,000.00	-	-	1,000.00	-
Reserve for Snow Removal	5,000.00	5,000.00	602.88	-	4,397.12	-
Total Operations - Within "CAPS"	2,753,190.95	2,973,050.59	2,925,696.00	12,972.23	34,382.36	-
Contingent	1,000.00	1,000.00	-	-	1,000.00	-
Total Operations Including Contingent - Within "CAPS"	2,754,190.95	2,974,050.59	2,925,696.00	12,972.23	35,382.36	-
Detail:						
Salaries and Wages	1,798,048.00	1,889,758.90	1,882,262.65	-	7,496.25	-
Other Expenses (Including Contingent)	956,142.95	1,084,291.69	1,043,433.35	12,972.23	27,886.11	-

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

BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2014

	Appropriated		Expended			Over- expenditure
	Adopted Budget	Budget After Modification	Paid or Charged	Encumbrances	Reserved	
Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"						
STATUTORY EXPENDITURES						
Contribution To:						
Public Employees' Retirement System	77,752.00	74,828.44	74,828.44	-	-	-
Consolidated Police and Fireman's Pension Fund	4,570.44	-	-	-	-	-
Social Security System (O.A.S.I.)	107,000.00	123,800.00	121,802.92	-	1,997.08	-
Police and Firemen's Retirement System of NJ	225,691.00	212,031.86	212,031.86	-	-	-
Unemployment Compensation Insurance	500.00	500.00	-	-	500.00	-
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	415,513.44	411,160.30	408,663.22	-	2,497.08	-
Total General Appropriations for Municipal Purposes - Within "CAPS"	3,169,704.39	3,385,210.89	3,334,359.22	12,972.23	37,879.44	-
National Geomatica - GIS System	13,000.00	13,000.00	7,180.00	-	5,820.00	-
Recycling Tax	2,740.68	2,740.68	315.00	-	2,425.68	-
Total Other Operations - Excluded from "CAPS"	15,740.68	15,740.68	7,495.00	-	8,245.68	-
INTERLOCAL MUNICIPAL SERVICE AGREEMENTS:						
Police Dispatch: Interlocal	56,100.00	56,100.00	56,100.00	-	-	-
Belmar: Construction Code Enforcement Interlocal	9,690.00	9,690.00	9,690.00	-	-	-
Belmar: Municipal Court Interlocal	82,919.06	82,919.06	82,919.06	-	-	-
Total Interlocal Municipal Service Agreement	148,709.06	148,709.06	148,709.06	-	-	-

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

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2014**

	Appropriated		Expended			Over- expenditure
	Adopted Budget	Budget After Modification	Paid or Charged	Encumbrances	Reserved	
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES						
Clean Communities:						
Salaries and Wages	4,000.00	4,000.00	4,000.00	-	-	-
Total Public and Private Programs Offset By Revenues	4,000.00	4,000.00	4,000.00	-	-	-
Total Operations - Excluded From "CAPS"	168,449.74	168,449.74	160,204.06	-	8,245.68	-
Detail:						
Salaries and Wages	4,000.00	4,000.00	4,000.00	-	-	-
Other Expenses	164,449.74	164,449.74	156,204.06	-	8,245.68	-
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"						
Capital Improvement Fund	25,000.00	25,000.00	25,000.00	-	-	-
Total Capital Improvements - Excluded from "CAPS"	25,000.00	25,000.00	25,000.00	-	-	-
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"						
Payment of Bond Principal	40,000.00	40,000.00	40,000.00	-	-	-
Interest on Notes	-	-	8,028.12	-	-	8,028.12
Interest on Bonds	5,280.00	5,280.00	5,280.00	-	-	-
Capital Lease Obligations Approved Prior To 7/1/2007:						
Principal	27,100.00	27,100.00	27,099.99	-	-	0.01
Interest	2,775.00	2,775.00	2,774.85	-	-	0.15
Capital Lease Obligations Approved After To 7/1/2007:						
Principal	60,000.00	60,000.00	60,000.00	-	-	-
Interest	26,257.92	26,257.92	26,257.92	-	-	-
Administration Fees Lease Programs	2,000.00	2,000.00	550.00	-	-	1,450.00
Total Municipal Debt Service - Excluded From "CAPS"	163,412.92	163,412.92	169,990.88	-	-	8,028.12

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

BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2014

	Appropriated		Expended			Over- expenditure
	Adopted Budget	Budget After Modification	Paid or Charged	Encumbrances	Reserved	
DEFERRED CHARGES - EXCLUDED FROM "CAPS"						
Emergency Authorizations	10,000.00	10,000.00	10,000.00	-	-	-
Special Emergency Authorizations - 3 Years (N.J.S. 40A:4-55.1 & 40A:4-55.13)	112,000.00	112,000.00	112,000.00	-	-	-
Special Emergency Reserve for Special Emergency	32,613.68	32,613.68	32,613.68	-	-	-
Total Deferred Charges - Municipal Excluded from "CAPS"	154,613.68	154,613.68	154,613.68	-	-	-
Total General Appropriations - Excluded from "CAPS"	511,476.34	511,476.34	509,808.62	-	8,245.68	1,450.16
Subtotal General Appropriations	3,681,180.73	3,896,687.23	3,844,167.84	12,972.23	46,125.12	1,450.16
Reserves for Uncollected Taxes	144,150.97	144,150.97	144,150.97	-	-	-
Total General Appropriations	\$ 3,825,331.70	\$ 4,040,838.20	\$ 3,988,318.81	\$ 12,972.23	\$ 46,125.12	\$ 1,450.16
Original Budget	\$ 3,825,331.70					
Special Emergency Authorizations	114,600.00					
Emergency Authorizations	100,906.50					
	\$ 4,040,838.20					
Reserve for Uncollected Taxes			\$ 144,150.97			
Reserve for Grants Appropriated			4,000.00			
Deferred Charges			154,613.68			
Reserve for Revaluation			114,600.00			
Due General Capital Fund			25,000.00			
Cash Disbursed			3,545,954.16			
			\$ 3,988,318.81			

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

BOROUGH OF LAKE COMO
TRUST FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2014 AND 2013

ASSETS	REFERENCE	2014	TY 2013
Animal Control Fund:			
Cash	B-1	\$ 4,059.03	\$ 3,700.63
Trust - Other Fund:			
Cash	B-1	42,283.60	24,532.67
Due From Current Fund	B-5	46,289.42	65,321.87
		<u>88,573.02</u>	<u>89,854.54</u>
 Total Assets		<u>\$ 92,632.05</u>	<u>\$ 93,555.17</u>
 LIABILITIES, RESERVES, AND FUND BALANCE			
Animal Control Fund:			
Reserve for Animal Control Fund Expenditures	B-2	\$ 631.88	\$ 270.88
Due to State of New Jersey	B-3	1.60	4.20
Due to Current Fund	B-4	3,425.55	3,425.55
 Total		<u>4,059.03</u>	<u>3,700.63</u>
Trust - Other Funds:			
Reserve for:			
Unemployment Insurance	B-6	7.10	7.10
Off-Duty Employment	B-6	2,342.42	1,632.66
Law Enforcement	B-6	3,017.13	3,199.38
Municipal Court - P.O.A.A	B-6	611.07	710.07
Developers Escrow Fund - Planning Board	B-6	33,326.24	52,358.69
Tourism Account	B-6	4,491.31	7,475.33
Engineering Escrow Fees	B-6	1,269.25	1,269.25
Street Openings	B-6	13,272.00	13,272.00
Uniform Fire Account Fund	B-6	750.00	750.00
Fire Prevention Bureau	B-6	2,432.65	3,754.71
Public Defender	B-6	6,150.35	5,425.35
Ripley Lane Development Escrow	B-6	20,903.50	-
 Total		<u>88,573.02</u>	<u>89,854.54</u>
 Total		<u>\$ 92,632.05</u>	<u>\$ 93,555.17</u>

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

BOROUGH OF LAKE COMO
GENERAL CAPITAL FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2014 AND 2013

ASSETS	REFERENCE	2014	TY 2013
Cash	C-2,C-3	\$ 1,259.40	\$ 1,259.40
Green Acres Loan Trust Fund Receivable	C-4	14,786.61	14,786.61
Due From:			
Current Fund	C-5	232,813.29	1,083,165.17
New Jersey D.O.T	C-6	382,917.43	425,579.81
Community Development Block Grant	C-7	5,885.70	104,585.80
Deferred Charges to Future Taxation:			
Funded	C-8	705,000.00	805,000.00
Unfunded	C-9	136,511.42	870,511.32
 Total Assets		 <u>\$ 1,479,173.85</u>	 <u>\$ 3,304,888.11</u>
 LIABILITIES, RESERVES & FUND BALANCE			
Serial Bonds Payable	C-10	\$ 705,000.00	\$ 805,000.00
Bond Anticipation Notes	C-11	-	734,000.00
Due To Water/Sewer Utility Capital Fund	C-12	21,521.32	21,521.32
Improvement Authorizations:			
Funded	C-13	600,458.16	833,455.42
Unfunded	C-13	107,007.42	156,724.42
Capital Improvement Fund	C-14	36,380.00	11,380.00
Reserve to Pay BAN's	C-15	-	734,000.00
Fund Balance	C-1	8,806.95	8,806.95
 Total Liabilities, Reserves & Fund Balance		 <u>\$ 1,479,173.85</u>	 <u>\$ 3,304,888.11</u>

There were bonds and notes authorized but not issued on December 31, 2014 & 2013 in the amount of \$30,272.00.

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
COMPARATIVE STATEMENT OF FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2014**

Balance, December 31, 2014 & 2013

\$ 8,806.95

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

BOROUGH OF LAKE COMO
WATER-SEWER UTILITY FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2014 AND 2013

	REFERENCE	<u>2014</u>	<u>TY 2013</u>
ASSETS			
Operating Fund:			
Cash	D-4	\$ 1,621,104.03	\$ 406,794.51
Investments	D-4	193,986.32	-
Cash - Change Fund	D-5	<u>75.00</u>	<u>75.00</u>
Total		<u>1,815,165.35</u>	<u>406,869.51</u>
Receivables With Full Reserves:			
Consumer Accounts Receivable	D-7	<u>82,683.30</u>	<u>372,650.83</u>
Deferred Charges:			
Over-expenditure of Appropriation	D-3	<u>8,943.75</u>	<u>-</u>
Total Deferred Charges		<u>8,943.75</u>	<u>-</u>
Total Operating Fund		<u>1,906,792.40</u>	<u>779,520.34</u>
Capital Fund:			
Due From:			
General Capital Fund	D-8	21,521.32	21,521.32
Water/Sewer Utility Operating Fund	D-9	1,370,917.55	72,691.77
Fixed Capital	D-10	369,293.28	369,293.28
Fixed Capital Authorized and Uncompleted	D-11	<u>2,813,223.50</u>	<u>723.50</u>
Total Capital Fund		<u>4,574,955.65</u>	<u>464,229.87</u>
Total Operating & Capital Fund		<u><u>\$ 6,481,748.05</u></u>	<u><u>\$ 1,243,750.21</u></u>

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

**BOROUGH OF LAKE COMO
WATER-SEWER UTILITY FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2014 AND 2013**

	REFERENCE	<u>2014</u>	<u>TY 2013</u>
LIABILITIES RESERVES & FUND BALANCE			
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-3	\$ 13,083.45	\$ 25,020.15
Enumbrances Payable	D-3	11,087.63	8,658.41
Prepaid Rents	D-13	96,418.99	57.70
Rent Overpayments	D-14	-	291.67
Accrued Interest on Notes	D-15	8,943.75	-
Due To:			
Current Fund	D-16	50,561.45	55,032.01
Water/Sewer Utility Capital Fund	D-17	1,370,917.55	72,691.77
Accounts Payable	D-18	29,652.93	29,652.93
		<u>1,580,665.75</u>	<u>191,404.64</u>
Subtotal			
Reserve for Receivables	D	82,683.30	372,650.83
Fund Balance	D-1	243,443.35	215,464.87
		<u>1,906,792.40</u>	<u>779,520.34</u>
Total Operating Fund			
Capital Fund:			
Bond Anticipation Notes	D-19	2,812,500.00	-
Improvement Authorizations:			
Funded	D-20	723.50	723.50
Unfunded	D-20	1,298,225.78	-
Reserve for Amortization	D-21	369,293.28	369,293.28
Reserve To Pay Bond Anticipation Notes	D-22	3,893.87	3,893.87
Due to Current Fund	D-23	45,774.00	45,774.00
Capital Improvement Fund	D-24	43,821.72	43,821.72
Deferred Reserve for Amortization	D-25	723.50	723.50
		<u>4,574,955.65</u>	<u>464,229.87</u>
Total Capital Fund			
Total Liabilities, Reserves & Fund Balance		<u>\$ 6,481,748.05</u>	<u>\$ 1,243,750.21</u>

