

**CAMDEN SPECIAL SERVICES DISTRICT, INC.**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2024 AND 2023**



# **CAMDEN SPECIAL SERVICES DISTRICT**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
of Camden Special Services District, Inc.

### **Opinion**

We have audited the accompanying financial statements of Camden Special Services District, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Camden Special Services District, Inc. as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Camden Special Services District, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Camden Special Services District Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Camden Special Services District Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Camden Special Services District Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



Bowman & Company LLP  
Certified Public Accountants

Voorhees, New Jersey  
September 2, 2025

**CAMDEN SPECIAL SERVICES DISTRICT, INC.**  
**Statements of Financial Position**  
**As of December 31, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
Current assets		
Cash and cash equivalents	\$ 2,041,666	\$ 2,390,391
Contributions receivable	50,932	153,888
Project management receivable	207,675	134,475
Prepaid expenses	<u>11,212</u>	<u>12,582</u>
Total current assets	2,311,485	2,691,336
Equipment, net	105,171	132,733
Right-of-use assets - operating leases	289,927	354,694
Other assets	<u>3,125</u>	<u>2,650</u>
	<u><u>\$ 2,709,708</u></u>	<u><u>\$ 3,181,413</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities		
Accounts payable	\$ 336,503	\$ 624,435
Refundable advances	581,518	785,754
Accrued expenses	38,640	32,770
Current portion of lease liability - operating	<u>74,115</u>	<u>73,320</u>
Total current liabilities	<u>1,030,776</u>	<u>1,516,279</u>
Lease liability - operating, net of current portion	<u>220,640</u>	<u>283,568</u>
Total liabilities	<u>1,251,416</u>	<u>1,799,847</u>
Net assets		
Without donor restrictions	<u>1,458,292</u>	<u>1,381,566</u>
Total net assets	<u>1,458,292</u>	<u>1,381,566</u>
	<u><u>\$ 2,709,708</u></u>	<u><u>\$ 3,181,413</u></u>

The accompanying notes are an integral part of these financial statements.

**CAMDEN SPECIAL SERVICES DISTRICT, INC.**  
**Statements of Activities**  
**For the Years Ended December 31, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
Revenue and support		
City assessment	\$ 2,355,001	\$ 2,357,945
Project management fees	589,680	653,659
Grants	40,922	112,366
Contributions	116,639	96,541
Interest income	16,115	13
Other income	11,470	11,636
	<hr/>	<hr/>
Total revenue and support	3,129,827	3,232,160
	<hr/>	<hr/>
Expenses		
Program services	2,874,877	2,792,041
General and administrative	178,224	189,356
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Total expenses	3,053,101	2,981,397
	<hr/>	<hr/>
Change in net assets	76,726	250,763
Net assets, beginning of year	1,381,566	1,130,803
	<hr/>	<hr/>
Net assets, end of year	<u>\$ 1,458,292</u>	<u>\$ 1,381,566</u>

The accompanying notes are an integral part of these financial statements.

**CAMDEN SPECIAL SERVICES DISTRICT, INC.**  
**Statement of Functional Expenses**  
**As of December 31, 2024**

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	<u>Program Services</u>	<u>General and Administrative</u>	<u>Total</u>
Project costs	\$ 2,389,999	\$ -	\$ 2,389,999
Salaries	215,708	63,144	278,852
Professional fees	79,140	27,566	106,706
Occupancy	68,540	20,063	88,603
Employee benefits	30,417	8,904	39,321
Depreciation	-	27,562	27,562
Advertising	17,752	9,508	27,260
Payroll taxes	19,829	5,804	25,633
Insurance	18,786	5,499	24,285
Office expense	12,062	3,530	15,592
Utilities	7,580	2,219	9,799
Repairs and maintenance	6,862	2,009	8,871
Conferences	3,810	1,115	4,925
Dues and subscriptions	2,407	705	3,112
Bank charges	1,985	596	2,581
	<hr/>	<hr/>	<hr/>
Total expenses	<u>\$ 2,874,877</u>	<u>\$ 178,224</u>	<u>\$ 3,053,101</u>

The accompanying notes are an integral part of these financial statements.

