

**TOWNSHIP OF COMMERCIAL  
COUNTY OF CUMBERLAND  
REPORT OF AUDIT  
FOR THE YEAR 2014**

**TOWNSHIP OF COMMERCIAL**  
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**TOWNSHIP OF COMMERCIAL**  
**PART 1**  
**REPORT OF AUDIT OF FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

## **INDEPENDENT AUDITOR'S REPORT**

The Honorable Mayor and  
Members of the Township Committee  
Township of Commercial  
Port Norris, NJ 08349

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

We have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township of Commercial, in the County of Cumberland, State of New Jersey, as of December 31, 2014 and 2013, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis, statement of expenditures - regulatory basis, and statement of general fixed assets group of accounts for the year ended December 31, 2014 and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the 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 Township's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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

As described in Note 1 of the financial statements, the financial statements are prepared by the Township on the basis of the financial reporting provisions 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 the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township of Commercial, in the County of Cumberland, 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.

***Opinion on Regulatory Basis of Accounting***

In our opinion, the financial statements referred to previously present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township of Commercial, in the County of Cumberland, 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 revenues - regulatory basis, expenditures - regulatory basis of the various funds, and general fixed assets, 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 Information***

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. 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 are not a required part of the basic financial statements.

The supplementary financial statements presented for the various funds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information described in the previous paragraph 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 April 20, 2015 on our consideration of the Township of Commercial's, in the County of Cumberland, State of New Jersey, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Township of Commercial's internal control over financial reporting.

Respectfully submitted,

*Bowman & Company LLP*

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

*Carol A. McAllister*

Carol A. McAllister  
Certified Public Accountant  
Registered Municipal Accountant

Voorhees, New Jersey  
April 20, 2015



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

**INDEPENDENT AUDITOR'S REPORT**

The Honorable Mayor and  
Members of the Township Committee  
Township of Commercial  
Port Norris, NJ 08349

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 the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey of the Township of Commercial, in the County of Cumberland, State of New Jersey, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated April 20, 2015. That report indicated that the Township of Commercial's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America, but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

***Internal Control Over Financial Reporting***

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

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

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

**Compliance and Other Matters**

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

**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 Township'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 Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Carol A. McAllister  
Certified Public Accountant  
Registered Municipal Accountant

Voorhees, New Jersey  
April 20, 2015

**TOWNSHIP OF COMMERCIAL  
CURRENT FUND**

Statements of Assets, Liabilities, Reserves and Fund Balances - Regulatory Basis  
As of December 31, 2014 and 2013

	Ref.	2014	2013
<b>Assets:</b>			
<b>Regular Fund:</b>			
Cash - Treasurer	SA-1	\$ 2,146,566.62	\$ 1,379,859.12
Cash - Tax Collector	SA-2	198,854.24	183,346.76
Cash - Clerk	SA-3	3,178.05	32,828.14
Cash - Change Fund	SA-4	550.00	550.00
Due From State of New Jersey - Veterans and Senior Citizens Deductions	SA-7	7,442.32	9,942.32
		<u>2,356,591.23</u>	<u>1,606,526.34</u>
<b>Receivables and Other Assets with Full Reserves:</b>			
Delinquent Property Taxes Receivable	SA-5	354,889.41	355,082.62
Tax Title Liens Receivable	SA-6	609,594.70	484,516.08
Property Acquired / Assessed Valuation	A	985,500.00	985,500.00
Revenue Accounts Receivable	SA-8	1,754.92	31,734.24
Due from Federal, State and Other Grants Fund	SA-21	57,874.14	775,605.19
Due from Animal Control Fund	SB-3	362.30	4,386.64
		<u>2,009,975.47</u>	<u>2,636,824.77</u>
<b>Deferred Charges:</b>			
Special Emergency Appropriation N.J.S.A. 40A:4-55	SA-9		4,000.00
Emergency Appropriation N.J.S.A. 40A:4-46	SA-10	121,946.00	
Operating Deficit	SA-10	2,170.00	79,827.37
		<u>124,116.00</u>	<u>83,827.37</u>
		<u>4,490,682.70</u>	<u>4,327,178.48</u>
<b>Federal, State and Other Grant Fund:</b>			
Grants Receivable	SA-22	1,013,344.08	1,452,992.16
		<u>\$ 5,504,026.78</u>	<u>\$ 5,780,170.64</u>

(Continued)

**TOWNSHIP OF COMMERCIAL**  
**CURRENT FUND**

Statements of Assets, Liabilities, Reserves and Fund Balances - Regulatory Basis  
As of December 31, 2014 and 2013

	Ref.	2014	2013
<b>Liabilities, Reserves and Fund Balance:</b>			
<b>Regular Fund:</b>			
Appropriation Reserves	A-3;SA-11	\$ 187,344.85	\$ 399,133.54
Reserve for Encumbrances	A-3;SA-11	133,503.75	118,078.47
Contracts Payable	A-3	121,946.00	
Accounts Payable	SA-11	38,899.08	
Prepaid Taxes	SA-12	96,091.72	113,336.78
Due to County for Added and Omitted Taxes	SA-15	8,455.00	3,785.62
Due to Local School District	SA-16	85,775.50	127,393.50
Due to State of New Jersey:			
Marriage Fees	SA-18	125.00	275.00
Uniform Construction Code Fees	SA-19	397.00	974.00
Reserve for Equipment Replacement	SA-20	3,801.00	
Reserve for Land Sales	A	800.00	800.00
Due to Trust Other Fund	SB-6	1,885.45	4,303.18
Due to General Capital Fund	SC-2	48,402.41	74,517.50
		<u>727,426.76</u>	<u>842,597.59</u>
Reserves for Receivables	A	2,009,975.47	2,636,824.77
Fund Balance	A-1	<u>1,753,280.47</u>	<u>847,756.12</u>
		<u>4,490,682.70</u>	<u>4,327,178.48</u>
<b>Federal, State and Other Grant Fund:</b>			
Due to Current Fund	SA-21	57,874.14	775,605.19
Reserve for Oyster Grant Loans	A	175.00	175.00
Reserves for Federal and State Grants:			
Unappropriated	SA-23		5,897.37
Appropriated	SA-24	716,539.62	542,475.48
Reserve for Encumbrances	SA-24	238,755.32	124,722.96
Contracts Payable	SA-21		4,116.16
		<u>1,013,344.08</u>	<u>1,452,992.16</u>
		<u>\$ 5,504,026.78</u>	<u>\$ 5,780,170.64</u>

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

**TOWNSHIP OF COMMERCIAL  
CURRENT FUND**

Statements of Operations and Changes in Fund Balance - Regulatory Basis  
For the Years Ended December 31, 2014 and 2013

	2014	2013
<u>Revenue and Other Income Realized:</u>		
Fund Balance Utilized	\$ 330,000.00	\$ 403,000.00
Miscellaneous Revenues Anticipated	1,581,471.34	1,273,115.70
Receipts from Delinquent Taxes	339,499.62	383,762.20
Receipts from Current Taxes	6,321,380.98	6,273,807.62
Non-budget Revenues	45,455.69	84,539.36
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	391,493.39	321,537.52
Interfund Returned	721,755.39	1,685.40
Statutory Excess - Animal Control Fund	3,154.93	1,247.38
Cancellation of Reserve for Land Sale		223.00
Cancellation of Reserve for Codification of Ordinances		6,384.67
Cancellation of Reserve for Revaluation Program		347.80
Cancellation of Accounts Payable		3,270.63
	9,734,211.34	8,752,921.28
<u>Expenditures:</u>		
Budget and Emergency Appropriations:		
Appropriations Within "CAPS":		
Salaries and Wages	713,410.00	726,771.00
Other Expenses	1,583,751.00	1,663,700.00
Deferred Charges and Statutory Expenditures	115,116.00	100,947.00
Cash Deficit of Proceeding Year	77,657.37	
Appropriations Excluded from "CAPS":		
Salaries and Wages	8,500.00	8,500.00
Other Expenses	667,656.74	283,113.28
Capital Improvements	66,000.00	40,000.00
Municipal Debt Service	211,978.38	199,604.44
Special Emergency Deferred Charges	4,000.00	64,000.00
Transferred to Boards of Education	6,054.00	6,060.00
County Taxes	2,593,839.69	2,471,573.36
Due County for Added and Omitted Taxes	8,455.00	3,785.62
Local District School Tax	1,761,389.00	1,832,505.00
Special District Taxes	772,876.00	734,854.00
Refund of Prior Year Revenues	18,641.05	669.24
Senior Citizen and Veterans Deduction Disallowed	11,308.76	3,306.85
Interfund Created		693,358.86
	8,620,632.99	8,832,748.65
Excess in Revenues (Carried Forward)	1,113,578.35	
Deficit in Revenues (Carried Forward)		79,827.37

(Continued)

**TOWNSHIP OF COMMERCIAL**  
**CURRENT FUND**  
 Statements of Operations and Changes in Fund Balance - Regulatory Basis  
 For the Years Ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Excess in Revenues (Brought Forward)	\$ 1,113,578.35	\$
Deficit in Revenue (Brought Forward)		79,827.37
Adjustments to Income Before Fund Balance - Expenditures Included Above Which Are by Statute Deferred Charges to Budget of Succeeding Year	<u>121,946.00</u>	
Statutory Excess of Fund Balance	1,235,524.35	-
Deficit in Operations to be Raised in Budget of Succeeding Year		<u>\$ 79,827.37</u>
Fund Balance January 1	<u>847,756.12</u>	<u>1,250,756.12</u>
	2,083,280.47	1,250,756.12
Decreased by: Utilization as Anticipated Revenue	<u>330,000.00</u>	<u>403,000.00</u>
Fund Balance December 31	<u>\$ 1,753,280.47</u>	<u>\$ 847,756.12</u>

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

**TOWNSHIP OF COMMERCIAL**  
**CURRENT FUND**  
Statement of Revenues - Regulatory Basis  
For the Year Ended December 31, 2014

	Anticipated Budget	Special N.J.S. 40A:4-87	Realized	Excess or (Deficit)
Fund Balance Anticipated	\$ 330,000.00	\$	\$ 330,000.00	\$
Miscellaneous Revenues:				
Fines and Costs:				
Municipal Court	35,000.00		28,956.99	(6,043.01)
Interest and Costs on Taxes	70,000.00		56,692.00	(13,308.00)
Interest on Investments and Deposits	2,000.00		2,318.63	318.63
Rental Property - NJ State Police Barrack	40,880.00		40,880.04	0.04
Rental Property - Post Office	102,375.00		102,375.00	
Salt Mining Annual Fee	51,331.25		49,681.25	(1,650.00)
Rental Registrations	46,500.00		61,475.00	14,975.00
Cable Franchise Fees	13,900.00		14,412.53	512.53
Nextel Tower Rental	25,000.00		25,856.16	856.16
Consolidated Municipal Property Tax Relief Aid	36,843.00		36,843.00	
Energy Receipts Tax (P.L. 1997, Chapters 162 & 167)	424,370.00		424,370.00	
Garden State Trust	73,093.00		73,093.00	
Uniform Construction Codes Fees	45,000.00		26,979.00	(18,021.00)
Shared Service Agreements Offset With Appropriations:				
Joint Court Service Fees	10,000.00		10,000.00	
Public and Private Revenues Offset With Appropriations:				
2014 Small Cities Grant Laurel Lake	380,000.00		380,000.00	
2014 ANJEC Grant - Lake Audrey Project		1,500.00	1,500.00	
Municipal Alliance on Alcoholism and Drug Abuse	5,000.00		5,000.00	
NJDOT Municipal Aid Program - Raymond Drive		190,000.00	190,000.00	
2014 USDA Search Grant		30,000.00	30,000.00	
Recycling Tonnage Grants	5,897.37		5,897.37	
JIF Safety Awards Program	750.00		750.00	
Clean Communities Grant		14,391.37	14,391.37	
	<u>1,367,939.62</u>	<u>235,891.37</u>	<u>1,581,471.34</u>	<u>(22,359.65)</u>
Receipts from Delinquent Taxes	<u>310,000.00</u>		<u>339,499.62</u>	<u>29,499.62</u>
Subtotal General Revenues	2,007,939.62	235,891.37	2,250,970.96	7,139.97
Amount to be Raised by Taxes for Support of Municipal Budget				
Local Tax for Municipal Purposes	<u>1,638,195.39</u>		<u>1,732,120.09</u>	<u>93,924.70</u>
Budget Totals	3,646,135.01	235,891.37	3,983,091.05	101,064.67
Nonbudget Revenues			<u>45,455.69</u>	<u>45,455.69</u>
	<u>\$ 3,646,135.01</u>	<u>\$ 235,891.37</u>	<u>\$ 4,028,546.74</u>	<u>\$ 146,520.36</u>