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

BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
WATER/SEWER UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE -
REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2014

	<u>2014</u>	<u>TY 2013</u>
Revenue and Other Income Realized:		
Fund Balance Utilized	\$ 95,000.00	\$ -
Water/Sewer Utility Rents	993,597.18	577,803.86
Miscellaneous	11,210.91	3,882.98
Non-Budget Revenue	-	13,411.16
Other Credits To Income:		
Unexpended Balance of Appropriation Reserves	3,936.73	36,439.77
Interfunds Liquidated	4,233.66	-
	<hr/>	<hr/>
Total Revenues	1,107,978.48	631,537.77
	<hr/>	<hr/>
Expenditures:		
Operating:		
Salaries and Wages	170,847.65	65,000.00
Other Expenses	59,036.07	37,992.00
Other Expenses - South Monmouth		
Regional Sewerage Authority	500,315.35	257,008.00
Purchase of Water	234,000.00	107,000.00
Debt Service	8,943.75	-
Statutory Expenditures	20,800.93	18,000.00
	<hr/>	<hr/>
Total Expenditures	993,943.75	485,000.00
	<hr/>	<hr/>
Excess in Revenue	114,034.73	146,537.77
Adjustments To Income Before Surplus:		
Expenditures Included Above Which Are By		
Statute Deferred Charges To Budget of		
Succeeding Year	8,943.75	-
	<hr/>	<hr/>
Statutory Excess in Revenue	122,978.48	146,537.77
Fund Balance, January 1,	215,464.87	68,927.10
	<hr/>	<hr/>
	338,443.35	215,464.87
Decreased By:		
Utilized as Anticipated Revenue	95,000.00	-
	<hr/>	<hr/>
Fund Balance, December 31,	<u>\$ 243,443.35</u>	<u>\$ 215,464.87</u>

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

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
WATER/SEWER UTILITY OPERATING FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2014**

	Anticipated <u>Revenue</u>	<u>Realized</u>	Excess/ <u>(Deficit)</u>
Surplus Anticipated	\$ 95,000.00	\$ 95,000.00	\$ -
Water/Sewer Utility Rents	882,000.00	993,597.18	111,597.18
Miscellaneous	8,000.00	11,210.91	3,210.91
	<u>\$ 985,000.00</u>	<u>\$ 1,099,808.09</u>	<u>\$ 114,808.09</u>

Analysis of Miscellaneous Revenue

Interest on Investments	\$ 3,779.38
Interest and Costs on Rents	<u>7,431.53</u>
	<u>\$ 11,210.91</u>

Analysis of Water/Sewer Utility Rents

Cash	\$ 993,247.81
Overpayments Applied	291.67
Prepays Applied	<u>57.70</u>
	<u>\$ 993,597.18</u>

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

BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
WATER/SEWER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2014

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Overexpended</u>
Operating:						
Salaries and Wages	\$ 160,684.65	\$ 170,847.65	\$ 170,847.65	\$ -	\$ -	\$ -
Other Expenses	70,000.00	59,036.07	52,700.41	1,817.54	4,518.12	-
Other Expenses - South Monmouth Regional Sewerage Authority	500,315.35	500,315.35	500,315.35	-	-	-
Purchase of Water	234,000.00	234,000.00	216,164.58	9,270.09	8,565.33	-
Total Operating	965,000.00	964,199.07	940,027.99	11,087.63	13,083.45	-
Debt Service						
Interest on Notes	-	-	8,943.75	-	-	8,943.75
Total Debt Service:	-	-	8,943.75	-	-	8,943.75
Statutory Expenditures:						
Contribution To:						
Social Security System (O.A.S.I.)	20,000.00	20,800.93	20,800.93	-	-	-
Total Statutory Expenditures	20,000.00	20,800.93	20,800.93	-	-	-
Total Expenditures	\$ 985,000.00	\$ 985,000.00	\$ 969,772.67	\$ 11,087.63	\$ 13,083.45	\$ 8,943.75
<u>Analysis of Paid or Charged</u>						
Cash Disbursed			\$ 960,828.92			
Accrued Interest on Notes			8,943.75			
			<u>\$ 969,772.67</u>			

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

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013**

	<u>Reference</u>	Balance December 31, <u>2014</u>	Balance December 31, <u>TY 2013</u>
General Fixed Assets:			
Land and Improvements	E-1	\$ 688,180.00	\$ 688,180.00
Buildings	E-1	937,600.00	937,600.00
Machinery and Equipment	E-1	<u>1,944,992.02</u>	<u>1,810,729.37</u>
Total General Fixed Assets		<u>\$ 3,570,772.02</u>	<u>\$ 3,436,509.37</u>
Investment in General Fixed Assets	E	<u>\$ 3,570,772.02</u>	<u>\$ 3,436,509.37</u>

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

BOROUGH OF LAKE COMO
PAYROLL FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2014 AND 2013

ASSETS	REFERENCE	<u>2014</u>	<u>TY 2013</u>
Cash	F	\$ 56,152.50	\$ 59,218.24
Due From Current Fund	A	<u>11,534.10</u>	<u>7,213.63</u>
Total Assets		<u>\$ 67,686.60</u>	<u>\$ 66,431.87</u>
 LIABILITIES, RESERVES, AND FUND BALANCE			
Payroll Deductions Payable	F	<u>\$ 67,686.60</u>	<u>\$ 66,431.87</u>
Total Liabilities		<u>\$ 67,686.60</u>	<u>\$ 66,431.87</u>

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

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**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

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BOROUGH OF LAKE COMO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

Note 1. Summary of Significant Accounting Policies

Description of Financial Reporting Entity

The Borough of Lake Como, County of Monmouth, New Jersey ("Borough") is governed by the Borough form of government, with a mayor and a 6-member Borough Council. The financial statements of the Borough include every board, body, officer or commission maintained wholly or in part by funds appropriated by the Borough, as required by the provision of N.J.S. 40A:5-5. The financial statements, however, do not include the operation of School Boards, Volunteer Fire Departments/Fire Districts and First Aid Squads which are subject to separate audit. Included within the financial statements are taxes levied, collected and turned over to School Boards. Complete financial statements of the above entities can be obtained by contacting their Treasurer.

Basis of Accounting, Measurement Focus and Basis of Presentation - The financial statements of the Borough of Lake Como contain all funds and account groups in accordance with the "Requirements of Audit" as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. The principles and practices established by the Requirements of Audit are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Generally, the financial statements are presented using the flow of current financial resources measurement focus and modified accrual basis of accounting with minor exceptions as mandated by these "Requirements". In addition, the prescribed accounting principles previously referred to differ in certain respects from accounting principles generally accepted in the United State of America applicable to local government units. The more significant differences are explained in this Note.

In accordance with the "Requirements", the Borough of Lake Como accounts for its financial transactions through the use of separate funds, which are described as follows:

Current Fund – The Current Fund accounts for resources and expenditures for governmental operations of a general nature, including Federal and State grant funds.

Trust Fund – The various Trust Funds account for receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

General Capital Fund – The General Capital Fund accounts for receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund.

Utility Operating and Capital Funds – The Utility Fund accounts for water/sewer operations that are financed through user fees. The funds are operated on a basis similar to private business enterprises where the intent is that the costs of providing the water/sewer utility to the general public be financed through user fees. Operations relating to the acquisition of water/sewer capital facilities are recorded in the Water/Sewer Utility Capital Fund.

General Fixed Asset Account Group – The Fixed Asset Account Group accounts for all assets used in government operations.

BOROUGH OF LAKE COMO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

Note 1. Summary of Significant Accounting Policies (continued):

Payroll Fund – The Payroll Fund is used to account for the payroll activity of all the funds and the disbursements of payroll withholdings to the various agencies.

Budgets and Budgetary Accounting - The Borough of Lake Como must adopt an annual budget for its Current Fund in accordance with *N.J.S.A.40A:4* et seq. *N.J.S.A.40A:4-5* requires the governing body to introduce and approve the annual municipal budget no later than February 10th of each year. At introduction, the governing body must fix the time and place for a public hearing on the budget and must advertise the time and place at least ten days prior to the hearing in a newspaper published and circulating in the municipality. The public hearing must not be held less than twenty-eight days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with *N.J.S.A.40A:4-9*. Amendments to adopted budgets, if any are detailed in the statements of revenues and expenditures.

An extension of the statutory dates for introduction, approval and adoption of the municipal budget may be granted by the Director of Local Government Services, with the permission of the Local Finance Board. Budgets are adopted on the same basis of accounting utilized for the preparation of the Borough's financial statements. Once a budget is approved it may be amended after November 1, by a resolution adopted by the governing body.

Cash, Cash Equivalents and Investments - Cash and Cash equivalents include petty cash, change funds and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Investments are stated at cost. Consequently, unrealized gain or loss on investments has not been recorded in accordance with Governmental Accounting Standards Board Statement No. 31.

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

BOROUGH OF LAKE COMO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

Note 1. Summary of Significant Accounting Policies (continued):

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

The cash management plan adopted by the Borough of Lake Como requires it to deposit funds in public depositories protected from loss under the provisions of the Act.

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

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

General Fixed Assets – Accounting for governmental fixed assets, as required by *N.J.A.C.5:30-5.6*, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and Budget Circular A-87 (Attachment B, Section 19), except that the useful life of such property is at least five years. The Borough has adopted a capitalization threshold of \$5,000.00, the maximum amount allowed by the Circular. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. In some instances, assets are valued at the assessed valuation of the property at the time of acquisition, which approximates fair value. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at their estimated fair market value on the acquisition date. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the capital funds until such time as the construction is completed and put into operation. The Borough is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements, and transfers of fixed assets. In addition, a statement of general fixed assets, reflecting the activity for the year, must be included in the Borough's basic financial statements.

BOROUGH OF LAKE COMO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

Note 1. Summary of Significant Accounting Policies (continued):

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

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

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

Fund Balance – Fund Balance included in the Current Fund represent the amount available for anticipation as revenue in future year's budgets, with certain restrictions.

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

Property Tax Revenues – are collected in quarterly installments due February 1, May 1, August 1 and November 1. The amount of tax levied includes not only the amount required in support of the Borough's annual budget, but also the amounts required in support of the budgets of the County of Monmouth, Lake Como School District. Unpaid property taxes are subject to tax sale in accordance with statutes.

School Taxes – The municipality is responsible for levying, collecting and remitting school taxes for the Lake Como School District. Operations are charged for the full amount required to be raised from taxation to operate the local school district July 1 to June 30.

BOROUGH OF LAKE COMO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

Note 1. Summary of Significant Accounting Policies (continued):

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

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

Expenditures – are recorded on the “budgetary” basis of accounting. Generally, expenditures are recorded when an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed as required by Technical Accounting Directive No. 85-1. When an expenditure is paid, the amount encumbered is simultaneously liquidated in its original amount. Encumbrances are offset by an account entitled reserve for encumbrances. The reserve is classified as a cash liability under New Jersey municipal accounting. At December 31, this reserve represents the portion of appropriation reserves that has been encumbered and is subject to the same statutory provisions as appropriation reserves. Appropriations for principal and interest payments on outstanding general capital bonds and notes are provided on the cash basis.

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

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

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

Subsequent Events - The Borough of Lake Como has evaluated subsequent events occurring after December 31, 2014 through the date of June 01, 2015, which is the date the financial statements were available to be issued.