**CAMDEN SPECIAL SERVICES DISTRICT, INC.**  
**Statement of Functional Expenses**  
**As of December 31, 2023**

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	<u>Program Services</u>	<u>General and Administrative</u>	<u>Total</u>
Project costs	\$ 2,219,333	\$ -	\$ 2,219,333
Salaries	265,101	75,775	340,876
Professional fees	91,372	26,117	117,489
Occupancy	67,284	19,776	87,060
Employee benefits	38,634	11,043	49,677
Payroll taxes	24,525	7,010	31,535
Advertising	23,992	4,409	28,401
Depreciation	-	27,562	27,562
Insurance	18,703	5,346	24,049
Office expense	17,140	4,898	22,038
Utilities	8,649	2,472	11,121
Conferences	8,063	2,305	10,368
Repairs and maintenance	6,786	1,940	8,726
Dues and subscriptions	1,669	695	2,364
Bank charges	790	8	798
	<hr/>	<hr/>	<hr/>
Total expenses	<u>\$ 2,792,041</u>	<u>\$ 189,356</u>	<u>\$ 2,981,397</u>

The accompanying notes are an integral part of these financial statements.



**CAMDEN SPECIAL SERVICES DISTRICT, INC.**  
**Statements of Cash Flows**  
**For the Years Ended December 31, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities		
Change in net assets	\$ 76,726	\$ 250,763
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	27,562	27,562
Amortization of operating right-of-use assets	64,767	60,036
(Increase) decrease in		
Contributions receivable	102,956	676,909
Service contract receivable	(73,200)	88,945
Prepaid expenses	1,370	21,970
Other assets	(475)	2,850
Increase (decrease) in		
Accounts payable	(287,932)	426,252
Refundable advances	(204,236)	(559,357)
Accrued expenses	5,870	13,746
Lease liability	(62,133)	(57,842)
Net cash provided by (used in) operating activities	<u>(348,725)</u>	<u>951,834</u>
Cash flows from investing activities		
Purchase of property and equipment	<u>-</u>	<u>(51,087)</u>
Net cash used in investing activities	<u>-</u>	<u>(51,087)</u>
Net change in cash and cash equivalents	(348,725)	900,747
Cash and cash equivalents, beginning of year	<u>2,390,391</u>	<u>1,489,644</u>
Cash and cash equivalents, end of year	<u><u>\$ 2,041,666</u></u>	<u><u>\$ 2,390,391</u></u>

The accompanying notes are an integral part of these financial statements.

**CAMDEN SPECIAL SERVICES DISTRICT, INC.**  
**Notes to Financial Statements**

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**Note 1: ORGANIZATION AND ACTIVITY**

Camden Special Services District, Inc. (formally the Greater Camden Partnership) (“the Organization”) was incorporated as a private nonprofit organization on October 6, 2000, under the laws of the state of New Jersey. The Organization works to improve the physical appearance of Downtown Camden, and its adjacent business corridors, making the City more welcoming to businesses, residents, and visitors.

On February 22, 2011, the Organization merged with Camden Community Partnership, Inc. (formally Cooper’s Ferry Partnership, Inc.), another non-profit organization in Camden which is dedicated to a holistic and inclusive prosperity approach to community and economic revival of Camden City in New Jersey. Certain assets from the Organization were transferred to Camden Community Partnership, while others remained with the Organization. Camden Special Services District, Inc. was a wholly-owned subsidiary of Camden Community Partnership, Inc. from February 22, 2011, to December 31, 2020. Effective January 1, 2021, the Camden Special Services District’s board voted to no longer be a wholly-owned subsidiary of Camden Community Partnership, Inc. In December 2019, Camden City Council approved the creation of a Business Improvement District (BID) in certain areas of the city and named Camden Special Services District the District Management Corporation, fundamentally changing the nature and structure of the organization. The Business Improvement District is a public/private partnership providing services to specific properties in the City, through a public assessment. State laws provide authority for municipalities to create publicly financed BIDs in partnership with their municipality and to designate a District Management Corporation. BIDs are not government programs.

**Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of accounting - The accompanying financial statements of the Organization have been prepared using the accrual basis of accounting and in conformity with the standards promulgated by the American Institute of Certified Public Accountant in its audit guide for nonprofit organizations. Financial statement presentation also follows the recommendations of relevant accounting standards which require the Organization to report information regarding their financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Use of estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents - For the purpose of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. Cash includes amounts held in checking and money market accounts.