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**TOWNSHIP OF COMMERCIAL**  
**CURRENT FUND**  
Statement of Revenues - Regulatory Basis  
For the Year Ended December 31, 2014

Analysis of Realized Revenue:Allocation of Current Tax Collections:

Revenue from Collections	\$ 6,321,380.98
Allocated to:	
School, County, and Special District Taxes	<u>5,136,559.69</u>
Balance for Support of Municipal Budget Revenues	1,184,821.29
Add:	
Appropriation: "Reserve for Uncollected Taxes"	<u>547,298.80</u>
Amount for Support of Municipal Budget Appropriations	<u><u>\$ 1,732,120.09</u></u>

Receipts from Delinquent Taxes:

Delinquent Tax Collections	\$ 280,646.67
Tax Title Lien Collections	<u>58,852.95</u>
	<u><u>\$ 339,499.62</u></u>

Analysis of Non-Budget Revenue:

## Township Clerk:

Copies	\$ 533.15
ABC License Renewal	2,300.00
Property Lists	120.00
Refund of Prior Year Expenditures	571.00
Tires	183.00
Metal Recycling	477.60
Miscellaneous Clerk	<u>5.00</u>
	\$ 4,189.75

## Revenue Accounts Receivable:

Municipal Court Fines - Downe Township	2,261.95
Property Acquired for Taxes - Land Sale	27,730.00
Land Sales -- Other	850.00
POAA Fees	99.00
Zone Applications	1,250.00
Certificate of Occupancy	<u>3,575.00</u>
	35,765.95

## Due from Animal Control Fund:

Cat License Fees	504.50
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(Continued)



**TOWNSHIP OF COMMERCIAL**  
**CURRENT FUND**  
Statement of Revenues - Regulatory Basis  
For the Year Ended December 31, 2014

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Analysis of Non-Budget Revenue (Cont'd):

Treasurer:

Senior Citizens and Veterans Administrative Fee	\$	1,638.82
Court Interest		1.05
Rental of Community Center		1,250.00
Refunds		410.02
Scrap Metal		297.60
Outstanding Checks Canceled		305.00
Registrar Fees		<u>852.00</u>

\$ 4,754.49

Tax Collector:

Duplicate Tax Bills		41.00
Tax Search Fees		20.00
NSF Checks		<u>180.00</u>

241.00

\$ 45,455.69

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

**TOWNSHIP OF COMMERCIAL**  
**CURRENT FUND**  
Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2014

	Appropriations		Paid or Charged			Unexpended Balance Canceled
	Budget	Budget After Modification	Expended	Encumbered	Reserved	
<b>OPERATIONS WITHIN "CAPS":</b>						
<b>GENERAL GOVERNMENT FUNCTIONS:</b>						
General Administration:						
Other Expenses	\$ 30,234.00	\$ 25,234.00	\$ 22,444.18	\$	\$ 2,789.82	\$
Mayor and Committee:						
Salaries and Wages	30,300.00	30,300.00	30,090.60		209.40	
Other Expenses	5,000.00	5,000.00	1,623.04		3,376.96	
Municipal Clerk:						
Salaries and Wages	105,700.00	105,700.00	94,307.57		11,392.43	
Other Expenses	22,000.00	22,000.00	14,262.67	753.00	6,984.33	
Financial Administration - Treasury:						
Salaries and Wages	36,350.00	29,350.00	26,178.30		3,171.70	
Other Expenses	20,500.00	20,500.00	14,881.40	196.94	5,421.66	
Audit Services:						
Other Expenses	27,750.00	27,750.00	27,750.00			
Data Processing Center:						
Other Expenses	23,500.00	23,500.00	20,983.84	1,725.00	791.16	
Revenue Administration - Tax Collection:						
Salaries and Wages	66,800.00	73,800.00	73,717.49		82.51	
Other Expenses	20,500.00	20,500.00	15,205.19	273.88	5,020.93	
Tax Title Lien Manager:						
Other Expenses	45,000.00	45,000.00	1,738.63	40,239.00	3,022.37	
Tax Assessment Administration:						
Salaries and Wages	25,400.00	25,400.00	25,374.30		25.70	
Other Expenses	23,300.00	23,300.00	9,033.02	9,503.25	4,763.73	
Reserve for Tax Appeals	1,000.00	1,000.00			1,000.00	
Legal Services:						
Other Expenses	45,000.00	55,000.00	52,582.13		2,417.87	
Engineering Services:						
Other Expenses	15,000.00	30,000.00	25,814.82		4,185.18	
Municipal Court:						
Salaries and Wages	71,700.00	71,700.00	71,044.15		655.85	
Other Expenses	9,730.00	9,730.00	6,528.08	132.72	3,069.20	

(Continued)

**TOWNSHIP OF COMMERCIAL**  
**CURRENT FUND**  
 Statement of Expenditures - Regulatory Basis  
 For the Year Ended December 31, 2014

	Appropriations		Paid or Charged			Unexpended Balance Canceled
	Budget	Budget After Modification	Expended	Encumbered	Reserved	
<b>OPERATIONS WITHIN "CAPS" (CONT'D):</b>						
<b>GENERAL GOVERNMENT FUNCTIONS: (CONT'D)</b>						
Public Defender:						
Salaries and Wages	\$ 4,000.00	\$ 4,500.00	\$	\$	4,500.00	\$
Municipal Land Use Law (N.J.S.A 40:55D-1):						
Planning Board:						
Salaries and Wages	4,900.00	900.00	85.52		814.48	
Other Expenses	6,000.00	10,000.00	5,342.67		4,657.33	
<b>SANITATION:</b>						
Public Buildings and Grounds:						
Other Expenses (Emergency N.J.S.A. 40A-4:46 \$121,946.00+)	95,000.00	234,946.00	184,550.73	44,527.45	5,867.82	
Garbage and Trash Removal:						
Other Expenses	256,000.00	256,000.00	253,500.00		2,500.00	
Sanitary Landfill:						
Other Expenses:						
Miscellaneous Other Expenses	163,000.00	145,000.00	123,289.77	2,229.05	19,481.18	
Sanitary Sluice and Ditch:						
Other Expenses	5,000.00	5,000.00			5,000.00	
<b>PUBLIC SAFETY FUNCTIONS:</b>						
Office Of Emergency Management:						
Salaries and Wages	2,800.00	2,800.00	2,800.00			
Other Expenses	5,000.00	5,000.00	2,462.85		2,537.15	
Court Professionals:						
Salaries and Wages	10,500.00	10,500.00	10,328.40		171.60	
<b>STREETS AND ROADS:</b>						
Road Repairs and Maintenance:						
Salaries and Wages	233,000.00	233,000.00	226,511.43		6,488.57	
Other Expenses	80,000.00	64,500.00	26,776.47	14,344.21	23,379.32	

(Continued)

**TOWNSHIP OF COMMERCIAL**  
**CURRENT FUND**  
Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2014

	Appropriations		Paid or Charged			Unexpended Balance Canceled
	Budget	Budget After Modification	Expended	Encumbered	Reserved	
<u>OPERATIONS WITHIN "CAPS" (CONT'D):</u>						
HEALTH AND HUMAN SERVICES FUNCTIONS:						
Senior Center:						
Salaries and Wages	\$ 11,360.00	\$ 10,560.00	\$ 10,503.05	\$	\$ 56.95	\$
Other Expenses	3,400.00	3,400.00	1,244.19	1,103.96	1,051.85	
Dog Regulation:						
Other Expenses	32,000.00	32,000.00	27,064.44	3,776.23	1,159.33	
Environmental Commission						
Other Expenses	1,000.00	1,000.00	734.39		265.61	
RECREATION AND EDUCATION:						
Parks and Playgrounds:						
Other Expenses	3,500.00	3,500.00		890.00	2,610.00	
Maintenance of Parks:						
Other Expenses	2,500.00	2,500.00	1,315.00		1,185.00	
Library Operations:						
Salaries and Wages	4,800.00	5,900.00	5,766.90		133.10	
Other Expenses	3,100.00	2,800.00	564.14	1,000.00	1,235.86	
OTHER COMMON OPERATING FUNCTIONS:						
Celebration of Public Events:						
Other Expenses	3,338.00	3,338.00	541.84		2,796.16	
UTILITY EXPENSES AND BULK PURCHASES:						
Electricity	35,000.00	35,000.00	30,928.54	3,456.53	614.93	
Street Lighting	70,000.00	70,000.00	60,944.26	6,244.11	2,811.63	
Telephone	22,000.00	22,000.00	14,581.25	494.30	6,924.45	
Natural Gas	15,000.00	15,000.00	10,220.53	2,395.21	2,384.26	
Gasoline and Diesel Fuel	29,000.00	29,000.00	22,859.94	218.91	5,921.15	
Insurance:						
Liability Insurance	22,000.00	22,000.00	20,354.00		1,646.00	
Workers Compensation	35,000.00	35,000.00	35,000.00			
Group Insurance Plans for Employees	259,253.00	259,253.00	250,947.19		8,305.81	
Accumulated Sick Leave	10,000.00	10,000.00	10,000.00			

(Continued)

**TOWNSHIP OF COMMERCIAL**  
**CURRENT FUND**  
Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2014

	Appropriations		Paid or Charged			Unexpended Balance Canceled
	Budget	Budget After Modification	Expended	Encumbered	Reserved	
<u>OPERATIONS WITHIN "CAPS" (CONT'D):</u>						
STATE UNIFORM CONSTRUCTION CODE:						
Construction Official:						
Salaries and Wages	\$ 61,000.00	\$ 61,000.00	\$ 57,471.46	\$	\$ 3,528.54	\$
Other Expenses	3,200.00	3,200.00	1,129.83		2,070.17	
Housing Inspector:						
Salaries and Wages	48,000.00	48,000.00	47,518.34		481.66	
Other Expenses	5,800.00	5,800.00	3,257.63		2,542.37	
Total Operations Within "CAPS"	<u>2,170,215.00</u>	<u>2,297,161.00</u>	<u>1,982,154.17</u>	<u>133,503.75</u>	<u>181,503.08</u>	<u>-</u>
Detail:						
Salaries and Wages	716,610.00	713,410.00	681,697.51	-	31,712.49	-
Other Expenses	1,453,605.00	1,583,751.00	1,300,456.66	133,503.75	149,790.59	-
<u>DEFERRED CHARGES AND STATUTORY</u>						
<u>EXPENDITURES - MUNICIPAL WITHIN "CAPS":</u>						
STATUTORY EXPENDITURES:						
Contribution to:						
Public Employees' Retirement System of NJ	62,616.00	57,616.00	56,233.00		1,383.00	
Social Security System (O.A.S.I.)	55,000.00	55,000.00	51,541.23		3,458.77	
Defined Contribution Retirement Program	1,000.00	1,000.00			1,000.00	
Unemployment Compensation	1,500.00	1,500.00	1,500.00			
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"	<u>120,116.00</u>	<u>115,116.00</u>	<u>109,274.23</u>	<u>-</u>	<u>5,841.77</u>	<u>-</u>
CASH DEFICIT OF PRECEDING YEAR	<u>77,657.37</u>	<u>77,657.37</u>	<u>77,657.37</u>			
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	<u>2,367,988.37</u>	<u>2,489,934.37</u>	<u>2,169,085.77</u>	<u>133,503.75</u>	<u>187,344.85</u>	<u>-</u>