BOROUGH OF LAKE COMO

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

Note 2. Cash and Cash Equivalents

The Borough is governed by the deposit and investment limitations of New Jersey state law. The Deposits and investments held at December 31, 2014 and reported at fair value are as follows:

Type	Carrying Value
Deposits	
Demand Deposits	\$ 2,562,815.81
	<hr/>
Total Deposits	\$ 2,562,815.81
	<hr/> <hr/>

The Borough's Cash and Cash Equivalents are Reported as Follows:

Current Fund	\$ 837,882.25
Trust Other Fund	42,283.60
Animal Control Fund	4,059.03
Capital Fund	1,259.40
Water/Sewer Utility Fund	1,621,179.03
Payroll Fund	56,152.50
	<hr/>
Total Cash and Cash Equivalents	\$ 2,562,815.81
	<hr/> <hr/>

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the Borough's deposits may not be returned. Although the Borough does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA is a supplemental insurance program set forth by the New Jersey Legislature to protect the deposits of local governmental agencies. The program is administered by the Commissioner of the New Jersey Department of Banking and Insurance. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity funds or funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below.

As of December 31, 2014, the Borough's bank balance of \$2,600,449.65 was insured or collateralized as follows:

Insured	\$ 2,209,871.26
Uninsured and uncollateralized	152,629.01
New Jersey Cash Management Fund	5,025.07
Collateralized in the Municipal's Name Under GUDPA	250,000.00
	<hr/>
Total	\$ 2,617,525.34
	<hr/> <hr/>

BOROUGH OF LAKE COMO

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

Note 3. Investments

Custodial Credit Risk

For an investment, this is the risk that, in the event of the failure of the counterparty, the Borough will not be able to recover the value of its investments or collateral securities that are held by an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Borough, and are held by either the counterparty's trust department or agent but no in the Borough name. As of December 31, 2014 the Borough's balance of investments was \$193,986.32, which consisted of investment in Current Fund Special Emergency notes in the amount \$193,986.32, which are not exposed to custodial credit risk because the investment securities are held by the Borough.

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the investment. The Borough does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – Credit risk is the risk that an issuer or counterparty to an investment will not fulfill its obligations. N.J.S.A. 40A:5-15.1 limits investments that the Borough may purchase. The Borough does not have an investment policy that would further limit its investment choices.

Concentration of Credit Risk – The Borough does not place a limit on the amount that may be invested in any one issuer. Of the total December 31, 2014 balance, \$193,986.32 is recorded in the Water / Sewer Operating Fund.

Note 4. Property Taxes

The following is a three-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous two years.

	2014	2013	2012
Total Tax Rate	<u>\$ 1.700</u>	<u>\$ 1.669</u>	<u>\$ 1.645</u>
Apportionment of Tax Rate:			
Municipal	0.623	0.589	0.589
County	0.296	0.303	0.293
Local School	0.781	0.777	0.763

Net Valuation Taxable

2014	<u>\$ 387,201,400.00</u>		
2013		<u>\$ 388,790,000.00</u>	
2012			<u>\$ 388,141,600.00</u>

BOROUGH OF LAKE COMO

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

Note 4. Property Taxes (continued)

Comparison of Tax Levies and Collection Currently

Year	Tax Levy	Cash Collections	Percentage Of Collection
2014	\$ 6,599,692.93	\$ 6,417,654.24	97.24%
TY 2013	3,389,592.00	3,254,564.00	96.02%
2013	6,371,051.00	6,232,774.00	97.83%
2012	6,432,458.00	6,293,123.00	97.83%

Year Ended December 31	Amount of Tax Title Liens	Amount of Delinquent Taxes	Total Delinquent	Percentage Of Tax Levy
2014	\$ -	\$ 181,482.79	181,482.79	2.75%
TY 2013	-	105,110.00	105,110.00	3.10%
2013	-	138,278.00	138,278.00	2.17%
2012	-	113,130.00	113,130.00	1.76%

Note: 5: Water-Sewer Utility Service Charges

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

YEAR ENDED DECEMBER 31	BEGINNING RECEIVABLE	LEVY	TOTAL	CASH COLLECTIONS	COLLECTION PERCENTAGE
2014	\$ 372,650.83	\$ 703,571.95	\$ 1,076,222.78	\$ 993,539.48	92.32%
TY 2013	60,962.82	889,491.87	950,454.69	480,159.10	50.52%
2013	51,420.22	902,078.25	953,498.47	892,535.65	93.61%

Note: 6: Property Acquired By Tax Title Lien Liquidation

The Borough had no properties acquired by liquidation of tax title liens as of December 31, 2014.

BOROUGH OF LAKE COMO

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

Note 7. Fund Balances Appropriated

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

Year	Balance December 31,	Utilized In Budget of Succeeding Year	Percentage of Fund Balance Used
Current Fund			
2014	234,443.35	***	***
TY 2013	549,527.74	315,128.00	57.35%
2013	373,806.00	204,350.00	54.67%
2012	579,878.00	360,000.00	62.08%
2011	429,028.00	300,000.00	69.93%
Water/Sewer Utility Fund			
2014	243,264.55	***	***
TY 2013	215,464.87	95,000.00	44.09%
2013	68,927.00	-	0.00%
2012	41,963.00	20,000.00	47.66%
2011	18,299.00	18,000.00	98.37%

*** 2015 Budget not adopted as of this date.

Note 8. Interfund Receivables and Payables

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of December 31, 2014:

Fund	Interfunds Receivable	Interfunds Payable
Current Fund	\$ 99,761.00	\$ 351,309.14
State & Federal Grant Fund	60,672.33	-
Trust Other Fund	46,289.42	-
Animal Control Fund	-	3,425.55
General Capital Fund	232,813.29	21,521.32
Water / Sewer Operating Fund	-	1,421,479.00
Water / Sewer Capital Fund	1,392,438.87	45,774.00
Payroll Fund	11,534.10	-
	<hr/>	<hr/>
Total	<u>\$ 1,843,509.01</u>	<u>\$ 1,843,509.01</u>

The purpose of these interfunds was short-term borrowings.

BOROUGH OF LAKE COMO

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

Note 9. Pension

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

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

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

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5.0% 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, effective October 1, 2011, the active member contribution rate was increased to 6.5%. An additional 1.0% increase will be phased-in over seven years beginning on July 1, 2012. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, the statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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

Fiscal Year	Normal Contribution	Accrued Liability	2014 Adjustment	Other Liability	Total Liability	Funded by Borough
2014	\$ 19,524.00	\$ 52,890.00	\$ (7,494.00)	\$ 5,338.00	\$ 70,258.00	\$ 70,258.00

Police and Firemen's Retirement System - The PFRS was established in 1944. The PFRS provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by *N.J.S.A.43:16A* and *43:3B*.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 204, P.L. 1989, plan members enrolled in the Police and Firemen's Retirement System are required to contribute 8.5% of their annual covered salary. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased to 10.0% in October, 2011. The State Treasurer has

BOROUGH OF LAKE COMO

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

Note 9. Pension (continued):

the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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

Fiscal Year	Normal Contribution	Accrued Liability	2014 Adjustment	Other Liability	Total Liability	Funded by Borough
2014	\$ 86,100.00	\$ 119,116.00	\$ (13,740.00)	\$ 20,475.00	\$ 211,951.00	\$ 211,951.00

Defined Contribution Retirement Program - The Defined Contribution Retirement Program (DCRP) is a cost-sharing multiple-employer defined contribution pension fund which was established in 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.) and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by *N.J.S.A.43:15C-1* et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the Borough's contribution amounts for each pay period are transmitted not later than the fifth business day after the date on which the employee is paid for that pay period.

As of December 31, 2014, the Borough did not have any employees participating in the Defined Contribution Retirement Program.

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

Note 10. Post-Employment Retirement Benefits

The SHBP, a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits 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, 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. On February 24, 1981, the Borough authorized participation in the SHBP's post-retirement benefit program through resolution number 78-2-24-81. Eligibility to participate in the SHBP's post-retirement benefit program begins after 25 years of credited service with the Borough. 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.

BOROUGH OF LAKE COMO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

Note 10. Post-Employment Retirement Benefits (continued):

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, PO Box 295, Trenton, New Jersey 08625-0295 or by visiting their website at <http://www.state.nj.us/treasury/pensions/gasb-43-sept2008.pdf>.

Funding Policy

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

Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Borough on a monthly basis. Plan members or beneficiaries receiving benefits do not make any contributions.

The Borough's contributions to SHBP for the year ended December 31, 2014 was \$0.00, which equaled the required contributions for the year. There were approximately 0 retired participants eligible at December 31, 2014.

Note 11. Capital Debt

The Local Bond Law governs the issuance of bonds and notes to finance general municipal capital expenditures. Bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Borough are general obligation bonds, backed by the full faith and credit of the Borough. Bond anticipation notes are issued to temporarily finance capital projects, prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. All such notes must be paid no later than the tenth anniversary of the date of the original note. The State of New Jersey also prescribes that on or before the third anniversary date of the original note a payment of at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid. A second legal installment must be paid if the notes are to be renewed beyond the fourth anniversary date of the original issuance and so on. Tax anticipation notes are issued if the cash on hand is not sufficient to carry on normal operations of the Borough at any time during the year. Such notes are authorized by a resolution adopted by the governing body.

BOROUGH OF LAKE COMO

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

Note 11. Capital Debt (continued):

	<u>Year 2014</u>	<u>TY 2013</u>	<u>FY 2013</u>
Issued			
General Bonds, Loans and Notes	\$ 705,000.00	\$ 1,539,000.00	\$ 894,000.00
Water-Sewer Utility Bonds, Loans and Notes	2,812,500.00	-	-
	<hr/>	<hr/>	<hr/>
Total Debt Issued	3,517,500.00	1,539,000.00	894,000.00
	<hr/>	<hr/>	<hr/>
Authorized But Not Issued:			
General Bonds and Notes	30,272.00	30,272.00	30,272.00
Water-Sewer Utility Bonds and Notes	-	-	-
	<hr/>	<hr/>	<hr/>
Total Authorized But Not Issued	30,272.00	30,272.00	30,272.00
	<hr/>	<hr/>	<hr/>
Total Gross Debt	<u>\$ 3,547,772.00</u>	<u>\$ 1,569,272.00</u>	<u>\$ 924,272.00</u>
Deductions:			
Self-Liquidating Debt	\$ (2,812,500.00)	\$ -	\$ -
Funds Temporarily Held to Play Bonds and Notes	-	(734,000.00)	-
	<hr/>	<hr/>	<hr/>
Total Deductions	(2,812,500.00)	(734,000.00)	-
	<hr/>	<hr/>	<hr/>
Net Debt Issued	<u>\$ 735,272.00</u>	<u>\$ 835,272.00</u>	<u>\$ 924,272.00</u>

Summary of Statutory Debt Condition – Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicated a statutory net debt of 0.198%:

	Gross Debt	Deductions	Net Debt
Water & Sewer Utility	\$ 2,812,500.00	\$ 2,812,500.00	\$ -
General Debt	735,272.00	-	735,272.00
	<hr/>	<hr/>	<hr/>
Total	<u>\$ 3,547,772.00</u>	<u>\$ 2,812,500.00</u>	<u>\$ 735,272.00</u>

Net Debt \$735,272.00 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, \$372,144,363.00 equals .198%.

BOROUGH OF LAKE COMO

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

Note 11. Capital Debt (continued):

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

3½ % of Equalized Valuation Basis (Municipal)	\$	13,025,052.71
Net Debt		<u>735,272.00</u>
Remaining Borrowing Power	\$	<u><u>12,289,780.71</u></u>

Calculation of Self-Liquidating Purpose - Water-Sewer Utility per N.J.S.40A:2-45

Cash Receipts From Fees, Rents & Other Charges		\$ 1,099,629.29
Deductions:		
Operating & Maintenance Costs	\$	985,000.00
Debt Service		<u>8,943.75</u>
		993,943.75
Excess Revenue - Self Liquidating		<u><u>\$ 105,685.54</u></u>

A. Serial Bonds Payable

Schedule of Annual Debt Service for Principal and Interest for the next five (5) years and increments thereafter for Bonded Debt Issued and Outstanding:

	<u>GENERAL DEBT</u>	
<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2015	\$ 110,000.00	\$ 30,370.00
2016	110,000.00	26,510.00
2017	75,000.00	21,950.00
2018	75,000.00	18,950.00
2019	80,000.00	15,950.00
2020-2022	<u>255,000.00</u>	<u>26,000.00</u>
Total	<u>\$ 705,000.00</u>	<u>\$ 139,730.00</u>

B. Loans Payable

On December 31, 2014, the Borough had the no General Capital and Water-Sewer loans payable outstanding.