Contributions receivable - Contributions receivable are funds for which conditions have been met, but monies have not yet been received. This includes city assessments, grants, and other contributions.

Service contract receivable – Service contract receivable are funds for which services have been performed, but monies have not yet been received.

**CAMDEN SPECIAL SERVICES DISTRICT, INC.**  
**Notes to Financial Statements (continued)**

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**Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Equipment - Equipment is carried at cost if purchased, and at fair market value if donated. When retired or otherwise disposed of, the carrying value of the assets and related accumulated depreciation are removed from the respective accounts, and the net difference, less any amount realized from disposition, is charged or credited to income.

Major additions and betterments in excess of \$2,500 are charged to the equipment account, while replacements, maintenance and repairs, which do not improve or extend the life of the respective assets, are expensed currently.

Depreciation is computed on a straight-line basis for substantially all assets based on the useful lives of the assets.

Right-of-use leased assets and liabilities – Right to use leased assets and the related liabilities are recognized at the lease commencement date and represent the Organization's right to use an underlying asset and lease obligations for the lease term. Right to use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the lease asset into service. Right to use leased assets are amortized over the shorter of the lease term or the useful life of the underlying asset using the straight-line method. The amortization period varies among the leases.

The Organization has applied the practical expediate to treat all leases with a term of 12 months or less without a purchase option as a short-term lease. These leases are expensed on a straight-line basis and are not recorded on the statement of financial position. The Organization had short-term leases for the years ended December 31, 2024 and 2023 in the amount of \$12,650 and \$19,645, respectively. The Organization uses the risk-free rate at the time of commencement in the calculation of the present value of lease payments.

Refundable advances – Refundable advances consists of funds received in advance for city assessments and grants for which expenses have not yet been incurred by the Organization. The amount of refundable advances related to the city assessment was \$331,518 and \$741,862 as of December 31, 2024 and 2023, respectively.

Net assets – Net assets, revenues, gains, and losses are classified based on the existence of absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net assets without donor restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

*Net assets with donor restrictions* – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

**CAMDEN SPECIAL SERVICES DISTRICT, INC.**  
**Notes to Financial Statements (continued)**

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**Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Income taxes – The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and accordingly, do not record a provision for income taxes on their earnings.

The Organization regularly reviews and evaluates its tax positions taken in previously filed information returns and as reflected in their financial statements, with regard to issues affecting their tax exempt status, unrelated business income, and related matters. The Organization believes that in the event of an examination by taxing authorities, the Organization's positions would prevail based upon the technical merits of such positions. Therefore, the Organization has concluded that no tax benefits or liabilities are required to be recognized.

Functional expense allocation – The costs of providing program and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among program services and general and administrative. Such allocations are determined by management on an equitable basis. Salaries, payroll taxes, employee benefits, professional fees, occupancy, administrative expenses, insurance, utilities, office expense, depreciation, advertising, dues and subscriptions, conferences, service charges, and printing and postage are allocated based on the percentage of direct costs for the Camden Business Improvement District and other direct costs compared to the total costs.

Revenue recognition

- City assessment – City assessment revenue is derived from a special assessment imposed and collected by the City of Camden with the regular property tax payment, or payment in lieu of taxes, for designated properties deemed to be within the district. Amounts are recorded as revenue when the conditions on which they depend have been substantially met.
- Grants – Grant revenue is derived from cost-reimbursable contracts, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statements of financial position. Grant revenue is classified as income without donor restrictions unless the use of the income is limited by donor restrictions. If a restriction is fulfilled in the same time period in which the grant is received, the grant revenue is reported as a component of net assets without donor restriction.
- Project management fees – Project management fees are recognized as revenue when the performance obligations of providing the services are met over time.
- Contributions – Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met. Contributions with donor restrictions that are met in the same period as received are recorded as contributions without donor restrictions.

**CAMDEN SPECIAL SERVICES DISTRICT, INC.**  
**Notes to Financial Statements (continued)**

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**Note 3: LIQUIDITY AND AVAILABILITY**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following for the year ending December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 2,041,666	\$ 2,390,391
Contributions receivable	50,932	153,888
Service contract receivable	<u>207,675</u>	<u>134,475</u>
Financial assets available within one year to meet cash needs for general expenditures	<u>\$ 2,300,273</u>	<u>\$ 2,678,754</u>

The organization invests cash in excess of daily requirements in money market accounts held at various banks. As disclosed in note 5, the organization also has a \$500,000 line of credit available for cash flow needs.