(Continued)

**TOWNSHIP OF COMMERCIAL**  
**CURRENT FUND**  
Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2014

	Appropriations		Paid or Charged			Unexpended Balance Canceled
	Budget	Budget After Modification	Expended	Encumbered	Reserved	
<b>OPERATIONS EXCLUDED FROM "CAPS" :</b>						
Recycling Tax	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$	\$	\$
Insurance (N.J.S.A. 40A:4-45.3(00))						
Group Insurance Plan for Employees	5,747.00	5,747.00	5,747.00			
Joint Costs Intermunicipal Court Agreement						
Salaries and Wages	8,500.00	8,500.00	8,500.00			
Other Expenses	1,500.00	1,500.00	1,500.00			
Interlocal Municipal Service Agreements:						
SFSP Fire District Payment	1,871.00	1,871.00	1,871.00			
<b>PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES:</b>						
NJ Department of Environmental Protection:						
Clean Communities (N.J.S.A. 40A-4:87, \$14,391.37+)		14,391.37	14,391.37			
Municipal Alliance for Alcohol and Drug Abuse	5,000.00	5,000.00	5,000.00			
2014 Small Cities Grant Laurel Lake	380,000.00	380,000.00	380,000.00			
2014 Small Cities Grant Laurel Lake - Grant Match	25,000.00	25,000.00	25,000.00			
2014 ANJEC Grant - Lake Audrey Project (N.J.S.A. 40A-4:87, \$1,500+)		1,500.00	1,500.00			
2014 NJDOT Municipal Aid Program -						
Raymond Drive (N.J.S.A. 40A-4:87, \$190,000+)		190,000.00	190,000.00			
2014 USDA Search Grant (N.J.S.A. 40A-4:87, \$30,000+)		30,000.00	30,000.00			
Recycling Tonnage Grants Unappropriated Balance	5,897.37	5,897.37	5,897.37			
JIF Safety Awards Program	750.00	750.00	750.00			
<b>TOTAL OPERATIONS - EXCLUDED FROM "CAPS"</b>	<b>440,265.37</b>	<b>676,156.74</b>	<b>676,156.74</b>	<b>-</b>	<b>-</b>	<b>-</b>
Detail:						
Salaries and Wages	8,500.00	8,500.00	8,500.00	-	-	-
Other Expenses	431,765.37	667,656.74	667,656.74	-	-	-
<b>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS":</b>						
Capital Improvement Fund	40,000.00	40,000.00	40,000.00			
Reserve for Equipment Replacement	26,000.00	26,000.00	26,000.00			
<b>TOTAL CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</b>	<b>66,000.00</b>	<b>66,000.00</b>	<b>66,000.00</b>	<b>-</b>	<b>-</b>	<b>-</b>

(Continued)

**TOWNSHIP OF COMMERCIAL**  
**CURRENT FUND**  
 Statement of Expenditures - Regulatory Basis  
 For the Year Ended December 31, 2014

	Appropriations		Paid or Charged			Unexpended Balance Canceled
	Budget	Budget After Modification	Expended	Encumbered	Reserved	
<b><u>MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS":</u></b>						
Payment of Bond Anticipation Notes	\$ 194,000.00	\$ 194,000.00	\$ 194,000.00	\$	\$	\$
Interest on Notes	18,028.47	18,028.47	17,978.38			50.09
Loan Repayments for Principal and Interest	2,500.00	2,500.00				2,500.00
<b>TOTAL MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</b>	<b>214,528.47</b>	<b>214,528.47</b>	<b>211,978.38</b>	<b>-</b>	<b>-</b>	<b>2,550.09</b>
<b><u>DEFERRED CHARGES - MUNICIPAL EXCLUDED FROM "CAPS":</u></b>						
Special Emergency Authorization	4,000.00	4,000.00	4,000.00			
<b>TOTAL DEFERRED CHARGES -MUNICIPAL EXCLUDED FROM "CAPS"</b>	<b>4,000.00</b>	<b>4,000.00</b>	<b>4,000.00</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TRANSFERRED TO BOARD OF EDUCATION FOR USE OF LOCAL SCHOOLS</b>	<b>6,054.00</b>	<b>6,054.00</b>	<b>6,054.00</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"</b>	<b>730,847.84</b>	<b>966,739.21</b>	<b>964,189.12</b>	<b>-</b>	<b>-</b>	<b>2,550.09</b>
<b>SUBTOTAL GENERAL APPROPRIATIONS</b>	<b>3,098,836.21</b>	<b>3,456,673.58</b>	<b>3,133,274.89</b>	<b>133,503.75</b>	<b>187,344.85</b>	<b>2,550.09</b>
<b>RESERVE FOR UNCOLLECTED TAXES</b>	<b>547,298.80</b>	<b>547,298.80</b>	<b>547,298.80</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL GENERAL APPROPRIATIONS</b>	<b>\$ 3,646,135.01</b>	<b>\$ 4,003,972.38</b>	<b>\$ 3,680,573.69</b>	<b>\$ 133,503.75</b>	<b>\$ 187,344.85</b>	<b>\$ 2,550.09</b>
Appropriation by 40A: 4-46		\$ 121,946.00				
Appropriation by 40A: 4-87		235,891.37				
Adopted Budget		3,646,135.01				
		<b>\$ 4,003,972.38</b>				

(Continued)

**TOWNSHIP OF COMMERCIAL**  
**CURRENT FUND**  
 Statement of Expenditures - Regulatory Basis  
 For the Year Ended December 31, 2014

	Appropriations		Paid or Charged			Unexpended Balance Canceled
	Budget	Budget After Modification	Expended	Encumbered	Reserved	
Deferred Charges - Special Emergency			\$ 4,000.00			
Deferred Charges - Prior Year Cash Deficit			77,657.37			
Federal State and Other Grants Appropriated			627,538.74			
Due to Federal, State and Other Grant Fund Federal State and Other Grants Appropriated			25,000.00			
Transferred to Local School District Payable			6,054.00			
Transferred to Reserve for Equipment Replacement			26,000.00			
Transferred to Contracts Payable			121,946.00			
Due to Trust Other Fund - Unemployment Appropriation			1,500.00			
Due to General Capital Fund -- Capital Improvement Fund			40,000.00			
Reserve for Uncollected Taxes			547,298.80			
Disbursed			<u>2,203,578.78</u>			
			\$ <u><u>3,680,573.69</u></u>			

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



**TOWNSHIP OF COMMERCIAL**  
**TRUST FUND**  
 Statements of Assets, Liabilities, and Reserves - Regulatory Basis  
 As of December 31, 2014 and 2013

	Ref.	2014	2013
<b>Assets:</b>			
<b>Animal Control Fund:</b>			
Cash - Chief Financial Officer	SB-1	\$ 5,346.00	\$ 9,882.54
		<u>5,346.00</u>	<u>9,882.54</u>
<b>Trust Other Fund:</b>			
Cash - Chief Financial Officer	SB-1	313,415.04	317,702.12
Cash - Tax Collector	SB-2	18,688.77	5,170.16
Due from Current Fund	SB-6	1,885.45	4,303.18
		<u>333,989.26</u>	<u>327,175.46</u>
		<u>\$ 339,335.26</u>	<u>\$ 337,058.00</u>
<b>Liabilities and Reserves:</b>			
<b>Animal Control Fund:</b>			
Due to Current Fund	SB-3	\$ 362.30	\$ 4,386.64
Reserve for Animal Control Fund Expenditures	SB-5	4,983.70	5,495.90
		<u>5,346.00</u>	<u>9,882.54</u>
<b>Trust Other Fund:</b>			
Fish and Game -- Due to State or Agent	SB-7	979.77	663.32
<b>Miscellaneous Trust Reserves</b>			
Deposits for Redemption of Tax Sale Certificates	SB-8	474.57	463.13
Tax Sale Premiums	SB-8	18,200.00	4,700.00
Unemployment	SB-8	39,214.65	42,531.12
<b>Sanitary Landfill Closure:</b>			
Post Closure Landfill Escrow	SB-8	151,258.60	151,107.43
DEP Closure Escrow Account	SB-8	29,668.83	29,654.00
Recreational Donations	SB-8	11,424.34	14,564.05
Planning Board Escrow	SB-8	19,967.34	30,044.49
Public Defender Fees	SB-8	2,500.50	5,119.58
Compensated Absences	SB-8	57,585.69	47,535.20
Payroll Taxes Payable	SB-8	2,714.97	793.14
		<u>333,989.26</u>	<u>327,175.46</u>
		<u>\$ 339,335.26</u>	<u>\$ 337,058.00</u>

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

**TOWNSHIP OF COMMERCIAL**  
**GENERAL CAPITAL FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balances - Regulatory Basis  
 As of December 31, 2014 and 2013

Assets:	Ref.	2014	2013
Due from Current Fund	SC-2	\$ 48,402.41	\$ 74,517.50
Grant Receivable -- Robbinstown Library	C	110,000.00	110,000.00
Deferred Charges to Future Taxation:			
Unfunded	SC-3	<u>1,301,408.00</u>	<u>1,495,408.00</u>
		<u>\$ 1,459,810.41</u>	<u>\$ 1,679,925.50</u>
Liabilities, Reserves and Fund Balance:			
Bond Anticipation Notes	SC-6	\$ 1,151,408.00	\$ 1,345,408.00
Improvement Authorizations:			
Funded	SC-4	13,143.23	101,373.51
Unfunded	SC-4	13,501.93	13,501.93
Reserve for Encumbrances	SC-4	69,757.01	20,557.97
Deferred Revenue - Insurance Reimbursement	SC-2	47,916.15	
Reserve for Grant Receivable -- Robbinstown Library	C	110,000.00	110,000.00
Capital Improvement Fund	SC-5	44,795.03	79,795.03
Fund Balance	C	<u>9,289.06</u>	<u>9,289.06</u>
		<u>\$ 1,459,810.41</u>	<u>\$ 1,679,925.50</u>

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

**TOWNSHIP OF COMMERCIAL**  
**GENERAL FIXED ASSET ACCOUNT GROUP**  
Statement of Changes in General Fixed Assets -- Regulatory Basis  
For the Year Ended December 31, 2014

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	Balance <u>Dec. 31, 2013</u>	<u>Additions</u>	Balance <u>Dec. 31, 2014</u>
General Fixed Assets:			
Land, Buildings and Improvements	\$ 3,638,000.00	\$ 30,500.00	\$ 3,668,500.00
Furniture, Fixtures, and Equipment	346,044.00	21,029.00	367,073.00
Vehicles	760,325.00	_____	760,325.00
	<u>_____</u>	<u>_____</u>	<u>_____</u>
Total General Fixed Assets	<u>\$ 4,744,369.00</u>	<u>\$ 51,529.00</u>	<u>\$ 4,795,898.00</u>
Total Investment in General Fixed Assets	<u>\$ 4,744,369.00</u>	<u>\$ 51,529.00</u>	<u>\$ 4,795,898.00</u>

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

**TOWNSHIP OF COMMERCIAL**  
**Notes to Financial Statements**  
**For the Year Ended December 31, 2014**

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

**Description of Financial Reporting Entity** - The Township of Commercial was incorporated in February 27, 1874 and is located in in southwest New Jersey approximately sixty miles south of the City of Philadelphia. The Township has a total area of 34.5 square miles. The population according to the 2010 census is 5,178.