BOROUGH OF LAKE COMO

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

Note 11. Capital Debt (continued):

C. Bond Anticipation Notes

On December 31, 2014, the Borough had the following outstanding bond anticipation notes:

Water-Sewer Utility Fund			Balance
<u>Improvement Description</u>	<u>Date of</u>	<u>Interest</u>	<u>December 31,</u>
	<u>Maturity</u>	<u>Rate</u>	<u>2014</u>
Various Water Sewer Improvements	7/23/2015	0.72%	\$ 2,812,500.00
			<u>\$ 2,812,500.00</u>

D. Bonds and Notes Authorized But Not Issued

As of December 31, 2014, the Borough had \$30,272.00 General Capital bonds and notes authorized but not issued and \$0 in Water-Sewer Utility bonds and notes authorized but not issued.

E. Lease/Purchase Agreements

The Borough has entered into lease/purchase agreements with the Monmouth County Improvement Authority for various equipment. These leases qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception. During the year ended December 31, 2014, lease payments were made. The following is a schedule of the future minimum lease payments under these capital leases and the present value of the net minimum lease payments at December 31, 2014:

	Payments
2015	<u>\$ 29,820.00</u>
Interest	<u>1,420.00</u>
Principal	<u>\$ 28,400.00</u>

BOROUGH OF LAKE COMO

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

Note 11. Capital Debt (continued):

During the fiscal year ended December 31, 2014 the following changes occurred in capital debt:

	December 31, 2013	Accrued/ Increases	Retired/ Decreases	December 31, 2014	Due Within One Year
General Capital Fund:					
General Serial Bonds	\$ 805,000.00	\$ -	\$ (100,000.00)	\$ 705,000.00	\$ 110,000.00
Green Trust Loans Payable	-	-	-	-	-
Bond Anticipation Notes	734,000.00	-	(734,000.00)	-	-
Authorized but Not Issued	30,272.00	-	-	30,272.00	-
Total General Capital	\$ 1,569,272.00	\$ -	\$ (834,000.00)	\$ 735,272.00	\$ 110,000.00
Water-Sewer Utility Fund:					
Bond Anticipation Notes	\$ -	\$ 2,812,500.00	\$ -	\$ 2,812,500.00	\$ 2,812,500.00
Total Water-Sewer Utility	\$ -	\$ 2,812,500.00	\$ -	\$ 2,812,500.00	\$ 2,812,500.00

Note 12. Deferred School District Taxes

Regulations provide for deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the school district.

The Lake Como Borough School District Tax have been raised and no liability or deferred taxes exist as of December 31, 2014

Note 13. Risk Management

The Borough 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. It is the policy of the Borough to purchase commercial insurance for the risks of loss to which it is exposed. Settlements in each of the past three years have not exceeded the insurance coverage.

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

BOROUGH OF LAKE COMO

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

Note 14. Deferred Charges to be Raised in Succeeding Budgets

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2014, the following deferred charges are shown on the balance sheets of the various funds:

	<u>Balance 12/31/2014</u>	<u>2015 Budget Appropriation</u>	<u>Balance to Succeeding Budgets</u>
Current Fund:			
Special Emergency - Authorization	\$ 193,986.32	\$ 102,306.32	\$ 91,680.00
Emergency Authorization	100,906.50	100,907.00	-
Overexpenditure of Appropriation	8,028.12	8,028.12	-
Defecit in Operations	<u>32,795.46</u>	<u>36,012.93</u>	<u>-</u>
Water-Sewer Utility Fund:			
Overexpenditure of Appropriation	<u>8,943.75</u>	<u>8,943.75</u>	<u>-</u>
 Total	 <u><u>\$ 344,660.15</u></u>	 <u><u>\$ 256,198.12</u></u>	 <u><u>\$ 91,680.00</u></u>

Note 15. Deferred Compensation Salary Account

The Borough offers its employees a Deferred Compensation Plan in accordance with Internal Revenue Code Section 457 which has been approved by the Director of the Division of Local Government Services. The Plan, available to all full time employees at their option, permits employees to defer a portion of their salary to future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency. Amounts deferred under Section 457 plans must be held in trust for the exclusive benefits of participating employees and not be accessible by the Borough or its creditors. Since the Borough does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Borough’s financial statements.

Note 16. Accrued Sick, Vacation and Compensation Time

As discussed in Note 1 and in accordance with accounting principles prescribed by the State of New Jersey, the cash basis of accounting is followed for recording the Borough’s liability related to unused vacation, sick pay and compensation time. The Borough permits certain employees within limits to accumulate unused vacation, sick pay and compensation time, which may be taken as time off or paid at a later date at an agreed upon rate. The estimated current cost of such unpaid compensation would approximate \$386,048.53 at December 31, 2014. In accordance with New Jersey accounting principles, this amount is not reported as an expenditure or liability in the accompanying financial statements.

BOROUGH OF LAKE COMO

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

Note 17. Joint Insurance Pool

During 2014, the Borough of Lake Como was provided insurance as part of the Municipal Excess Liability Joint Insurance Fund. The Government Crime Policy coverage is as follows:

Forgery or Alteration	\$50,000.00
Theft, Disappearance and Destruction	50,000.00
Robbery and Safe Burglary	50,000.00
Computer Fraud	50,000.00
Public Employee Dishonesty	50,000.00

The Fund publishes its own financial report for the year ended December 31, 2014, which can be obtained from:

Municipal Excess Liability Joint Insurance Fund
9 Campus Drive, Suite 16
Parsippany, New Jersey 07054

Note 18. New Jersey Unemployment Compensation Insurance

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

<u>Fiscal Year</u>	<u>Borough Contributions</u>	<u>Interest Earned</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2014	\$ -	\$ -	\$ -	\$ 7.10
TY 2013	-	-	-	7.10
FY 2013	-	-	-	7.10

Note 19. Litigation

The Borough is involved in legal and administrative proceedings and claims of various types. While any litigation contains an element of uncertainty, Borough officials, based upon the opinion of the Borough's Counsel, presently believe that the outcome of each such proceeding or claim which is pending or know to be threatened, or all of them combined, will not have a material adverse effect on the Borough's financial position or adversely affect the Borough's ability to levy, collect and enforce the collection of taxes or other revenue for the payment of its bonds or other obligations.

BOROUGH OF LAKE COMO

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

Note 20. Comparative Data - Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Borough's financial position and operations. However, comparative data have not been presented in each of the statements because their inclusion would make the statements unduly complex and difficult to read. The TY 2013 in the financial statements represent the Borough's six month transition year from July 1, 2013 to December 31, 2013.

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SUPPLEMENTARY EXHIBITS

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CURRENT FUND

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**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013		\$ 1,993,854.61
Increased By:		
Miscellaneous Revenue Not Anticipated	\$ 43,696.04	
Taxes Receivable	6,468,896.87	
Revenue Accounts Receivable	763,422.00	
Reserve for Tax Title Lien Premiums	231,666.42	
Due To:		
Trust Other	18,426.10	
General Capital Fund	141,362.38	
Payroll Fund	10,068.15	
Due From Water/Sewer Utility Operating Fund	5,207.56	
Due To State of New Jersey:		
UCC Fees	2,226.00	
Marriage License Fees	375.00	
Due From State of New Jersey - Senior		
Citizens' and Veterans' Deductions	13,863.02	
Prepaid Taxes	30,159.63	
Reserve for FEMA Reimbursement	29,661.11	
Special Emergency Note Payable	193,986.32	
State Grants - Receivable	4,000.00	
Reserve for State Grants - Unappropriated	9,941.58	
	<u>7,966,958.18</u>	<u>7,966,958.18</u>
		9,960,812.79
Decreased By:		
2014 Budget Appropriation	3,545,954.16	
2013 Appropriation Reserves	46,813.46	
Due To:		
Trust Other	37,458.55	
General Capital Fund	1,016,714.26	
Payroll Fund	5,747.68	
Tax Overpayments	2,601.41	
Local District School Taxes	3,022,000.00	
County Taxes	1,147,342.65	
Reserve for Tax Title Lien Premium	266,337.78	
Reserve for Revaluation	20,840.25	
Due To State of New Jersey:		
UCC Fees	1,993.00	
Marriage License Fees	500.00	
Prior Year Refunds	2,525.94	
Due From Water/Sewer Utility Operating	737.00	
Reserve for State Grants - Appropriated	5,639.40	
	<u>9,123,205.54</u>	<u>9,123,205.54</u>
Balance, December 31, 2014		<u><u>\$ 837,607.25</u></u>

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF CHANGE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Balance December 31, <u>2014 & 2013</u>
<u>Office</u>	
Collector	\$ 75.00
Municipal Court	<u>200.00</u>
	<u>\$ 275.00</u>

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF DUE FROM STATE OF NEW JERSEY -
SENIOR CITIZENS' AND VETERANS' DEDUCTIONS
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013		\$ 4,697.46
Increased By:		
Senior Citizens' Deductions Per Tax		
Billings	\$ 2,500.00	
Veterans' Deductions Per Tax Billings	11,500.00	
Deductions Allowed By Tax Collector:		
Veterans' and Senior Citizens	500.00	
		14,500.00
		19,197.46
Decreased By:		
Cash Received	13,863.02	
Deductions Disallowed By Tax Collector:		
Senior Citizens'	191.78	
2013 Senior Citizens' Deductions		
Disallowed	136.98	
		14,191.78
Balance, December 31, 2014		\$ 5,005.68

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
FOR THE YEAR ENDED DECEMBER 31, 2014**

<u>Year</u>	Balance December 31, <u>TY 2013</u>	Levy	TY 2013	Collections <u>2014</u>	Veterans' and Senior Citizens'	Cancellations and Adjustments	Balance December 31, <u>2014</u>
2013	\$ 105,109.56	-	\$ -	\$ 103,931.25	\$ (136.98)	\$ 1,314.78	\$ 0.51
2014	-	6,599,692.93	38,380.40	6,364,965.62	14,308.22	555.90	181,482.79
	\$ 105,109.56	\$ 6,599,692.93	\$ 38,380.40	\$ 6,468,896.87	\$ 14,308.22	\$ 1,870.68	\$ 181,483.30

Analysis of 2014 Property Tax Levy

Tax Yield:

General Purpose Tax	\$ 6,582,423.80
Added Taxes (54:4-63.1 et seq.)	14,671.26
6% Penalty	2,597.87
	<u>\$ 6,599,692.93</u>

Tax Levy

Local District School Taxes	\$ 3,022,000.00
County Taxes	1,144,960.25
County Added/Omitted Taxes	<u>2,554.52</u>
	\$ 4,169,514.77

Local Tax for Municipal Purposes
Additional Taxes Added

	2,412,962.85
	<u>17,215.31</u>
	<u>2,430,178.16</u>
	<u>\$ 6,599,692.93</u>

BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2014

	Balance December 31, <u>TY 2013</u>	<u>Accrued</u>	<u>Collected</u>	Balance December 31, <u>2014</u>
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	\$ -	\$ 22,440.00	\$ 22,440.00	\$ -
Other	-	10,306.00	10,306.00	-
Fees and Permits:				
Other	-	33,619.35	33,619.35	-
Fines and Costs:				
Municipal Court	8,314.68	269,364.55	268,711.02	8,968.21
Interest and Costs on Taxes	-	25,333.14	25,333.14	-
Interest on Investments and Deposits	-	3,255.49	3,255.49	-
Ceremony Fees	-	900.00	900.00	-
Consolidated Municipal Property Tax				
Relief Aid	-	100,753.00	100,753.00	-
Energy Receipts Tax	-	238,771.00	238,771.00	-
Fees and Permits	-	48,338.00	48,338.00	-
National Geomatica GIS System	-	10,995.00	10,995.00	-
	<u>\$ 8,314.68</u>	<u>\$ 764,075.53</u>	<u>\$ 763,422.00</u>	<u>\$ 8,968.21</u>