**Note 4: EQUIPMENT**

Equipment consisted of the following at December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Equipment	\$ 244,270	\$ 244,270
Less: accumulated depreciation	<u>139,099</u>	<u>111,537</u>
Equipment, net	<u>\$ 105,171</u>	<u>\$ 132,733</u>

Depreciation expense was \$27,562 for the year ended December 31, 2024 and 2023.

**Note 5: LINE OF CREDIT**

The Organization has a revolving line of credit from Truist Bank expiring February 3, 2026 totaling \$500,000 and bears interest at a variable rate determined monthly. The average effective interest rate for the years ended December 31, 2024 and 2023 was approximately 5.14% and 5.02%, respectively.

During 2024, there were no draws made on the line of credit. The balance due on the line of credit was \$0 at December 31, 2024 and 2023. Total interest expense was \$0 for the years ended December 31, 2024 and 2023.

**CAMDEN SPECIAL SERVICES DISTRICT, INC.**  
**Notes to Financial Statements (continued)**

**Note 6: LEASES**

The Organization has several real estate leases under non-cancelable lease agreements, which have various terms that mature through 2028 and interest rates from 1.36% to 4.44%. The following summarizes the line items in the statements of the Organization which include amounts for operating leases as of December 31:

	<u>2024</u>	<u>2023</u>
<b>Operating Leases</b>		
Operating lease right-of-use assets	\$ 289,927	\$ 354,694
Operating lease liabilities – current portion	\$ 74,115	\$ 73,320
Operating lease liabilities – long-term portion	220,640	283,568
	<u>\$ 294,755</u>	<u>\$ 356,888</u>

The following summarizes the weighted average remaining lease term and discount rate as of December 31:

	<u>2024</u>	<u>2023</u>
<b>Weighted Average Remaining Lease Term</b>		
Operating lease	4.91 years	5.74 years
<b>Weighted Average Discount Rate</b>		
Operating lease	3.50%	3.50%

The maturities of lease liabilities as of December 31, 2024 are as follows:

Year Ending December 31:

2025	\$ 74,115
2026	75,093
2027	57,980
2028	35,617
2029	36,686
Thereafter	<u>44,115</u>
Total lease payments	323,606
Less: imputed interest	<u>28,631</u>
Present value of lease liabilities	<u>\$ 294,975</u>

Supplemental cash flow information related to leases was as follows for the years ended December 31:

	<u>2024</u>	<u>2023</u>
Operating cash flows from operating leases	\$ 73,320	\$ 68,609
Right-of-use assets obtained on operating lease commencements	\$ -	\$ 295,487

**CAMDEN SPECIAL SERVICES DISTRICT, INC.**  
**Notes to Financial Statements (continued)**

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**Note 7: RETIREMENT PLAN**

Effective January 1, 2022, the Organization established a defined contribution retirement plan that is a 401(k) plan covering all employees. The employer matches 100% of the participants contributions up to 3% of the employee's plan compensation. In addition, the Organization will contribute 50% of the participant's contribution in excess of 3% but not to exceed 5% of the employee's plan compensation. The Organization's contribution was \$9,330 and \$12,081 for the years ended December 31, 2024 and 2023, respectively, which is included in employee benefits.

**Note 8: CONCENTRATIONS OF CREDIT RISK**

The Organization maintains their cash in bank accounts which, at times may exceed federally insured limits. The Organization has not experienced any losses in such accounts. Uninsured bank balances totaled \$1,083,974 and \$1,896,501 as of December 31, 2024 and 2023.

**Note 9: CONCENTRATIONS OF INCOME SOURCES**

The Organization received approximately 75% and 73% of its total revenue from the city assessment from the City of Camden for the year ended December 31, 2024 and 2023, respectively. A significant reduction in this level of support, if this were to occur, may have an effect on the Organization's programs and activities.

**Note 10: CONTINGENCIES**

The Organization is occasionally involved in certain legal claims arising in the ordinary course of operations. In the opinion of management, all matters are adequately covered by insurance or are without merit.

**Note 11: SUBSEQUENT EVENTS**

Management of the Organization has evaluated subsequent events through September 2, 2025, the date the financial statements were available to be issued.