The Township of Commercial is governed under the Township form of government with a three-member Township Committee. The Township Committee is elected directly by the voters in partisan elections to serve three-year terms of office on a staggered basis with one seat coming up for election each year. At an annual reorganization meeting, the Township Committee selects one of its members to serve as Mayor and another as Deputy Mayor. Executive and administrative responsibility rests with the Mayor, who is assisted by the Township Clerk.

**Component Units** - The Township of Commercial had no component units as defined by Governmental Accounting Standards Board Statement No. 14 as amended by GASB Statements No. 39 and No. 61.

**Basis of Accounting, Measurement Focus and Basis of Presentation** - The financial statements of the Township of Commercial 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 States of America applicable to local government units. The more significant differences are explained in this Note.

In accordance with the "Requirements", the Township of Commercial 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, State and Other grant funds.

**Trust Funds** - 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.

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

**Budgets and Budgetary Accounting** - The Township of Commercial 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 10 of each year. At introduction, the governing body shall 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 the Division 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 Township's financial statements.

**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 authorities and other state agencies.

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the Governmental Units.

The cash management plan adopted by the Township of Commercial 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.

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

**Inventories of Supplies** - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various statements 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 Township has adopted a capitalization threshold of \$5,000, 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. 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 Township 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 Township's basic financial statements.

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.

**Liens Sold for Other Governmental Units** - Liens sold on behalf of other governmental units are not recorded on the records of the tax collector until such liens are collected. Upon their collection, such liens are recorded as a liability due to the governmental unit net of the costs of the initial sale. The related costs of sale are recognized as revenue when received.

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

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

**Revenues** - 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 Township's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the Township's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Township which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

**Property Tax Revenues** - 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 Township's annual budget, but also the amounts required in support of the budgets of the County of Cumberland, Township of Commercial School District, Township of Commercial Fire District No. 1, Township of Commercial Fire District No. 2, and Township of Commercial Fire District No. 3. Unpaid property taxes are subject to tax sale in accordance with the statutes.

**School Taxes** - The municipality is responsible for levying, collecting and remitting school taxes for the Township of Commercial School District. Operations is charged for the full amount required to be raised from taxation to operate the local school district for the period from July 1 to June 30, increased by the amount deferred at December 31, 2013 and decreased by the amount deferred at December 31, 2014.

**County Taxes** - The municipality is responsible for levying, collecting and remitting county taxes for the County of Cumberland. 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 10 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 10 of the current year and due to be paid to the County by February 15 of the following year.

**Fire District Taxes** - The municipality is responsible for levying, collecting, and remitting Fire District Taxes for Township of Commercial Fire District No. 1, Township of Commercial Fire District No. 2, and Township of Commercial Fire District No. 3. Operations are charged for the full amount required to be raised by taxation to support the districts for the year.

**Reserve for Uncollected Taxes** - The inclusion of the "Reserve for Uncollected Taxes" appropriation in the Township's annual budget protects the Township 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** - Expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when paid. However, for charges to amounts appropriated for "other expenses", an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed in accordance with N.J.A.C. 5:30-5.2. When encumbered charges are 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.

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

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

**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 Postemployment 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 postemployment benefits, if any, which are also funded on a pay-as-you-go basis.

Note 2: **CASH AND CASH EQUIVALENTS**

**Custodial Credit Risk Related to Deposits** - Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits might not be recovered. Although the Township does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the municipality in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds, or funds that may pass to the municipality 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 Township's bank balances of \$2,734,006.01 were exposed to custodial credit risk as follows:

Uninsured and Collateralized with Securities Held by Pledging Financial Institutions	<u>\$2,230,931.88</u>
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**New Jersey Cash Management Fund** - During the year, the Township participated in the New Jersey Cash Management Fund. The Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Funds participants. Deposits with the New Jersey Cash Management Fund are not subject to custodial credit risk as defined above. At December 31, 2014 the Township's deposits with the New Jersey Cash Management Fund are \$15,935.74.



Note 3: **PROPERTY TAXES**

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

**Comparative Schedule of Tax Rates**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Tax Rate	<u>\$2.076</u>	<u>\$2.070</u>	<u>\$2.065</u>	<u>\$2.120</u>	<u>\$2.04</u>
Apportionment of Tax Rate:					
Municipal	\$ .567	\$ .587	\$ .587	\$ .587	\$ .59
County	.899	.852	.848	.921	.84
Local School	.610	.631	.630	.612	.61

**Assessed Valuation**

2014	\$289,045,452.00
2013	290,452,484.00
2012	292,186,242.00
2011	291,994,019.00
2010	291,059,136.00

**Comparison of Tax Levies and Collections**

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2014	\$6,796,895.94	\$6,321,380.98	93.00%
2013	6,758,292.35	6,273,807.62	92.83%
2012	6,788,124.36	6,268,969.88	92.35%
2011	6,927,311.78	6,395,667.41	92.32%
2010	6,662,524.70	6,215,839.21	93.30%

**Delinquent Taxes and Tax Title Liens**

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2014	\$609,594.70	\$354,889.41	\$964,484.11	14.19%
2013	484,516.08	355,082.62	839,598.70	12.42%
2012	470,242.36	417,702.63	887,944.99	13.08%
2011	381,758.28	416,744.42	798,502.70	11.52%
2010	436,866.90	370,875.11	807,742.01	12.12%

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

<u>Year</u>	<u>Number</u>
2014	238
2013	242
2012	244
2011	237
2010	231

Note 4: **PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION**

The value of property acquired by liquidation of tax title liens on December 31, on the basis of the last assessed valuation of such properties, for the current and previous four years was as follows:

<u>Year</u>	<u>Amount</u>
2014	\$985,500.00
2013	985,500.00
2012	876,000.00
2011	2,310,150.00
2010	1,771,750.00
	1,771,750.00

Note 5: **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.

<u>Year</u>	<u>Balance Dec. 31</u>	<u>Utilized In Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2014	\$1,753,280.47	\$325,000.00 (1)	18.54%
2013	847,756.12	330,000.00	38.93%
2012	1,250,756.12	403,000.00	32.22%
2011	922,924.85	312,500.00	33.86%
2010	572,271.25	159,000.00	27.78%

(1) Budget, as Introduced on March 19, 2015

Note 6: **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:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Fund	\$58,236.44	\$50,287.86
Animal Control Trust Fund		362.30
Trust-- Other Funds	1,885.45	
General Capital Fund	48,402.41	
Federal, State and Other Grant Fund		57,874.14
	<u>\$108,524.30</u>	<u>\$108,524.30</u>

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During 2015, the Township expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 7: **PENSION PLANS**

The Township of Commercial contributes to a cost-sharing multiple-employer defined benefit pension plan, the Public Employees' Retirement System (PERS), which is administered by the New Jersey Division of Pensions and Benefits. In addition, the Township also offers employees the opportunity to 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% of their annual covered salary. Effective July 1, 2008, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. For employees enrolled in the retirement system prior to July 1, 2008, the increase is effective with the payroll period that begins immediately after July 1, 2008. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased to 6.5% plus an additional 1.0% phased-in over seven years. The phase-in of the additional incremental member contribution amount began July 1, 2012 and increases each subsequent July 1. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, the statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Paid by Township</u>
2014	\$11,186.00	\$45,047.00	\$56,233.00	\$56,233.00
2013	15,336.00	30,511.00	45,847.00	45,847.00
2012	27,530.00	46,224.00	73,754.00	73,754.00

**Defined Contribution Retirement Program** - The Defined Contribution Retirement Program ("DCRP") is a single-employer defined contribution pension fund which was established on July 1, 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 Defined Contribution Retirement Program Board oversees the DCRP, which is administered for the Division of Pensions and Benefits by Prudential Financial. 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.

**Note 7: PENSION PLANS (CONT'D)**

**Defined Contribution Retirement Program – (Cont'd)** 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 Township's contribution amounts for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

The Township did not have any employees participate in the DCRP program during 2014.

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

**Note 8: POSTEMPLOYMENT HEALTHCARE BENEFITS PLAN**

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

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. In 1975, the Township authorized participation in the SHBP's post-retirement benefit program through resolution number 75-11. In 2009, the Township authorized participation in the SHBP's post-retirement dental coverage effective July 1, 2009 through resolution number 2009-45. The Township will pay 100% of the premium for health and dental benefits for all employees who retire from the Township with 25 years or more of service credited in the NJ pension system.

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

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

Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Township on a monthly basis. The Township funds these benefits on a pay-as-you-go basis for all eligible employees and therefore does not record accrued expense related to these benefits.

The Township contributions to SHBP for the years ended December 31, 2014, 2013, and 2012, were \$57,818.88, \$55,273.92, and \$53,554.44, respectively, which equaled the required contributions for each year. There were approximately 4, 4, and 4 retired participants eligible at December 31, 2014, 2013, and 2012, respectively.

**Note 9: COMPENSATED ABSENCES**

Full-time employees are entitled to fifteen paid sick leave days each year. Unused sick leave may be accumulated and carried forward to the subsequent year. Vacation days not used during the year may be accumulated and carried forward.

The Township of Commercial compensates employees for unused sick leave and vacation days upon termination or retirement. The current policy for unused sick pay is that an employee that has reached the age of 55 and accumulated 10 years of service at the Township will be compensated for ½ of the sick pay at the current rate of pay upon retirement. The unused vacation days will be paid out at the full number of days the employee has accumulated on a pro-rated basis.

The Township does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2014, accrued benefits for compensated absences are valued at \$98,259.28

**Note 10: DEFERRED COMPENSATION SALARY ACCOUNT**

The Township 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 benefit of participating employees and not be accessible by the Township or its creditors. Since the Township does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Township's financial statements.

**Note 11: SANITARY LANDFILL ESCROW CLOSURE FUND**

On February 21, 1996, an administrative consent order was entered into pursuant to the authority vested in the Commissioner of the New Jersey Department of Environmental Protection, the Solid Waste Management Act, the Sanitary Landfill Closure and Contingency Fund Act, and the New Jersey Water Pollution Control Act. The consent order commits Commercial Township to provide financing for Closure and Post-Closure activities at its facility, and to provide written documentation of the financing to NJDEP, and also provides stipulated penalties for any failure to do so. The sanitary landfill closure period is 1996 and the post-closure period is 1996-2026.

There is a financial plan that has been adopted by the Township and requires the Township to budget a pre-determined amount for these costs each year. The accumulated reserve for post-closure costs as of December 31, 2014 and 2013 was \$180,927.43 and \$180,761.43. These monies are placed in a trust fund that may not be expended without the approval of the New Jersey Department of Environmental Protection. The estimates of the required amounts are based on investment and inflation assumption factors developed by the Department of Environmental Protection. However, the escrow closure fund balance at year-end does not necessarily represent the estimated cost of closure and post closure cost as of that date. The required balance of the fund merely represents the amount required to be escrowed in accordance with the statute. Actual costs associated with closure are not known. The plan is required to be modified and updated, if necessary, every two years; however the Township is currently not in compliance with this requirement.