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF DUE FROM ANIMAL CONTROL TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2014 and 2013

\$ 3,425.55

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF DUE FROM WATER/SEWER UTILITY CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2014 & 2013

\$ 45,774.00

BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF DUE FROM WATER/SEWER UTILITY OPERATING FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

Balance, December 31, 2013	\$ 55,032.01
Increased By:	
Cash Disbursements	<u>737.00</u>
	55,769.01
Decreased By:	
Cash Receipts	<u>5,207.56</u>
Balance, December 31, 2014	<u><u>\$ 50,561.45</u></u>

**BOROUGH OF LAKE COMO
 COUNTY OF MONMOUTH, NEW JERSEY
 CURRENT FUND
 SCHEDULE OF DEFERRED CHARGES - SPECIAL EMERGENCY (NJS 40A:4-53 & N.J.S. 40A-55.1)
 FOR THE YEAR ENDED DECEMBER 31, 2014**

<u>Date</u>	<u>Purpose</u>	Amount Authorized	Balance <u>December 31, 2013</u>	<u>Increased</u>	<u>Decreased</u>	Balance <u>December 31, 2014</u>
04/19/13	Superstorm Sandy	\$ 336,000.00	\$ 224,000.00	\$ -	\$ 144,613.68	\$ 79,386.32
10/7/14	Revaluation	114,600.00	-	114,600.00	-	114,600.00
			\$ 224,000.00	\$ 114,600.00	\$ 144,613.68	\$ 193,986.32

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF DEFERRED CHARGES
FOR THE YEAR ENDED DECEMBER 31, 2014**

	BALANCE DECEMBER 31, 2013	ADDED IN 2014	RAISED IN 2014 BUDGET	BALANCE DECEMBER 31, 2014
Emergency Authorization (N.J.S. 40A:4-55.1 & 40A:4-55.13):				
Emergency Authorization - Police Salary & Wages	\$ 10,000.00	\$ 84,500.00	\$ 10,000.00	\$ 84,500.00
Emergency Authorization - Legal	-	16,406.50	-	16,406.50
Deferred Charges:				
Over-Expenditure of Appropriation	-	8,028.12	-	8,028.12
Deficit in Operations	-	32,795.46	-	32,795.46
	<hr/>			
Total	\$ 10,000.00	\$ 141,730.08	\$ 10,000.00	\$ 141,730.08
	<hr/>			

BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2014

	Balance December 31, <u>TY 2013</u>	Balance After <u>Modification</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
General Administration:				
Other Expenses:				
Stationery, Printing and Advertising	\$ 304.42	\$ 31.08	\$ 31.08	\$ -
Miscellaneous Other Expenses	118.43	140.89	134.00	6.89
Mayor and Council:				
Other Expenses	2.40	162.40	160.00	2.40
Municipal Clerk:				
Other Expenses	24.50	89.50	65.00	24.50
Elections	400.00	400.00	-	400.00
Financial Administration (Treasury):				
Other Expenses	947.82	17.46	17.46	-
Audit Services:				
Other Expenses	14,142.50	14,142.50	14,142.50	-
Revenue Administration (Tax Collection):				
Other Expenses	202.70	202.70	202.70	-
Tax Assessment Administration:				
Salaries and Wages	0.41	0.41	-	0.41
Other Expenses	75.00	1,485.00	1,480.81	4.19
Legal Services (Legal Department)				
Fees	379.80	668.55	652.84	15.71
Borough Attorney	38.06	38.06	-	38.06
Municipal Court:				
Salaries and Wages	157.58	157.58	-	157.58
Other Expenses	83.95	83.95	-	83.95
Engineering Services:				
Other Expenses	4,451.50	4,451.50	4,451.50	-
LAND USE ADMINISTRATION				
Planning Board:				
Other Expenses	823.41	823.41	823.41	-
CODE ENFORCEMENT AND ADMINISTRATION				
Construction Code Official:				
Other Expenses	332.62	332.62	-	332.62

BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2014

	Balance December 31, <u>TY 2013</u>	Balance After <u>Modification</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
PUBLIC SAFETY				
Police Department:				
Other Expenses	2,761.65	5,519.08	5,519.08	-
Aid To Volunteer Ambulance Companies:				
Other Expenses	198.66	198.66	-	198.66
Fire Department:				
Salaries and Wages	-	-	-	-
Other Expenses:	-	2,014.86	741.66	1,273.20
Miscellaneous	1,350.96	-	-	-
Municipal Prosecutor:				
Salaries and Wages	0.41	0.41	-	0.41
PUBLIC WORKS				
Streets and Road Maintenance:				
Other Expenses	4,128.00	5,587.68	5,587.13	0.55
Solid Waste Collection:				
Other Expenses	1,179.85	6,961.69	6,961.69	-
Recycling:				
Other Expenses	255.02	-	-	-
Building and Grounds:				
Other Expenses	409.20	2,595.01	2,276.29	318.72
OTHER OPERATING FUNCTIONS				
Celebration of Public Events:				
Other Expenses	20.50	20.50	20.50	-
UTILITY EXPENSE AND BULK PURCHASES				
Street Lighting	78.51	1,989.47	1,910.96	78.51
Telephone (excluding equipment acquisition)	901.38	901.38	901.38	-
LANDFILL/SOLID WASTE DISPOSAL COSTS				
Landfill/Solid Waste Disposal Costs	5,145.24	4,581.86	4,581.86	-
Reserve for Accumulated Sick and Vacation	1,000.00	1,000.00	-	1,000.00
Reserve for Snow Removal	5,000.00	5,000.00	-	5,000.00

BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2014

	Balance December 31, <u>TY 2013</u>	Balance After <u>Modification</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
INTERLOCAL MUNICIPAL SERVICE AGREEMENTS:				
Belmar: Construction Code Enforcement				
Interlocal	333.61	333.61	-	333.61
Belmar: Municipal Court Interlocal	6,027.90	6,027.90	-	6,027.90
National Geomatica - GIS System	2,530.00	2,720.00	780.00	1,940.00
Recycling Tax	455.49	455.49	194.01	261.48
	<hr/>			
Total General Appropriations	\$ 54,261.48	\$ 69,135.21	\$ 51,635.86	\$ 17,499.35
	<hr/> <hr/>			
Appropriation Reserves		\$ 54,261.48		
Encumbrances Payable		<u>14,873.73</u>		
		<u>\$ 69,135.21</u>		
Cash Disbursements			\$ 46,813.46	
Accounts Payable			<u>4,822.40</u>	
			<u>\$ 51,635.86</u>	

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF ACCOUNTS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013	\$ 14,289.97
Increased By:	
Transfer From Appropriation Reserves	<u>4,822.40</u>
Balance, December 31, 2014	<u><u>\$ 19,112.37</u></u>

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF TAX OVERPAYMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013	\$ 2,601.41
Decreased By:	
Cash Disbursements	<u>2,601.41</u>
Balance, December 31, 2014	<u><u>\$ -</u></u>

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF PREPAID TAXES
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013	\$ 38,380.03
Increased By:	
Cash Receipts	<u>30,159.63</u>
	68,539.66
Decreased By:	
Applied To Taxes Receivable	<u>38,380.40</u>
Balance, December 31, 2014	<u><u>\$ 30,159.26</u></u>

BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF LOCAL DISTRICT SCHOOL TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2014

Balance, December 31, 2013	\$ -
Increased By:	
School Tax Levy:	
January 1, 2014 to December 31, 2014	<u>3,022,000.00</u>
	3,022,000.00
Decreased By:	
Payments	<u>3,022,000.00</u>
Balance, December 31, 2014	<u><u>\$ -</u></u>

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF COUNTY TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013		\$ 2,382.40
Increased By:		
General County Taxes	\$ 1,006,129.01	
County Library Taxes	64,108.81	
County Health Taxes	19,869.98	
County Open Space Preservation Taxes	54,852.45	
County Added & Omitted	<u>2,554.52</u>	
		<u>1,147,514.77</u>
		1,149,897.17
Decreased By:		
Payments		<u>1,147,342.65</u>
Balance, December 31, 2014		<u><u>\$ 2,554.52</u></u>

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF DUE TO GENERAL CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013		\$ 1,083,165.17
Increased By:		
Cash Receipts:		
CDBG Grant recieved in Current	\$ 98,700.00	
D.O.T. Payments Received By Current Fund	42,662.38	
Capital Improvement Fund	<u>25,000.00</u>	
		<u>166,362.38</u>
		1,249,527.55
Decreased By:		
Cash Disbursements:		
Improvement Authorization Paid		
in Current Fund	282,714.26	
Payment of BAN's	<u>734,000.00</u>	
		<u>1,016,714.26</u>
Balance, December 31, 2014		<u><u>\$ 232,813.29</u></u>

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF DUE TO PAYROLL FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013	\$ 7,213.63
Increased By:	
Cash Receipts	<u>10,068.15</u>
	17,281.78
Decreased By:	
Cash Disbursements	<u>5,747.68</u>
Balance, December 31, 2014	<u><u>\$ 11,534.10</u></u>

BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF DUE TO STATE OF NEW JERSEY - UCC FEES
FOR THE YEAR ENDED DECEMBER 31, 2014

Balance, December 31, 2013	\$ 1,627.44
Increased By:	
Cash Receipts	<u>2,226.00</u>
	3,853.44
Decreased By:	
Cash Disbursements - Due to State	<u>1,993.00</u>
Balance, December 31, 2014	<u><u>\$ 1,860.44</u></u>

BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF DUE TO STATE OF NEW JERSEY - MARRIAGE LICENSE FEES
FOR THE YEAR ENDED DECEMBER 31, 2014

Balance, December 31, 2013	\$ 200.00
Increased By:	
Cash Receipts	<u>375.00</u>
	575.00
Decreased By:	
Cash Disbursements	<u>500.00</u>
Balance, December 31, 2014	<u><u>\$ 75.00</u></u>

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF RESERVE FOR TREE REPLACEMENT
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2014 & 2013

\$ 5,200.00

BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF RESERVE FOR TAX TITLE LIENS PREMIUMS
FOR THE YEAR ENDED DECEMBER 31, 2014

Balance, December 31, 2013	\$ 118,866.56
Increased By:	
Cash Receipts	<u>231,666.42</u>
	350,532.98
Decreased By:	
Cash Disbursements	<u>266,337.78</u>
Balance, December 31, 2014	<u><u>\$ 84,195.20</u></u>

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF RESERVE FOR REVALUATION
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013	\$ 220.00
Increased By:	
Special Emergency Authorization	<u>114,600.00</u>
	114,820.00
Decreased By:	
Cash Disbursements	<u>20,840.25</u>
Balance, December 31, 2014 and 2013	<u><u>\$ 93,979.75</u></u>

BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF RESERVE FOR INSURANCE REIMBURSEMENT
FOR THE YEAR ENDED DECEMBER 31, 2014

Balance, December 31, 2013	\$ 105,794.85
Decreased By:	
Cash Disbursements	<u>3,120.00</u>
Balance, December 31, 2014	<u>\$ 102,674.85</u>

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF RESERVE FOR FEMA REIMBURSEMENT
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013	\$ 114,952.57
Increased By:	
Cash Receipts	<u>29,661.11</u>
	144,613.68
Decreased By:	
Realized Revenue	<u>144,613.68</u>
Balance, December 31, 2014	<u><u>\$ -</u></u>

**BOROUGH OF LAKE COMO
 COUNTY OF MONMOUTH, NEW JERSEY
 CURRENT FUND
 SCHEDULE OF SPECIAL EMERGENCY NOTE PAYABLE
 FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013	\$	-
Increased By:		
Cash Receipts		<u>193,986.32</u>
Balance, December 31, 2014		<u><u>\$ 193,986.32</u></u>

**BOROUGH OF LAKE COMO
 COUNTY OF MONMOUTH, NEW JERSEY
 FEDERAL AND STATE GRANT FUND
 SCHEDULE OF DUE FROM CURRENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013		\$ 52,370.15
Increased By:		
Cash Received:		
Grants Receivable	\$ 4,000.00	
Grants - Unappropriated	9,941.58	
		13,941.58
		66,311.73
Decreased By:		
Cash Expended:		
Grants - Appropriated	5,639.40	
Interfund Returned	-	
		5,639.40
Balance, December 31, 2014		\$ 60,672.33

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
FEDERAL AND STATE GRANT FUND
SCHEDULE OF STATE GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Balance June 30, <u>2014</u>	2014 Budget Revenue <u>Realized</u>	<u>Received</u>	Balance December 31, <u>2014</u>
State Road Aid Receivable:				
Portion of "F" Street	\$ 1,479.36	\$ -	\$ -	\$ 1,479.36
Drunk Driving Enforcement Fund	400.00	-	-	400.00
Clean Communities Program	-	4,000.00	4,000.00	-
	<u>\$ 1,879.36</u>	<u>\$ 4,000.00</u>	<u>\$ 4,000.00</u>	<u>\$ 1,879.36</u>

BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
FEDERAL AND STATE GRANT FUND
SCHEDULE OF RESERVE FOR STATE GRANTS - APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2014

	Balance June 30, <u>TY 2013</u>	Encumbrances <u>Transferred</u>	<u>Appropriated</u>	Paid or <u>Charged</u>	Encumbrances <u>Payable</u>	Balance December 31, <u>2014</u>
18th Ave Project Grant	\$ 297.17	\$ -	\$ -	\$ -	\$ -	\$ 297.17
Municipal Court Alcohol Education and Rehabilitation Grant	5,772.28	-	-	-	-	5,772.28
Recycling Tonnage Grant	13,390.81	-	-	-	-	13,390.81
Solid Waste Recycling Grant	466.17	-	-	-	-	466.17
Pothole Repair Program	179.51	-	-	-	-	179.51
Drunk Driving Enforcement Fund	4,899.56	-	-	-	-	4,899.56
COPS in Shops Grant	2,560.00	-	-	-	-	2,560.00
Clean Communities Program	500.00	-	4,000.00	4,000.00	-	500.00
Body Armor Fund	1,377.24	1,116.00	-	1,639.40	853.84	-
	<u>\$ 29,442.74</u>	<u>\$ 1,116.00</u>	<u>\$ 4,000.00</u>	<u>\$ 5,639.40</u>	<u>\$ 853.84</u>	<u>\$ 28,065.50</u>

BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
FEDERAL AND STATE GRANT FUND
SCHEDULE OF RESERVE FOR STATE GRANTS - UNAPPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2014

	Balance December 31, <u>TY 2013</u>	Grants <u>Received</u>	Balance December 31, <u>2014</u>
COPS in Shops Grant	\$ 11,400.00	\$ 6,000.00	\$ 17,400.00
Body Armor Fund	3,219.04	1,343.51	4,562.55
Clean Communities Program	4,237.17	-	4,237.17
Alcohol Education & Rehabilitation Program	159.51	-	159.51
Recycling Tonnage Grant	4,675.05	2,598.07	7,273.12
	<u>\$ 23,690.77</u>	<u>\$ 9,941.58</u>	<u>\$ 33,632.35</u>

TRUST FUND SCHEDULES

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**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
TRUST FUND
SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Animal Control <u>Trust Fund</u>	Trust - <u>Other Fund</u>
Balance, December 31, 2013	\$ 3,700.63	\$ 24,532.67
Increased By Receipts:		
License Fees	669.00	-
State Registration Fees	145.20	-
Off-Duty Employment	-	76,153.37
Reserve For:		
Law Enforcement Trust Fund	-	7.75
Municipal Court - P.O.A.A.	-	286.00
Tourism Fees	-	21,527.49
Fire Prevention Bureau	-	4,073.43
Public Defender	-	725.00
Ripley Lane Development Escrow	-	20,903.50
	<u>814.20</u>	<u>123,676.54</u>
	<u>4,514.83</u>	<u>148,209.21</u>
Decreased By Disbursements:		
Expenditures Under R.S. 4:19-15.11	308.00	-
State Department of Health	147.80	-
Off-Duty Employment	-	75,443.61
Reserve for:		
Law Enforcement Trust Fund	-	190.00
Municipal Court - P.O.A.A.	-	385.00
Tourism	-	24,511.51
Fire Prevention Bureau	-	5,395.49
Public Defender	-	-
	<u>455.80</u>	<u>105,925.61</u>
Balance, December 31, 2014	<u>\$ 4,059.03</u>	<u>\$ 42,283.60</u>

**BOROUGH OF LAKE COMO
 COUNTY OF MONMOUTH, NEW JERSEY
 ANIMAL CONTROL TRUST FUND
 SCHEDULE OF RESERVE FOR EXPENDITURES
 FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013		\$ 270.88
Increased By:		
Dog Fees Collected	\$ 595.00	
Cat Fees Collected	39.00	
Late Fees Collected	35.00	
		669.00
		939.88
Decreased By:		
Expenditures Under R.S. 4:19-15.11		308.00
Balance, December 31, 2014		\$ 631.88

License Fees Collected

<u>Year</u>	<u>Amount</u>
2014	\$ 634.00
2013	560.00
	\$ 1,194.00

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
ANIMAL CONTROL TRUST FUND
SCHEDULE OF DUE TO STATE OF NEW JERSEY
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013	\$ 4.20
Increased By:	
State Registration Fees	<u>145.20</u>
	149.40
Decreased By:	
State Department of Health	<u>147.80</u>
Balance, December 31, 2014	<u><u>\$ 1.60</u></u>

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
ANIMAL CONTROL TRUST FUND
SCHEDULE OF DUE TO CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2014 and 2013

\$ 3,425.55

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
TRUST - OTHER FUND
SCHEDULE OF DUE FROM CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013	\$ 65,321.87
Increased By:	
Cash Receipts Deposited in Current Fund	<u>18,426.10</u>
	83,747.97
Decreased By:	
Cash Disbursed in Current Fund	<u>37,458.55</u>
Balance, December 31, 2014	<u><u>\$ 46,289.42</u></u>

Analysis of Interfund

Due To:	
Tourism	\$ (459.21)
Off-Duty Employment	(1,036.14)
Public Defender	(0.85)
Unemployment Fund	(81.87)
Due From:	
Engineering Escrow Fees	1,269.25
Street Openings	13,272.00
Escrow Funds - Planning Board	<u>33,326.24</u>
	<u><u>\$ 46,289.42</u></u>

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
TRUST - OTHER FUND
SCHEDULE OF RESERVE FOR VARIOUS TRUST FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Balance December 31, <u>2013</u>	<u>Increases</u>	<u>Decreases</u>	Balance December 31, <u>2014</u>
Reserve for:				
Unemployment Insurance	\$ 7.10	\$ -	\$ -	\$ 7.10
Off-Duty Employment	1,632.66	76,153.37	75,443.61	2,342.42
Law Enforcement	3,199.38	7.75	190.00	3,017.13
Municipal Court - P.O.A.A	710.07	286.00	385.00	611.07
Developers Escrow Fund - Planning Board	52,358.69	18,426.10	37,458.55	33,326.24
Tourism Account	7,475.33	21,527.49	24,511.51	4,491.31
Engineering Escrow Fees	1,269.25	-	-	1,269.25
Street Openings	13,272.00	-	-	13,272.00
Uniform Fire Account Fund	750.00	-	-	750.00
Fire Prevention Bureau	3,754.71	4,073.43	5,395.49	2,432.65
Public Defender	5,425.35	725.00	-	6,150.35
Ripley Lane Development Escrow	-	20,903.50	-	20,903.50
	<u>\$ 89,854.54</u>	<u>\$ 142,102.64</u>	<u>\$ 143,384.16</u>	<u>\$ 88,573.02</u>

GENERAL CAPITAL FUND

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**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2014 & 2013

\$ 1,259.40

**BOROUGH OF LAKE COMO
 COUNTY OF MONMOUTH, NEW JERSEY
 GENERAL CAPITAL FUND
 SCHEDULE OF ANALYSIS OF GENERAL CAPITAL FUND CASH
 FOR THE YEAR ENDED DECEMBER 31, 2014**

	Balance December 31, <u>2014</u>
Fund Balance	\$ 8,806.95
Capital Improvement Fund	36,380.00
Due To Water/Sewer Utility Capital Fund	21,521.32
Green Acres Loan Trust Fund Receivable	(14,786.61)
Due From:	
Current Fund	(232,813.29)
Community Development Block Grant	(5,885.70)
New Jersey D.O.T.	(382,917.43)

<u>Ordinance Number</u>	<u>Improvement Description</u>	
93-584	Reconstruction of Roads	(28,787.00)
98-649	Purchase of Equipment - Fire and Police Department	0.30
00-674	Various Street Repairs	23,031.95
02-704	Engineering Expense	378.00
02-712	Construction of New Municipal Building	6,983.13
03-718	Road and Drainage Improvements	-
06-783	Road Improvements	24,568.22
08-810	Road and Drainage Improvements	141,914.25
08-820	Road Improvements	34,897.26
09-828	Road Improvements	57,343.20
11-864	Road Improvements	11,858.75
12-869	Road and Beautification Improvements	5,642.41
13-878	Various Capital Improvements	110,323.69
13-881	Road Improvements	182,800.00
		\$ 1,259.40

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF GREEN ACRES LOAN TRUST FUND RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2014 & 2013

\$ 14,786.61

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF DUE FROM CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013		\$ 1,083,165.17
Increased By:		
Due From CDBG Grant received in Current	\$ 98,700.00	
D.O.T. Payments Received By Current Fund	42,662.38	
Capital Improvement Fund	<u>25,000.00</u>	
		<u>166,362.38</u>
		1,249,527.55
Decreased By:		
Improvement Authorization Paid		
By Current Fund	282,714.26	
Payment of BANs	<u>734,000.00</u>	
		<u>1,016,714.26</u>
Balance, December 31, 2014		<u><u>\$ 232,813.29</u></u>

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF DUE FROM NEW JERSEY D.O.T.
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013	\$ 425,579.81
Decreased By:	
D.O.T. Payments Received By Current Fund	<u>42,662.38</u>
Balance, December 31, 2014	<u><u>\$ 382,917.43</u></u>

Analysis of Balance

13-881	Road Improvements - Main Street - Phase II	\$ 185,000.00
11-864	Road Improvements - Main Street - Phase I	11,274.47
09-828	Road Improvements	57,343.20
08-820	Road Improvements	74,987.61
08-810	Road Improvements	<u>54,312.15</u>
		<u><u>\$ 382,917.43</u></u>

BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF DUE FROM COMMUNITY DEVELOPMENT BLOCK GRANT
FOR THE YEAR ENDED DECEMBER 31, 2014

Balance, December 31, 2013		\$ 104,585.80
Decreased By:		
Cash Receipt in Current Fund	\$ 98,700.00	
Adjustment Prior Grants Cancelled	<u>0.10</u>	
		<u>98,700.10</u>
Balance, December 31, 2014		<u><u>5,885.70</u></u>

Analysis of Balance

12-869 Road & Beautification Improvements		<u>\$ 5,885.70</u>
		<u><u>\$ 5,885.70</u></u>

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013	\$ 805,000.00
Decreased By:	
Paid By Budget	<u>100,000.00</u>
Balance, December 31, 2014	<u><u>\$ 705,000.00</u></u>

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
FOR THE YEAR ENDED DECEMBER 31, 2014**

Ordinance Number	Improvement Description	Balance December 31, TY 2013	Increased	Decreased	Balance December 31, 2014	Analysis of Balance	
						Unexpended Improvement Authorization	Expended
93-584	Reconstruction of Roads	\$ 28,787.00	\$ -	\$ -	\$ 28,787.00	\$ -	\$ 28,787.00
03-718	Road and Drainage Improvements	17,655.56	0.10	-	17,655.66	17,655.66	-
06-783	Various Road Improvements	768.00	-	-	768.00	-	768.00
08-810	Road Improvement	88,583.76	-	-	88,583.76	88,583.76	-
13-878	Various Road Improvements	734,717.00	-	734,000.00	717.00	-	717.00
		\$ 870,511.32	\$ 0.10	\$ 734,000.00	\$ 136,511.42	\$ 106,239.42	\$ 30,272.00