Note 11: **SANITARY LANDFILL ESCROW CLOSURE FUND (CONT'D)**

On February 17, 2011, the Township Committee adopted Resolution 2011-24 declaring the site of landfill and surrounding area to be an area in need of redevelopment pursuant to the Local Redevelopment and Housing Law and designating this area as the Landfill Redevelopment Area; which received New Jersey Department of Community Affairs' conditional approval on March 3, 2011. The Resolution further directed the Township Engineer to prepare a Redevelopment Plan for the Landfill Redevelopment Area.

In resolution 2012-109, adopted August 16, 2012, the Township indicated it was in negotiations to redevelop the landfill property as a solar energy power production facility.

Note 12: **LEASE OBLIGATIONS**

At December 31, 2014, the Township had lease agreements in effect for the following:

Operating:

Savin Digital Copier System  
Pitney Bowes Digital Mailing System

The following is an analysis of operating leases.

Operating Leases - Future minimum rental payments under operating lease agreements are as follows:

<b><u>Year</u></b>	<b><u>Amount</u></b>
2015	\$4,532.64
2016	4,532.64
2017	4,532.64
2018	2,337.20

Rental payments under operating leases for the year 2014 were \$4,532.64

Note 13: **CAPITAL DEBT****Summary of Debt**

	<u>Year 2014</u>	<u>Year 2013</u>	<u>Year 2012</u>
<b><u>Issued</u></b>			
General:			
Bonds and Notes	\$1,151,408.00	\$1,345,408.00	\$1,525,408.00
<b><u>Authorized but not Issued</u></b>			
General:			
Bonds and Notes	150,000.00	150,000.00	150,000.00
Total Authorized but Not Issued	150,000.00	150,000.00	150,000.00
Total Issued and Authorized but Not Issued	1,301,408.00	1,495,408.00	1,675,408.00
Deductions:			
Funds Temporarily Held To Pay Debt	---	---	---
Net Debt	\$1,301,408.00	\$1,495,408.00	\$1,675,408.00

**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 0.535%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District	\$1,565,000.00	\$1,565,000.00	
General	1,301,408.00		\$1,301,408.00
	\$2,866,408.00	\$1,565,000.00	\$1,301,408.00

Net Debt \$1,301,408.00 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, \$243,399,963.00 equals 0.535%

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$8,518,998.71
Net Debt	1,301,408.00
Remaining Borrowing Power	\$7,217,590.71

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 statement of assets, liabilities, reserves and fund balance of the following fund:

	<b><u>Balance Dec. 31, 2014</u></b>	<b><u>2015 Budget Appropriation</u></b>
Current Fund:		
Emergency Appropriation	\$121,946.00	(1)
Operating Deficit	2,170.00	\$2,170.00

(1) The Township adopted a refunding ordinance to fund the deferred charge on February 19, 2015.

The appropriations in the 2015 Budget, as introduced on March 19, 2015, are not less than that required by the statutes.

Note 15: **SCHOOL TAXES**

Local School Tax has been raised and the liability deferred by statutes, resulting in the school tax payable set forth in the Current Fund liabilities as follows:

	<b><u>Balance Dec. 31,</u></b>	
	<b><u>2014</u></b>	<b><u>2013</u></b>
Balance of Tax	\$85,775.50	\$127,393.50
Deferred	794,919.00	794,919.00
	<u>\$880,694.50</u>	<u>\$922,312.50</u>

Note 16: **JOINT INSURANCE POOL**

The Township of Commercial is a member of the Atlantic County Municipal Joint Insurance Fund. The Fund provides its members with the following coverage:

- Workers' Compensation and Employer's Liability
- Liability other than Motor Vehicles
- Property Damage other than Motor Vehicles
- Motor Vehicles
- Public Employee Liability

Contributions to the Fund, including a reserve for contingencies, are payable in two installments and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Insurance may order additional assessments to supplement the Fund's claim, loss retention or administrative accounts to assure the payment of the Fund's obligations.

The Fund provides the Township with the following coverage:

- Property - Blanket Building and Grounds
- General and Automobile Liability
- Workers' Compensation and Employer's Liability
- Public Employee and Official Bonds



Note 16: **JOINT INSURANCE POOL (CONT'D)**

Contributions to the Fund, are payable in an annual premium and is based on actuarial assumptions determined by the Fund's actuary. The Township's agreement with the pool provides that the pool will be self-sustaining through member premiums and will reinsure through the Municipal Excess Liability Joint Insurance Fund for claims in excess of \$50,000 to \$200,000 based on the line of coverage for each insured event.

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

Atlantic County Municipal Joint Insurance Fund  
6000 Sagemore Drive Suite 6203  
PO BOX 488  
Marlton, New Jersey 08053

Note 17: **NEW JERSEY UNEMPLOYMENT COMPENSATION INSURANCE**

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

<u>Year</u>	<u>Township Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2014	\$1,500.00	\$6,385.42	\$39,214.65
2013	100.00	186.71	42,531.12
2012	100.00	829.82	41,117.09

Note 18: **LITIGATION**

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

**SUPPLEMENTAL EXHIBITS**

**SUPPLEMENTAL EXHIBITS**

**CURRENT FUND**

**TOWNSHIP OF COMMERCIAL**  
**CURRENT FUND**  
Statement of Current Cash - Chief Financial Officer  
For the Year Ended December 31, 2014

Balance December 31, 2013		\$	1,379,859.12
Increased by Receipts:			
Tax Collector	\$	6,609,820.78	
Township Clerk		111,955.41	
Due from State - Senior Citizens & Veterans Deductions		75,941.24	
Due to Federal, State and Other Grant Fund:			
Federal, State and Other Grants Receivable		1,061,289.45	
Trust Other Fund		1,660.00	
General Capital Fund		47,916.15	
Revenue Accounts Receivable		854,365.84	
Miscellaneous Revenue Not Anticipated		4,754.49	
Uniform Construction Code Fees -Due to State of New Jersey		2,037.00	
Animal Control Trust Fund Receipts		7,688.04	
		<u>8,777,428.40</u>	
			10,157,287.52
Decreased by Disbursements:			
2013 Appropriation Reserves		86,819.54	
2014 Appropriations		2,203,578.78	
County Taxes		2,593,839.69	
Due County for Added and Omitted Taxes		3,785.62	
Local District School Tax		1,809,061.00	
Fire District Taxes		772,876.00	
Refund Tax Overpayments		27,787.07	
Uniform Construction Code Fees -Due to State of New Jersey		2,614.00	
Reserve for Equipment Replacement		22,199.00	
Federal, State and Other Grant Expenditures		364,442.24	
Federal, State and Other Grant Contracts Payable Expenditure		4,116.16	
Trust Other Fund		5,570.56	
General Capital Fund		114,031.24	
		<u>8,010,720.90</u>	
Balance December 31, 2014		\$	<u><u>2,146,566.62</u></u>

**TOWNSHIP OF COMMERCIAL**  
**CURRENT FUND**  
Statement of Current Cash - Collector  
For the Year Ended December 31, 2014

Balance December 31, 2013		\$ 183,346.76
Increased by Receipts:		
Taxes Receivable	\$ 6,403,940.87	
Tax Title Liens	58,852.95	
Prepaid Taxes	95,859.49	
Tax Overpayments	9,378.25	
Revenue Accounts Receivable:		
Interest and Costs on Taxes	\$ 56,692.00	
Interest on Investments	363.70	
	57,055.70	
Miscellaneous Revenue Not Anticipated	241.00	
		6,625,328.26
		6,808,675.02
Decreased by Disbursements:		
Payment to Treasurer		6,609,820.78
Balance December 31, 2014		\$ 198,854.24

**TOWNSHIP OF COMMERCIAL**  
**CURRENT FUND**  
Statement of Current Cash - Township Clerk  
For the Year Ended December 31, 2014

Balance December 31, 2013		\$ 32,828.14
Increased by Receipts:		
Revenue Accounts Receivable		
Interest Earned	\$ 4.32	
Land Sale - Foreclosed Properties	27,730.00	
Land Sale - Other Properties	850.00	
Salt Mining Annual Fee	49,681.25	
	\$ 78,265.57	
Due to State of New Jersey - Marriage License Fees		575.00
Election Reimbursements (Contra)		7,000.00
Clerk - Miscellaneous Revenue Not Anticipated		4,189.75
		90,030.32
		122,858.46
Decreased by Disbursements:		
Payment to Treasurer		111,955.41
Payment to State of New Jersey:		
Marriage License Fees		725.00
Election Costs (Contra)		7,000.00
		119,680.41
Balance December 31, 2014		\$ 3,178.05
<u>Analysis of Balance, December 31, 2014</u>		
Due to Treasurer's Account		\$ 2,253.05
Marriage License Fees		125.00
Reserve for Land Sale		800.00
		\$ 3,178.05

**TOWNSHIP OF COMMERCIAL**  
CURRENT FUND  
Schedule of Change Funds  
For the Year Ended December 31, 2014

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<u>Office</u>	<u>Balance</u> <u>Dec. 31, 2014</u>
Tax Collector	\$ 300.00
Clerk	50.00
Animal Control	50.00
Municipal Court	<u>150.00</u>
	<u>\$ 550.00</u>

**TOWNSHIP OF COMMERCIAL**  
**CURRENT FUND**  
 Statement of Taxes Receivable and Analysis of Property Tax Levy  
 For the Year Ended December 31, 2014

Year	Balance		Added Taxes	Collections		Canceled	Transferred to Tax Title Liens	Balance Dec. 31, 2014
	Dec. 31, 2013	2014 Levy		2013	2014			
Arrears	\$ 30,094.33	\$	\$ 4,978.42	\$	\$ 2,801.72	\$	\$	\$ 32,271.03
2009	98.70							98.70
2010	256.92		3,000.00		3,000.00		174.79	82.13
2011	2,552.36		3,000.00		5,010.89	250.00	182.57	108.90
2012	11,974.79				5,079.42		4,763.45	2,131.92
2013	<u>310,105.52</u>		<u>5,308.76</u>		<u>264,754.64</u>	<u>67.95</u>	<u>36,396.35</u>	<u>14,195.34</u>
	355,082.62	-	16,287.18	-	280,646.67	317.95	41,517.16	48,888.02
2014		<u>6,796,895.94</u>	<u>871.29</u>	<u>113,336.78</u>	<u>6,208,044.20</u>	<u>32,855.44</u>	<u>137,529.42</u>	<u>306,001.39</u>
	<u>\$ 355,082.62</u>	<u>\$ 6,796,895.94</u>	<u>\$ 17,158.47</u>	<u>\$ 113,336.78</u>	<u>\$ 6,488,690.87</u>	<u>\$ 33,173.39</u>	<u>\$ 179,046.58</u>	<u>\$ 354,889.41</u>
					\$ 6,403,940.87			
					<u>84,750.00</u>			
					<u>\$ 6,488,690.87</u>			
<u>Analysis of 2014 Property Tax Levy</u>								
<u>Tax Yield:</u>								
						\$ 6,774,774.82		
						<u>22,121.12</u>		
							<u>\$ 6,796,895.94</u>	
<u>Tax Levy:</u>								
						\$ 1,761,389.00		
County Taxes:								
					\$ 2,446,821.04			
					121,853.97			
					25,164.68			
					<u>8,455.00</u>			
						2,602,294.69		
Fire Districts Taxes:								
					202,781.00			
					192,245.00			
					<u>377,850.00</u>			
						772,876.00		
					1,638,195.39			
					13,666.12			
					<u>8,474.74</u>			
						<u>1,660,336.25</u>		
							<u>\$ 6,796,895.94</u>	