**BOROUGH OF LAKE COMO
 COUNTY OF MONMOUTH, NEW JERSEY
 GENERAL CAPITAL FUND
 SCHEDULE OF SERIAL BONDS
 FOR THE YEAR ENDED DECEMBER 31, 2014**

Purpose	Issue		Maturity of Bonds Outstanding		Interest Rate	Balance December 31, 2014	Increased	Decreased	Balance December 31, 2014
	Date	Amount	Date	Amount					
General Obligation Bonds	09/07/06	\$ 358,000.00	07/15/15	\$ 40,000.00	4.40%	\$ 120,000.00	\$ -	\$ 40,000.00	\$ 80,000.00
			07/15/16	40,000.00	4.40%				
General Obligation Bonds	12/24/13	685,000.00	12/01/15	70,000.00	3.00%	685,000.00	-	60,000.00	625,000.00
			12/01/16	70,000.00	4.00%				
			12/01/17	75,000.00	4.00%				
			12/01/18	75,000.00	4.00%				
			12/01/19	80,000.00	4.00%				
			12/01/20	80,000.00	5.00%				
			12/01/21	85,000.00	5.00%				
			12/01/22	90,000.00	5.00%				
						\$ 805,000.00	\$ -	\$ 100,000.00	\$ 705,000.00

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES
FOR THE YEAR ENDED DECEMBER 31, 2014**

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Issue of Original Note</u>	<u>Balance December 31, 2013</u>	<u>Paid</u>	<u>Balance December 31, 2014</u>
13-878	Various Capital Improvements	06/28/13	\$ 734,000.00	\$ 734,000.00	\$ -
			<u>\$ 734,000.00</u>	<u>\$ 734,000.00</u>	<u>\$ -</u>

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF DUE TO WATER/SEWER UTILITY CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2014 & 2013

\$ 21,521.32

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2014**

Ordinance Number	Improvement Description	Date	Amount	Balance		Paid or Charged	Balance	
				December 31, 2013			December 31, 2014	
				Funded	Unfunded		Funded	Unfunded
98-649	Purchase of Equipment - Fire and Police Department	03/03/98	\$ 51,000.00	\$ 0.30	\$ -	\$ -	\$ 0.30	\$ -
00-674	Reconstruction Various Streets	02/15/00	184,857.00	23,031.95	-	-	23,031.95	-
02-704	Engineering Expense	02/05/02	27,000.00	378.00	-	-	378.00	-
02-712	Construction of New Municipal Building	07/30/02	145,000.00	6,983.13	-	-	6,983.13	-
03-718	Road and Drainage Improvements	04/15/03	278,737.00	-	17,655.66	-	-	17,655.66
04-744	Acquisition of Equipment for the Police Department	09/07/04	45,000.00	-	-	-	-	-
06-783	Road Improvements	08/01/06	60,000.00	24,568.22	768.00	-	24,568.22	768.00
08-810	Road and Drainage Improvements	02/19/08	372,819.00	141,914.25	88,583.76	-	141,914.25	88,583.76
08-820	Road Improvements	08/27/08	90,000.00	34,897.26	-	-	34,897.26	-
09-828	Road Improvements	03/05/09	165,000.00	57,343.20	-	-	57,343.20	-
11-864	Road Improvements	08/24/11	160,000.00	11,858.75	-	-	11,858.75	-
12-869	Road and Beautification Improvements	04/30/12	104,585.80	104,342.41	-	98,700.00	5,642.41	-
13-878	Various Capital Improvements	05/28/13	734,717.00	243,137.95	49,717.00	181,814.26	111,040.69	-
13-881	Road Improvements	06/18/13	185,000.00	185,000.00	-	2,200.00	182,800.00	-
				\$ 833,455.42	\$ 156,724.42	\$ 282,714.26	\$ 600,458.16	\$ 107,007.42

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013	\$ 11,380.00
Increased By:	
Budget Appropriation	<u>25,000.00</u>
Balance, December 31, 2014	<u><u>\$ 36,380.00</u></u>

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF RESERVE TO PAY BAN's
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013	\$ 734,000.00
Decreased By:	
Payment of BANs	<u>734,000.00</u>
Balance, December 31, 2014	<u><u>\$ -</u></u>

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
FOR THE YEAR ENDED DECEMBER 31, 2014**

<u>Ordinance Number</u>	<u>Improvement Description</u>	Balance December 31, <u>2014</u>
93-584	Reconstruction of Roads	\$ 28,787.00
06-783	Various Road Improvements	768.00
13-878	Various Capital Improvements	<u>717.00</u>
		<u><u>\$ 30,272.00</u></u>

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WATER/SEWER UTILITY FUND

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**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
WATER/SEWER UTILITY OPERATING FUND
SCHEDULE OF WATER/SEWER UTILITY
OPERATING FUND CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013		\$ 406,794.51
Increased By:		
Miscellaneous Revenue Anticipated	\$ 11,210.91	
Due To Current Fund	737.00	
Consumer Accounts Receivable	993,247.81	
Due From Water/Sewer Capital	2,812,500.00	
Prepaid Rents	96,418.99	
	3,914,114.71	
		4,320,909.22
Decreased By:		
Budget Appropriations	960,828.92	
Appropriation Reserves	29,741.83	
Due From Water/Sewer Capital	1,514,274.22	
Due To Current Fund	973.90	
	2,505,818.87	
Balance, December 31, 2014		\$ 1,815,090.35
Investments		
Cash		\$ 193,986.32
		1,621,104.03
		\$ 1,815,090.35

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
WATER/SEWER UTILITY OPERATING FUND
SCHEDULE OF CASH - CHANGE FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2014 & 2013

\$ 75.00

**BOROUGH OF LAKE COMO
 COUNTY OF MONMOUTH, NEW JERSEY
 WATER/SEWER UTILITY CAPITAL FUND
 SCHEDULE OF ANALYSIS OF WATER/SEWER UTILITY FUND CAPITAL CASH
 FOR THE YEAR ENDED DECEMBER 31, 2014**

	Balance December 31, <u>2014</u>
Due To Current Fund	\$ 45,774.00
Capital Improvement Fund	43,821.72
Due From:	
General Capital Fund	(21,521.32)
Water/Sewer Utility Operating Fund	(1,370,917.55)
Reserve To Pay Bond Anticipation Notes	3,893.87

<u>Ordinance Number</u>	<u>Improvement Description</u>	
99-124	Various Improvements	301.50
2009-779	Purchase of Front Wheel Loader Backhoe	422.00
2014-896	Various Water System Improvements	<u>1,298,225.78</u>
		<u>\$ -</u>

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
WATER/SEWER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013		\$ 372,650.83
Increased By:		
Levy		<u>703,571.95</u>
		1,076,222.78
Decreased By:		
Collections	\$ 993,247.81	
Overpayments Applied	<u>291.67</u>	
		<u>993,539.48</u>
Balance, December 31, 2014		<u><u>\$ 82,683.30</u></u>

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF DUE FROM GENERAL CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2014 & 2013

\$ 21,521.32

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF DUE FROM WATER/SEWER UTILITY OPERATING FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013	\$ 72,691.77
Increased By:	
BAN Purchase By Water/Sewer Capital	<u>2,812,500.00</u>
	2,885,191.77
Decreased By:	
Payment By Water/Sewer Utility Operating Fund	<u>1,514,274.22</u>
Balance, December 31, 2014	<u>\$ 1,370,917.55</u>

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Balance December 31, <u>2014</u>
Distribution Mains and Accessories	\$ 73,827.08
Service Pipes and Stops	8,000.00
Meters, Meter Boxes and Stops	76,896.00
Fire Hydrants	63,960.00
Reconstruction of Sewer System	67,051.70
Various Improvements	35,583.50
Purchase of Front Wheel Loader Backhoe	32,078.00
Emergency Water Main Break	<u>11,897.00</u>
	<u><u>\$ 369,293.28</u></u>

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013	\$ 723.50
Increased By:	
Improvement Authorizations	<u>2,812,500.00</u>
Balance, December 31, 2014	<u><u>\$ 2,813,223.50</u></u>

BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
WATER/SEWER UTILITY OPERATING FUND
SCHEDULE OF APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Balance</u> <u>December 31, 2013</u>	<u>Budget After</u> <u>Transfers</u>	<u>Paid or</u> <u>Charged</u>	<u>Cancelled</u>
Operating:				
Salaries and Wages	\$ 704.02	\$ 704.02	\$ -	\$ 704.02
Other Expenses	9,426.81	9,589.14	6,787.19	2,801.95
Purchase of Water	14,889.32	23,385.40	22,954.64	430.76
	<hr/>			
Total Expenditures	\$ 25,020.15	\$ 33,678.56	\$ 29,741.83	\$ 3,936.73
	<hr/> <hr/>			
Transfer From Encumbrances Payable		\$ 8,658.41		
Appropriation Reserves		<u>25,020.15</u>		
		<u>\$ 33,678.56</u>		

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
WATER/SEWER UTILITY OPERATING FUND
SCHEDULE OF PREPAID RENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013	\$ 57.70
Increased By:	
Cash Receipts	<u>96,418.99</u>
	96,476.69
Decreased By:	
Prepays Applied	<u>57.70</u>
Balance, December 31, 2014	<u><u>\$ 96,418.99</u></u>

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
WATER/SEWER UTILITY OPERATING FUND
SCHEDULE OF RENT OVERPAYMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013	\$ 291.67
Decreased By:	
Overpayments Applied	<u>291.67</u>
Balance, December 31, 2014	<u><u>\$ -</u></u>

**BOROUGH OF LAKE COMO
 COUNTY OF MONMOUTH, NEW JERSEY
 WATER/SEWER UTILITY OPERATING FUND
 SCHEDULE OF ACCRUED INTEREST ON NOTES
 FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013	\$	-
Increased By:		
Budget Appropriation		8,943.75
Balance, December 31, 2014		\$ 8,943.75

Analysis of Accrued Interest December 31, 2014

	<u>Principal Outstanding December 31, 2014</u>	Interest Rate	Issue Date	Maturity Date	Days Accrued	
\$	2,812,500.00	0.72%	07/23/14	07/23/15	159	\$ 8,943.75
						\$ 8,943.75

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
WATER/SEWER UTILITY OPERATING FUND
SCHEDULE OF DUE TO CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013		\$ 55,032.01
Increased By:		
Cash Receipts	\$ 737.00	
Payments by Current Fund	<u>10,726.08</u>	
		<u>11,463.08</u>
		66,495.09
Decreased By:		
Cash Disbursements	973.90	
Cash Received in Current Fund	<u>14,959.74</u>	
		<u>15,933.64</u>
Balance, December 31, 2014		<u><u>\$ 50,561.45</u></u>

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
WATER/SEWER UTILITY OPERATING FUND
SCHEDULE OF DUE TO WATER/SEWER UTILITY CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013	\$ 72,691.77
Increased By:	
BAN Purchase for Water/Sewer Capital	<u>2,812,500.00</u>
	2,885,191.77
Decreased By:	
Payment for Water/Sewer Utility Capital Fund	<u>1,514,274.22</u>
Balance, December 31, 2014	<u><u>\$ 1,370,917.55</u></u>

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
WATER/SEWER UTILITY OPERATING FUND
SCHEDULE OF ACCOUNTS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2014 & 2013

\$ 29,652.93

**BOROUGH OF LAKE COMO
 COUNTY OF MONMOUTH, NEW JERSEY
 WATER/SEWER UTILITY CAPITAL FUND
 SCHEDULE OF BOND ANTICIPATION NOTES
 FOR THE YEAR ENDED DECEMBER 31, 2014**

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Issue of Original Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance December 31, 2013</u>	<u>BANS Issued</u>	<u>Balance December 31, 2014</u>
2014-896	Various Water System Improvements	07/23/14	07/23/14	07/23/15	0.720%	\$ -	\$ 2,812,500.00	\$ 2,812,500.00
						\$ -	\$ 2,812,500.00	\$ 2,812,500.00