**TOWNSHIP OF COMMERCIAL**  
**CURRENT FUND**  
 Statement of Tax Title Liens  
 For the Year Ended December 31, 2014

Balance December 31, 2013		\$ 484,516.08
Increased by:		
Transfers from Taxes Receivable	\$ 179,046.58	
Interest and Costs at Tax Sale	<u>5,984.82</u>	
		<u>185,031.40</u>
		669,547.48
Decreased by:		
Collections	58,852.95	
Canceled	<u>1,099.83</u>	
		<u>59,952.78</u>
Balance December 31, 2014		<u><u>\$ 609,594.70</u></u>

**TOWNSHIP OF COMMERCIAL**  
**CURRENT FUND**  
Statement of Due From State of New Jersey - Veterans and Senior Citizens Deductions  
For the Year Ended December 31, 2014

Balance December 31, 2013		\$	9,942.32
Increased by:			
Deductions per Tax Billing:			
Senior Citizen	\$	45,500.00	
Veterans		40,000.00	
		85,500.00	
Deductions Allowed by Tax Collector - 2014 Taxes		750.00	
		86,250.00	
Deductions Disallowed by Tax Collector - 2014 Taxes		1,500.00	
			84,750.00
			94,692.32
Decreased by:			
Received from State of New Jersey		75,941.24	
Deductions Disallowed by Tax Collector - Prior Years		11,308.76	
			87,250.00
Balance December 31, 2014		\$	7,442.32
<u>Analysis of Amount Realized:</u>			
Senior Citizens' and Veterans' Deductions Per Tax Billings	\$	85,500.00	
Senior Citizens' and Veterans'		750.00	
Deductions Allowed by Tax Collector - 2014 Taxes			86,250.00
Less:			
Senior Citizens' and Veterans'			1,500.00
Deductions Disallowed by Tax Collector - 2014 Taxes			1,500.00
			84,750.00

**TOWNSHIP OF COMMERCIAL**  
**CURRENT FUND**  
Statement of Revenue Accounts Receivable  
For the Year Ended December 31, 2014

	Balance Dec. 31, 2013	Accrued In 2014	Collected	Balance Dec. 31, 2014
Miscellaneous Revenue Anticipated:				
Fines and Costs:				
Municipal Court	\$ 2,795.80	\$ 27,256.03	\$ 28,956.99	\$ 1,094.84
Interest and Costs on Taxes		56,692.00	56,692.00	
Rental Property - New Jersey State Police		40,880.04	40,880.04	
Rental Property - Post Office		102,375.00	102,375.00	
Rental Registrations		61,475.00	61,475.00	
Salt Mining Annual Fee		49,681.25	49,681.25	
Cable Franchise Fees		14,412.53	14,412.53	
Nextel Tower Rental		25,856.16	25,856.16	
Consolidated Municipal Property Tax Relief Aid		36,843.00	36,843.00	
Energy Receipts Tax (P.L. 1997, Chapters 162 & 167)		424,370.00	424,370.00	
Garden State Trust		73,093.00	73,093.00	
Uniform Construction Codes Fees		26,979.00	26,979.00	
Investment Interest	0.30	2,318.59	2,318.63	0.26
Joint Court Service Fee		10,000.00	10,000.00	
Miscellaneous Revenue not Anticipated:				
Municipal Court Fines - Downe Township	344.64	2,571.13	2,261.95	653.82
Land Sale - Foreclosed Properties	27,730.00		27,730.00	
Land Sale - Other Properties	850.00		850.00	
POAA Fees	13.50	91.50	99.00	6.00
Uniform Construction Codes Fees:				
Zone Applications		1,250.00	1,250.00	
Certificate of Occupancy		3,575.00	3,575.00	
	<u>\$ 31,734.24</u>	<u>\$ 959,719.23</u>	<u>\$ 989,698.55</u>	<u>\$ 1,754.92</u>
			\$ 854,365.84	
			57,055.70	
			78,265.57	
			4.27	
			7.17	
			<u>\$ 989,698.55</u>	

**TOWNSHIP OF COMMERCIAL**  
**CURRENT FUND**  
 Statement of Deferred Charges  
 N.J.S.A. 40A:4-55 Special Emergency - Tax Map Revisions  
 For the Year Ended December 31, 2014

<u>Date Authorized</u>	<u>Purpose</u>	<u>Net Amount Authorized</u>	<u>1/5 of Net Amount Authorized</u>	<u>Balance Dec. 31, 2013</u>	<u>Added</u>	<u>Canceled</u>	<u>Raised by Budget Appropriation</u>	<u>Balance Dec. 31, 2014</u>
5/21/2009	Tax Map Revisions	\$ 20,000.00	\$ 4,000.00	\$ <u>4,000.00</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>4,000.00</u>	\$ <u>-</u>

Exhibit SA-10

**TOWNSHIP OF COMMERCIAL**  
**CURRENT FUND**  
 Statement of Deferred Charges  
 For the Year Ended December 31, 2014

<u>Purpose</u>	<u>Balance Dec. 31, 2013</u>	<u>Added</u>	<u>Canceled</u>	<u>Raised by Budget Appropriation</u>	<u>Balance Dec. 31, 2014</u>
Emergency Authorization (N.J.S.A. 40A:4-46)	\$ 79,827.37	\$ 130,000.00	\$ 8,054.00	\$ 77,657.37	\$ 121,946.00
Cash Deficit	\$ 79,827.37	\$ 130,000.00	\$ 8,054.00	\$ 77,657.37	\$ 124,116.00

**TOWNSHIP OF COMMERCIAL**  
**CURRENT FUND**  
Statement of Appropriation Reserves  
For the Year Ended December 31, 2014

	December 31, 2013		Balance After Transfers	Disbursed	Accounts Payable	Balance Lapsed
	Reserved	Encumbered				
<b>OPERATIONS WITHIN "CAPS":</b>						
<b>GENERAL GOVERNMENT FUNCTIONS:</b>						
General Administration:						
Other Expenses	\$ 32,955.64	\$ 3,944.99	\$ 36,900.63	\$ 3,944.99	\$	\$ 32,955.64
Mayor and Committee:						
Salaries and Wages	11.00		11.00			11.00
Other Expenses	3,155.00		3,155.00			3,155.00
Municipal Clerk:						
Salaries and Wages	13,723.69		13,723.69			13,723.69
Other Expenses	4,698.95	155.50	4,854.45	155.50		4,698.95
Financial Administration - Treasury:						
Salaries and Wages	4,000.09		4,000.09			4,000.09
Other Expenses	2,253.89	111.75	2,365.64	111.75		2,253.89
Data Processing Center:						
Other Expenses	14,117.86	3,585.05	17,702.91	3,165.00	420.05	14,117.86
Revenue Administration - Tax Collection:						
Salaries and Wages	6,445.57		6,445.57			6,445.57
Other Expenses	5,668.04	487.00	6,155.04	487.00		5,668.04
Tax Title Lien Manager:						
Other Expenses	10,000.00	25,000.00	35,000.00	8,755.00	17,325.00	8,920.00
Tax Assessment Administration:						
Salaries and Wages	353.18		353.18			353.18
Other Expenses	7,402.83		7,402.83			7,402.83
Reserve for Tax Appeals	1,000.00		1,000.00			1,000.00
Legal Services:						
Other Expenses	7,551.09		7,551.09	4,706.50		2,844.59
Engineering Services:						
Other Expenses	4,602.61		4,602.61			4,602.61
Municipal Court:						
Salaries and Wages	2,970.23		2,970.23			2,970.23
Other Expenses	4,414.60	217.24	4,631.84	217.24		4,414.60
Public Defender:						
Salaries and Wages	8,039.00		8,039.00			8,039.00
Municipal Land Use Law (N.J.S.A 40:55D-1):						
Planning Board:						
Salaries and Wages	1,418.56		1,418.56			1,418.56
Other Expenses	4,333.67		4,333.67			4,333.67

(Continued)

**TOWNSHIP OF COMMERCIAL**  
**CURRENT FUND**  
Statement of Appropriation Reserves  
For the Year Ended December 31, 2014

	December 31, 2013		Balance After Transfers	Disbursed	Accounts Payable	Balance Lapsed
	Reserved	Encumbered				
<b>OPERATIONS WITHIN "CAPS": (CONT'D)</b>						
<b>SANITATION</b>						
Public Buildings and Grounds:						
Other Expenses	\$ 65,446.16	\$ 22,919.93	\$ 88,366.09	\$ 9,777.61	\$ 13,054.03	\$ 65,534.45
Garbage and Trash Removal:						
Other Expenses	5,608.94	22,258.06	27,867.00	22,258.06		5,608.94
Sanitary Landfill:						
Other Expenses:						
Miscellaneous Other Expenses	36,661.62	10,286.34	46,947.96	5,028.28		41,919.68
Sanitary Sluice and Ditch						
Other Expenses	7,200.00		7,200.00			7,200.00
<b>PUBLIC SAFETY FUNCTIONS:</b>						
Office Of Emergency Management:						
Other Expenses	391.50		391.50			391.50
Court Professionals:						
Salaries and Wages	72.32		72.32			72.32
<b>STREETS AND ROADS</b>						
Road Repairs and Maintenance:						
Salaries and Wages	35,597.47		35,597.47			35,597.47
Other Expenses	29,424.64	15,440.54	44,865.18	7,340.54	8,100.00	29,424.64
<b>HEALTH AND HUMAN SERVICES FUNCTIONS:</b>						
Senior Center:						
Salaries and Wages	1,503.30		1,503.30			1,503.30
Other Expenses	2,291.08	93.46	2,384.54	93.46		2,291.08
Dog Regulation:						
Other Expenses	4,940.42		4,940.42	1,200.00		3,740.42
Environmental Commission						
Other Expenses		635.00	635.00	635.00		
<b>RECREATION AND EDUCATION:</b>						
Parks and Playgrounds:						
Other Expenses	2,268.55		2,268.55			2,268.55
Library Operations:						
Salaries and Wages	599.40		599.40			599.40
Other Expenses	3,070.61		3,070.61			3,070.61
<b>OTHER COMMON OPERATING FUNCTIONS:</b>						
Celebration of Public Events:						
Other Expenses	3,338.00		3,338.00			3,338.00

(Continued)

**TOWNSHIP OF COMMERCIAL**  
**CURRENT FUND**  
Statement of Appropriation Reserves  
For the Year Ended December 31, 2014