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2014**

Ordinance Number	Improvement Description	Date	Amount	Balance December 31, 2013		2014 Authorized	Paid or Charged	Balance December 31, 2014	
				Funded	Unfunded			Funded	Unfunded
99-124	Various Improvements	06/01/99	\$ 30,000.00	\$ 301.50	\$ -	\$ -	-	\$ 301.50	\$ -
2007-779	Purchase of Front Wheel Loader Backhoe	07/18/06	32,500.00	422.00	-	-	-	422.00	-
2014-896	Various Water System Improvements	04/23/14	2,812,500.00	-	-	2,812,500.00	1,514,274.22	-	1,298,225.78
				\$ 723.50	\$ -	\$ 2,812,500.00	\$ 1,514,274.22	\$ 723.50	\$ 1,298,225.78

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2014 & 2013

\$ 369,293.28

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE TO PAY BOND ANTICIPATION NOTES
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2014 & 2013

\$ 3,893.87

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF DUE TO CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2014 & 2013

\$ 45,774.00

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2014 & 2013

\$ 43,821.72

**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2014 & 2013

\$ 723.50

GENERAL FIXED ASSETS ACCOUNT GROUP

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**BOROUGH OF LAKE COMO
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL FIXED ASSETS ACCOUNT GROUP
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Balance December 31, <u>2013</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2014</u>
General Fixed Assets:				
Land and Improvements	\$ 688,180.00	\$ -	\$ -	\$ 688,180.00
Buildings	937,600.00	-	-	937,600.00
Machinery and Equipment	1,810,729.37	142,562.65	8,300.00	1,944,992.02
				-
Total General Fixed Assets	<u>\$ 3,436,509.37</u>	<u>\$ 142,562.65</u>	<u>\$ 8,300.00</u>	<u>\$ 3,570,772.02</u>

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PAYROLL FUND SCHEDULES

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COMMENTS & RECOMMENDATIONS

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The Honorable Mayor and Members of the
Borough Council
Borough of Lake Como
Lake Como, New Jersey 07719

We have audited the financial statements – statutory basis of the Borough of Lake Como in the County of Monmouth for the year ended December 31, 2014.

Scope of Audit

The audit covered the financial transactions of the Treasurer and Tax Collector, the activities of the Mayor and Council and the records of the various outside departments.

Cash on hand was counted and cash balances were reconciled with independent certifications obtained directly from the depositories.

The accrued and realized revenues for the various Borough Departments as shown on the Statements of Revenue and Revenue Accounts Receivable are presented as recorded in the Borough records.

In accordance with requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the following are the *General Comments* and *Recommendations* for the year then ended.

GENERAL COMMENTS

Contracts and Agreements Required to be advertised by (N.J.S.A.40A:11-4)

N.J.S.A.40A:11-4 - Every contract or agreement, for the performance of any work or furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other Law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate \$36,000 except by contract or agreement.

It is pointed out that the governing body of the municipality has the responsibility of determining whether the expenditures in any category will exceed the statutory minimum within the fiscal year.

Where question arises as to whether any contract or agreement might result in violation of the statute, the solicitor's opinion should be sought before a commitment is made. The minutes indicate that bids were requested by public advertising for the following items:

Contracts and Agreements Required to be advertised by (N.J.S.A.40A:11-4) (continued):

Water and Sewer Improvements
Water Main Cleaning & Cement Lining Project
New Trailer Mounted Sewer Jet
Revaluation of Real Property

The minutes indicate that resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services," per *N.J.S.A.40A:11-5*.

Purchases were made through the State Division of Purchases and Property and were approved by resolution of the Borough Council.

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

The compliance review of expenditures did not reveal any individual payments or contracts in excess of the statutory limit "for the performance of any work, or the furnishing of any materials, supplies or labor, or the hiring of teams or vehicles," other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of *N.J.S.A.40A:11-6*.

Contracts and Agreements Requiring Solicitation of Quotations

The examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$5,400 thereafter "for the performance of any work or the furnishing or hiring of any materials or supplies", other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of (*N.J.S.A.40A:11-6.1*).

Collection of Interest on Delinquent Taxes and Assessments

N.J.S.54:4-67, as amended, provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The governing body on January 1, 2014 adopted the following resolution authorizing interest to be charged on delinquent taxes:

"BE IT RESOLVED that the rate of interest to be charged for the nonpayment of taxes and water/sewer rents on the date when they become delinquent is hereby fixed as eight (8%) percent per annum of the first One Thousand Five Hundred Dollars (\$1,500.00) of the delinquency, and eighteen (18%) percent per annum on any amount in excess of One

Collection of Interest on Delinquent Taxes and Assessments (continued):

Thousand Five Hundred Dollars (\$1,500.00). The same to be calculated from the date of actual payment; provided, however, that no interest be charged if payment is made with ten (10) days after the date upon which same became payable.”

The Borough also charges an additional 6% penalty on delinquencies in excess of \$10,000 at the end of the calendar year.

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

Tax Collector’s Annual Report

N.J.S.54:4-91 requires that on or before May 1st of each year, the Tax Collector shall file with the Treasurer and the governing body a statement of receipts during the preceding year as well as added assessments, taxes canceled and taxes unpaid as of December 31, all for the preceding tax year. This report was filed in 2014 with the governing body.

Delinquent Taxes and Tax Title Liens

The delinquent taxes at December 31, 2014 included real estate taxes for 2014.

The last tax sale was held on December 2, 2014 and was complete.

Inspection of 2014 tax sale certificates on file revealed that all tax sale certificates were available for audit.

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

YEAR	NUMBER OF LIENS
2014	0
2013	0
2013	0

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

Deductions From Taxes

The audit of senior citizen and veteran deductions on a test basis revealed that deductions appear reasonable.

Examination of Bills

A test check of paid bills was made and each bill, upon proper approval, was considered as a separate and individual contract unless the records disclosed it to be a part payment or estimate.

Deposit of Funds Paid to Local Unit

N.J.S.40A:5-15 States:

“All moneys, including moneys collected by taxation, received from any source by or on behalf of any local unit or any board or department thereof shall within 48 hours after the receipt thereof, either;

- a. be paid to the officer charged with the custody of the general funds of the local unit, who shall deposit all such funds within 48 hours after the receipt thereof to the credit of the local unit in its designated legal depository, or;
- b. be deposited to the credit of the local unit in its designated legal depository.”

Payroll Fund

The examination of the payroll fund included testing the detail computation of various deductions or other credits from the payroll of Borough employees, also, the examination ascertained that the accumulated withholdings were distributed to the proper agencies. We noted the following exceptions:

Finding 2014-01*

During our audited we noted that the Borough did not properly reconcile payroll taxes payable to the payroll agency bank reconciliation.

Recommendation:

That the Borough reconcile payroll taxes payable to the payroll bank reconciliation on a monthly basis.

Managements Response:

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

Finding 2014-02

During our audited we noted that the Borough did not report pensionable wages from a retro pay to the New Jersey Division of Pension and Benefits.

Recommendation:

That the Borough reports all pensionable wages to the New Jersey Division of Pension and Benefits.

Managements Response:

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

Municipal Court

A separate report for the Municipal Court transactions was filed in accordance with the requirements of the Local Finance Board.

As part of the test of the municipal court records, no attempt was made to differentiate between fines due the Borough, County, or State, or to pass upon the authenticity of the preparation and procedures for complaints issued.

A test sample was selected of ten (10) traffic and criminal cases processed through the system. The purpose of the test was to determine that traffic fines were levied in accordance with State Statutes, that payments were deposited intact and on a timely basis, that dispositions were entered in traffic and criminal dockets, closure procedures for delinquent traffic tickets were enforced and that proper procedures were in effect for defendants paying on a the partial payment system. This test disclosed no discrepancies regarding fines being properly levied, entering of dispositions and closure procedures.

The computer software does not allow for a posting distribution in the cash receipts journal when a transaction involves both a check and cash payment being made by the defendant. The computer system requires this particular type of transaction be posted as either entirely cash or check. As a result of this limitation no test can be conducted to determine if the receipt detail batch totals from the journal agree with the detail of cash and checks deposited for that particular day.

Finding 2014-03

During our audit of the Municipal Court revenue we noticed an unexplainable decrease in court revenues compared to an increase in tickets issued by the Borough.

Recommendation:

That the Borough investigate this matter and take appropriate action where needed.

Managements Response:

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

Finance Office

During our audit of the Finance Office, the following exceptions were noted:

Finding 2014-04*

The Borough did not maintain a proper general ledger for the current fund in accordance with N.J.A.C. 5:30-5.7.

Recommendation:

That the Borough maintain a proper general ledger for the current fund in accordance with N.J.A.C. 5:30-5.7.

Managements Response:

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

Finding 2014-05

It was noted during our audit the Trust Funds and General Capital Fund are not maintained properly in the Borough's accounting system.

Recommendation:

That the Borough maintain all transactions for the Borough's Trust Funds and General Capital Fund properly in the Borough's accounting system.

Managements Response:

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

Finding 2014-06

There was an over-expenditure of Current Fund appropriations which violates N.J.S.A. 40A:4-57.

Recommendation:

That the Borough, prior to the encumbering of purchase orders, verify that sufficient funds are available in the applicable budget appropriation line item in order to prevent the over-expenditure of funds

Managements Response:

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

Finding 2014-07*

During our audit it was noted that Department of Transportation grants in the general capital fund are not being reconciled or posted to general ledger properly.

Recommendation:

That the Borough reconciles any Department of Transportation grants receivables with the state and post grant receipts properly.

Managements Response:

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

Finding 2014-08*

During our audit it was noted that Ordinance #93-584 in the Borough's General Capital Fund has a cash deficits in excess of five years old which violates requirements promulgated by the State of New Jersey, Division of Local Government Services.

Recommendation:

That the Borough seek the necessary funding, either through the issuance of bonds, notes, or budget appropriation, for capital ordinances with cash deficits in excess of five years old.

Managements Response:

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

Finding 2014-09

During our audit it was noted the Borough does not maintain a fixed assets accounting and reporting system that has a subsidiary ledger, consisting of detailed property records for controlling, additions, retirements and transfers of fixed assets in accordance with N.J.S.A. 40A:4-57 Such ledger shall be maintained and reconciled periodically and at the end of every fiscal year with the general ledger control accounts for fixed assets.

Recommendation:

That the Borough maintains a proper fixed asset accounting and reporting system in accordance with N.J.S.A. 40A:4-57

Managements Response:

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

Finding 2014-10

During our audit we noted that bonds or notes in the amount of \$17,655.66 in General Capital Ordinance 03-718 and \$88,583.76 for General Capital Ordinance 08-810 has not been authorized by the Borough. This is due to the cancellation of certain grant receivables that were originally funding these improvement authorizations.

Recommendation:

That the Borough authorizes the spending of balances through amending Ordinance. If the Borough does not plan to spend remaining authorizations we recommend canceling improvements authorizations through Borough resolution.

Managements Response:

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

Finding 2014-11

The Borough ended the 2014 year with a deficit in operations in the current fund in the amount of \$32,795.46.

Recommendation:

That the Borough place the necessary procedures and reporting requirements in place to review the Borough's financial condition on a monthly basis.

Managements Response:

The responsible officials agree with the finding and will address the matter as part of their corrective action plan

Prior Year Findings

In accordance with Government Auditing Standards, our procedures included a review of all prior year findings. Corrective action was taken on all prior year findings except those that are marked with an asterisk (*) above.

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office at December 31, 2014:

NAME	POSITION
Brian Wilton	Mayor
Douglas Witte	Councilmember
Hawley Scull	Councilmember
Kevin Higgins	Councilmember
John J. Carvelli	Councilmember
Virginia Kropac	Councilmember
Michael Noonan	Councilmember
Louise Mekosh	Chief Financial Officer
Esther Kiss	Tax Collector
Katie Garrecht	Court Administrator

Acknowledgment

We express our appreciation for the assistance and courtesies extended to the members of the audit team.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P. C.

A handwritten signature in black ink, appearing to read 'R. Allison', written over a horizontal line.

Robert W. Allison
Registered Municipal Accountant
No. CR483

Freehold, New Jersey
June 01, 2015