	December 31, 2013		Balance After Transfers	Disbursed	Accounts Payable	Balance Lapsed
	Reserved	Encumbered				
<u>OPERATIONS WITHIN "CAPS": (CONT'D)</u>						
UTILITY EXPENSES AND BULK PURCHASES:						
Electricity	\$ 2,723.15	\$ 3,671.20	\$ 6,394.35	\$ 3,671.20	\$	\$ 2,723.15
Street Lighting	6,915.76	5,685.99	12,601.75	5,685.99		6,915.76
Telephone	14,851.64	50.99	14,902.63	50.99		14,851.64
Natural Gas	3,984.90	1,961.54	5,946.44	1,961.54		3,984.90
Gasoline and Diesel Fuel	1,172.73	452.00	1,624.73	452.00		1,172.73
Insurance:						
Liability Insurance	1,158.80		1,158.80			1,158.80
Workers Compensation	1,809.20		1,809.20			1,809.20
Group Insurance Plans for Employees	8,865.67		8,865.67			8,865.67
STATE UNIFORM CONSTRUCTION CODE:						
Construction Official:						
Salaries and Wages	3,679.98		3,679.98			3,679.98
Other Expenses	1,234.09	1,060.92	2,295.01	1,060.92		1,234.09
Housing Inspector:						
Salaries and Wages	419.10		419.10			419.10
Other Expenses	3,487.68	60.97	3,548.65	60.97		3,487.68
STATUTORY EXPENDITURES:						
Contribution to:						
Social Security System (O.A.S.I.)	5,301.33		5,301.33			5,301.33
<u>OPERATIONS EXCLUDED FROM "CAPS" :</u>						
Recycling Tax	6,000.00		6,000.00	6,000.00		
<b>GRAND TOTAL</b>	<b>\$ 399,133.54</b>	<b>\$ 118,078.47</b>	<b>\$ 517,212.01</b>	<b>\$ 86,819.54</b>	<b>\$ 38,899.08</b>	<b>\$ 391,493.39</b>

**TOWNSHIP OF COMMERCIAL**  
**CURRENT FUND**  
Statement of Prepaid Taxes  
For the Year Ended December 31, 2014

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Balance December 31, 2013 (2014) Taxes		\$ 113,336.78
Increased by:		
Collection (2015 Taxes)	\$ 95,859.49	
Transfer from Overpayments	<u>232.23</u>	
		<u>96,091.72</u>
		209,428.50
Decreased by:		
Application to 2014 Taxes		<u>113,336.78</u>
Balance December 31, 2014 (2015) Taxes		<u><u>\$ 96,091.72</u></u>

Exhibit SA-13

**TOWNSHIP OF COMMERCIAL**  
**CURRENT FUND**  
Statement of Tax Overpayments  
For the Year Ended December 31, 2014

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Increased by:		
Overpayments - Cash	\$ 9,378.25	
Refund of Prior Year Revenue	<u>18,641.05</u>	
		\$ <u>28,019.30</u>
		28,019.30
Decreased by:		
Refunds	\$ 27,787.07	
Transferred to Prepaid Taxes	<u>232.23</u>	
		<u><u>\$ 28,019.30</u></u>



**TOWNSHIP OF COMMERCIAL**  
**CURRENT FUND**  
Statement of County Taxes Payable  
For the Year Ended December 31, 2014

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Accrued in 2014:			
2014 Levy:			
County General	\$	2,446,821.04	
County Health Services Taxes		121,853.97	
County Open Space		<u>25,164.68</u>	
			\$ 2,593,839.69
Decreased by:			
Disbursements			<u>\$ 2,593,839.69</u>

Exhibit SA-15

**TOWNSHIP OF COMMERCIAL**  
**CURRENT FUND**  
Statement of Amount Due to County For Added Taxes  
For the Year Ended December 31, 2014

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Balance December 31, 2013	\$	3,785.62
Increased by:		
County Share of Added Taxes		<u>8,455.00</u>
		12,240.62
Decreased by:		
Disbursements		<u>3,785.62</u>
Balance December 31, 2014	\$	<u><u>8,455.00</u></u>

**TOWNSHIP OF COMMERCIAL**  
**CURRENT FUND**  
Statement of Local School District Tax  
For the Year Ended December 31, 2014

<hr/>		
Balance December 31, 2013		
School Tax Payable	\$ 127,393.50	
School Tax Deferred	<u>794,919.00</u>	
		\$ 922,312.50
Increased by:		
Accrued in 2014:		
Levy-School Fiscal Year (July 1, 2014 to June 30, 2015)	1,761,389.00	
Budget Appropriation - Business Personal Property Tax		
Appreciation Adjustment	<u>6,054.00</u>	
		<u>1,767,443.00</u>
		2,689,755.50
Decreased by:		
Disbursements		<u>1,809,061.00</u>
Balance December 31, 2014		
School Tax Payable	\$ 85,775.50	
School Tax Deferred	<u>794,919.00</u>	
		<u>\$ 880,694.50</u>
2014 Liability for Local District School Tax:		
Tax Paid		\$ 1,809,061.00
Tax Payable December 31, 2014		<u>85,775.50</u>
		1,894,836.50
Less: Tax Payable December 31, 2013		<u>127,393.50</u>
		1,767,443.00
Less: Business Personal Property Tax Appreciation Adjustment		<u>6,054.00</u>
		<u>\$ 1,761,389.00</u>
Amount Charged to 2014 Operation		
		<u>\$ 1,761,389.00</u>

**TOWNSHIP OF COMMERCIAL**  
**CURRENT FUND**  
Statement of Due to Fire Districts  
For the Year Ended December 31, 2014

## Increased by:

## Levy-Calendar Year:

Fire District No. 1	\$ 202,781.00	
Fire District No. 2	192,245.00	
Fire District No. 3	<u>377,850.00</u>	
		\$ 772,876.00

## Decreased by:

## Disbursements:

Fire District No. 1	202,781.00	
Fire District No. 2	192,245.00	
Fire District No. 3	<u>377,850.00</u>	
		\$ <u>772,876.00</u>

Exhibit SA-18

**TOWNSHIP OF COMMERCIAL**  
**CURRENT FUND**  
Statement of Due to State of New Jersey - Marriage License Fees  
For the Year Ended December 31, 2014

Balance December 31, 2013	\$ 275.00
Increased by:	
Receipts by Township Clerk	<u>575.00</u>
	850.00
Decreased by:	
Payments by Township Clerk	<u>725.00</u>
Balance December 31, 2014	\$ <u><u>125.00</u></u>

**TOWNSHIP OF COMMERCIAL**  
**CURRENT FUND**  
Statement of Due State of New Jersey  
Uniform Construction Code - State Training Fees  
For the Year Ended December 31, 2014

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Balance December 31, 2013	\$	974.00
Increased by:		
Receipts		2,037.00
		3,011.00
Decreased by:		
Payments		2,614.00
		397.00
Balance December 31, 2014	\$	397.00

Exhibit SA-20

**TOWNSHIP OF COMMERCIAL**  
**CURRENT FUND**  
Statement of Reserve for Equipment Replacement  
For the Year Ended December 31, 2014

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Increased by:		
Budget Appropriation	\$	26,000.00
Decreased by:		
Disbursed		22,199.00
		3,801.00
Balance December 31, 2014	\$	3,801.00

**TOWNSHIP OF COMMERCIAL**  
**CURRENT FUND**  
Statement of Due from Federal, State and Other Grant Fund  
For the Year Ended December 31, 2014

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Balance December 31, 2013		\$ 775,605.19
Increased by:		
Expenditures Paid by the Current Fund - Grants Appropriated	\$ 364,442.24	
Expenditures Paid by the Current Fund - Contracts Payable	<u>4,116.16</u>	
		<u>368,558.40</u>
		1,144,163.59
Decreased by:		
Local Match Due from Current Fund - Grants Appropriated	\$ 25,000.00	
Grants Cash Received in Current Fund - Grants Receivable	<u>1,061,289.45</u>	
		<u>1,086,289.45</u>
Balance December 31, 2014		<u><u>\$ 57,874.14</u></u>

**TOWNSHIP OF COMMERCIAL**  
**FEDERAL, STATE AND OTHER GRANT FUND**  
 Statement of Federal, State and Other Grants Receivable  
 For the Year Ended December 31, 2014

Program	Balance Dec. 31, 2013	Accrued	Received in Current Fund	Balance Dec. 31, 2014
<b>Federal Grants:</b>				
New Jersey Transportation Trust Fund Authority Act of 1984				
Doris Drive - Phase IV	\$ 173,000.00	\$	\$ 173,000.00	\$
Samuel Drive	19,220.20			19,220.20
Osborne Lane	14,007.60			14,007.60
Laurel Lake	180,000.00		135,000.00	45,000.00
Miller Ave, Ogden Ave & Berry Ave	188,000.00		140,742.19	47,257.81
Raymond Drive		190,000.00		190,000.00
Small Cities Grant Laurel Lake		380,000.00		380,000.00
USDA Search Grant		30,000.00		30,000.00
<b>Federal Emergency Management Agency</b>				
Hazard Mitigation Grant Program -- Laurel Lake	511,163.00		411,006.44	100,156.56
Bivalve Shore Protection	40,050.00			40,050.00
Berry Avenue Flood Control	180,000.00		180,000.00	
<b>Total Federal Grants</b>	<u>1,305,440.80</u>	<u>600,000.00</u>	<u>1,039,748.63</u>	<u>865,692.17</u>
<b>State Grants:</b>				
NJ Department of Environmental Protection				
Berry Avenue Flood Control Structure	70,000.00			70,000.00
Bivalve Shore Protection	75,000.00			75,000.00
Municipal Alliance Grant	2,270.79	5,000.00	5,399.45	1,871.34
2014 ANJEC Grant - Lake Audrey Project		1,500.00	1,000.00	500.00
Clean Communities Grant	280.57	14,391.37	14,391.37	280.57
<b>Total State Grants</b>	<u>147,551.36</u>	<u>20,891.37</u>	<u>20,790.82</u>	<u>147,651.91</u>
<b>Local Grants:</b>				
JIF Safety Awards Program		750.00	750.00	
<b>Total Local Grants</b>	<u>-</u>	<u>750.00</u>	<u>750.00</u>	<u>-</u>
	<u>\$ 1,452,992.16</u>	<u>\$ 621,641.37</u>	<u>\$ 1,061,289.45</u>	<u>\$ 1,013,344.08</u>

**TOWNSHIP OF COMMERCIAL**  
**FEDERAL, STATE AND OTHER GRANT FUND**  
Statement of Reserve for Federal, State and Other Grants - Unappropriated  
For the Year Ended December 31, 2014

<u>Program</u>	<u>Balance Dec. 31, 2013</u>	<u>Transferred to Grants Receivable</u>	<u>Realized as Revenue</u>
Federal Grant:			
New Jersey Transportation Trust Fund Authority Act of 1984			
Raymond Drive	\$	\$ 190,000.00	\$ 190,000.00
Small Cities Grant - Laurel Lake		380,000.00	380,000.00
USDA Search		30,000.00	30,000.00
Total Federal Grants	-	600,000.00	600,000.00
State Grants:			
Municipal Alliance for Alcohol and Drug Abuse		5,000.00	5,000.00
ANJEC - Lake Audrey Project		1,500.00	1,500.00
Clean Communities Grant		14,391.37	14,391.37
Recycling Tonnage Grant	5,897.37		5,897.37
Total State Grants	5,897.37	20,891.37	26,788.74
Other Grants			
JIF Safety Awards Program		750.00	750.00
Total Other Grants	-	750.00	750.00
	\$ 5,897.37	\$ 621,641.37	\$ 627,538.74

**TOWNSHIP OF COMMERCIAL**  
**FEDERAL , STATE AND OTHER GRANT FUND**  
**Statement of Reserve For Federal, State Grants and Other Grants - Appropriated**  
**For the Year Ended December 31, 2014**

Program	Balance Dec. 31, 2013		Transferred from 2014 Budget			Balance Dec. 31, 2014
	Reserved	Encumbered	Appropriation	Disbursed	Encumbered	
Federal Grants:						
Department of Housing and Urban Development	\$	\$	\$	\$	\$	\$
CDBG 2009 - Bayshore Housing VI	6,500.00					6,500.00
CDBG 2009 - Bayshore Housing - VI Match	11,264.18					11,264.18
CDBG 2011 - Bayshore Housing VII	75.03					75.03
CDBG 2011 - Small Cities Match	1,620.00					1,620.00
Laurel Lake Small Cities Grant			380,000.00	3,500.00	24,500.00	352,000.00
Laurel Lake Small Cities Grant Match			25,000.00	25,000.00		
New Jersey Transportation Trust Fund Authority Act of 1984						
Raymond Drive			190,000.00	1,375.00	186,125.00	2,500.00
Samuel Drive	11,199.10					11,199.10
Osborne Drive	9,082.40					9,082.40
Laurel Lake - Match	25,000.00					25,000.00
Miller Ave, Ogden Ave & Berry Ave	188,000.00			186,705.56	950.69	343.75
Miller Ave, Ogden Ave & Berry Ave - Local Match	7,000.00	26,200.00		26,200.00		7,000.00
Federal Emergency Management Agency						
Hazard Mitigation Grant Program -- Laurel Lake	3,575.52	88,561.04		88,561.04		3,575.52
Bivalve Shore Protection	38,230.00			1,560.00	24,320.00	12,350.00
Loading Dock Ramp & Roadway	22,475.25				2,859.63	19,615.62
Dike	30,008.00					30,008.00
USDA Search Grant			30,000.00			30,000.00
New Jersey State Police OEM Grant	3,832.54			3,832.54		
Total Federal Grants	357,862.02	114,761.04	625,000.00	336,734.14	238,755.32	522,133.60

(Continued)



**TOWNSHIP OF COMMERCIAL**  
 FEDERAL , STATE AND OTHER GRANT FUND  
 Statement of Reserve For Federal, State Grants and Other Grants - Appropriated  
 For the Year Ended December 31, 2014

Program	Balance Dec. 31, 2013		Transferred from 2014 Budget			Balance Dec. 31, 2014
	Reserved	Encumbered	Appropriation	Disbursed	Encumbered	
State Grants:						
NJ Department of Environmental Protection	\$	\$	\$	\$	\$	\$
Berry Avenue Flood Control Structure --Match	6,812.08	2,282.92		569.76		8,525.24
Bivalve Shore Protection	75,000.00					75,000.00
Bivalve Shore Protection Match	18,750.00					18,750.00
Clean Communities Act	11,573.48	3,254.00	14,391.37	11,329.94		17,888.91
Oyster Grant	48,238.00					48,238.00
ANJEC Grant			1,500.00	715.00		785.00
Recycling Tonnage Grant	7,773.65	4,425.00	5,897.37	7,720.87		10,375.15
Alcohol Education and Rehabilitation	3,199.00					3,199.00
Municipal Drug Alliance	12,577.94		5,000.00	7,061.28		10,516.66
<b>Total State Grants</b>	<b>183,924.15</b>	<b>9,961.92</b>	<b>26,788.74</b>	<b>27,396.85</b>	<b>-</b>	<b>193,277.96</b>
Local Grants:						
JIF Safety Awards Program	689.31		750.00	311.25		1,128.06
	<u>\$ 542,475.48</u>	<u>\$ 124,722.96</u>	<u>\$ 652,538.74</u>	<u>\$ 364,442.24</u>	<u>\$ 238,755.32</u>	<u>\$ 716,539.62</u>
Realized as Revenue in Budget			\$ 627,538.74	\$		
Local Match - Due from Current Fund			25,000.00			
Expenditures by Current Fund				364,442.24		
			<u>652,538.74</u>	<u>\$ 364,442.24</u>		

**SUPPLEMENTAL EXHIBITS**

**TRUST FUND**

**TOWNSHIP OF COMMERCIAL**  
**TRUST FUND**  
Statement of Trust Cash - Chief Financial Officer  
For the Year Ended December 31, 2014

	Animal Control		Trust Other
Balance December 31, 2013	\$ 9,882.54		\$ 317,702.12
Increased by Receipts:			
Animal Control Fees	\$ 2,802.40		
Due to State of New Jersey - Animal Control	1,193.40		
Current Fund	508.77		
Fish and Game - Due State/Agent			\$ 4,991.52
Miscellaneous Trust Reserves:			
Unemployment		\$ 1,568.95	
Sanitary Landfill Closure:			
Post Closure Landfill Escrow		151.17	
DEP Closure Escrow Account		14.83	
Recreational Donations		3,629.95	
Planning Board Escrow		1,037.64	
Compensated Absences		10,050.49	
Net Payroll		458,693.19	
Payroll Taxes Payable		349,743.42	
	4,504.57		824,889.64
	14,387.11		829,881.16
Decreased by Disbursements:			
Expenditures Under N.J.S.A. 4:19-15-1	159.67		
Due to State of New Jersey - Animal Control	1,193.40		
Current Fund	7,688.04		
Fish and Game - Due State/Agent			4,675.07
Miscellaneous Trust Reserves			
Unemployment		5,093.94	
Recreational Donations		6,769.66	
Planning Board Escrow		11,114.79	
Net Payroll		458,693.19	
Payroll Taxes Payable		347,821.59	
	9,041.11		829,493.17
	5,346.00		834,168.24
Balance December 31, 2014	\$ 5,346.00		\$ 313,415.04

**TOWNSHIP OF COMMERCIAL**  
**TRUST FUND**  
Trust Other Fund  
Statement of Trust Cash - Tax Collector  
For the Year Ended December 31, 2014

Balance December 31, 2013		\$	5,170.16
Increased by Receipts:			
Interest Earned -- Due to Current Fund	\$		7.17
Miscellaneous Trust Reserves and Liabilities:			
Tax Sale Certificates			277,844.48
Tax Sale Premiums			<u>31,900.00</u>
			<u>309,751.65</u>
			314,921.81
Decreased by Disbursements:			
Miscellaneous Trust Reserves and Liabilities:			
Tax Sale Certificates	\$		277,833.04
Tax Sale Premiums			<u>18,400.00</u>
			<u>296,233.04</u>
Balance December 31, 2014		\$	<u><u>18,688.77</u></u>

**TOWNSHIP OF COMMERCIAL**  
**TRUST FUND**  
 Animal Control Fund  
 Statement of Due to Current Fund  
 For the Year Ended December 31, 2014

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Balance December 31, 2013		\$	4,386.64
Increased by:			
Receipts:			
Interest Earned	\$	4.27	
Cat License Fees Collected		504.50	
		<u>508.77</u>	
Statutory Excess Animal Control Fund Reserve		<u>3,154.93</u>	
			<u>3,663.70</u>
			8,050.34
Decreased by:			
Disbursements			<u>7,688.04</u>
Balance December 31, 2014		\$	<u><u>362.30</u></u>

**TOWNSHIP OF COMMERCIAL**  
**TRUST FUND**  
 Animal Control Fund  
 Statement of Due to State of New Jersey - Department of Health  
 For the Year Ended December 31, 2014

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Receipts			
2014 State License Fees		\$	1,193.40
Decreased by:			
Disbursements to the State		\$	<u><u>1,193.40</u></u>

**TOWNSHIP OF COMMERCIAL**  
**TRUST FUND**  
 Animal Control Fund  
 Statement of Reserve for Animal Control Fund Expenditures  
 For the Year Ended December 31, 2014

Balance December 31, 2013		\$ 5,495.90
Increased by:		
Dog License Fees Collected	\$ 2,316.40	
Late Fees Collected	<u>486.00</u>	
		<u>2,802.40</u>
		8,298.30
Decreased by:		
Expenditures Under N.J.S.A. 4:19-15.1	159.67	
Statutory Excess Due to Current Fund	<u>3,154.93</u>	
		<u>3,314.60</u>
Balance December 31, 2014		<u><u>\$ 4,983.70</u></u>

License Fees Collected	
Year	Amount
2012	\$ 2,546.50
2013	<u>2,437.20</u>
	<u><u>\$ 4,983.70</u></u>

**TOWNSHIP OF COMMERCIAL**  
**TRUST FUND**  
Trust Other Fund  
Statement of Due from Current Fund  
For the Year Ended December 31, 2014

Balance December 31, 2013		\$ 4,303.18
Increased by:		
Miscellaneous Trust Reserves:		
2014 Budget Appropriation:		
Reserve for Unemployment Insurance	\$ 1,500.00	
Public Defender Fees Collected in Current Fund	<u>1,660.00</u>	
		<u>3,160.00</u>
		7,463.18
Decreased by:		
Amounts Disbursed in Current Fund:		
Public Defender Fees	\$ 4,279.08	
Unemployment Insurance	<u>1,291.48</u>	
		5,570.56
Interest Collected by Tax Collector	<u>7.17</u>	
		<u>5,577.73</u>
Balance December 31, 2014		\$ <u><u>1,885.45</u></u>
 <u>Analysis of Balance December 31, 2014</u>		
Public Defender Fees		\$ 2,500.50
Unemployment Trust Fund		(600.85)
Tax Title Lien/Tax Sale Premium Account		<u>(14.20)</u>
		\$ <u><u>1,885.45</u></u>

**TOWNSHIP OF COMMERCIAL**  
**TRUST FUND**  
Trust Other Fund  
Statement of Due to State/Agent  
For the Year Ended December 31, 2014

Balance December 31, 2013		\$	663.32
Increased by:			
Interest Earned	\$		1.77
Fish and Game License Fees Collected			<u>4,989.75</u>
			<u>4,991.52</u>
			5,654.84
Decreased by:			
Paid to Agent	\$		158.32
Paid to State of New Jersey			<u>4,516.75</u>
			<u>4,675.07</u>
Balance December 31, 2014		\$	<u><u>979.77</u></u>
<u>Analysis of Balance December 31, 2014</u>			
Due to the State of New Jersey		\$	827.25
Due to Agent			147.50
Unallocated			<u>5.02</u>
		\$	<u><u>979.77</u></u>



**TOWNSHIP OF COMMERCIAL**  
**TRUST FUND**  
Trust Other Fund  
Statement of Miscellaneous Trust Reserves and Liabilities  
For the Year Ended December 31, 2014

	Balance Dec. 31, 2013	Receipts Fees, Refunds and Donations			Disbursements			Balance Dec. 31, 2014
		Treasurer	Collector	Due from Current Fund	Treasurer	Collector	Disbursed in Current Fund	
Deposits for Redemption of	\$	\$	\$	\$	\$	\$	\$	\$
Tax Sale Certificates	463.13		277,844.48			277,833.04		474.57
Reserve for Tax Sale Premiums	4,700.00		31,900.00			18,400.00		18,200.00
Reserve for Unemployment	42,531.12	1,568.95		1,500.00	5,093.94		1,291.48	39,214.65
Reserve for Sanitary Landfill Closure:								
Post Closure Landfill Escrow	151,107.43	151.17						151,258.60
DEP Closure Escrow Account	29,654.00	14.83						29,668.83
Recreational Donations	14,564.05	3,629.95			6,769.66			11,424.34
Reserve for Planning Board Escrow	30,044.49	1,037.64			11,114.79			19,967.34
Reserve for Public Defender Fees	5,119.58			1,660.00			4,279.08	2,500.50
Reserve for Compensated Absences	47,535.20	10,050.49						57,585.69
Net Payroll		458,693.19			458,693.19			
Payroll Taxes Payable	793.14	349,743.42			347,821.59			2,714.97
	<u>\$ 326,512.14</u>	<u>\$ 824,889.64</u>	<u>\$ 309,744.48</u>	<u>\$ 3,160.00</u>	<u>\$ 829,493.17</u>	<u>\$ 296,233.04</u>	<u>\$ 5,570.56</u>	<u>\$ 333,009.49</u>

**SUPPLEMENTAL EXHIBITS**  
**GENERAL CAPITAL FUND**

**TOWNSHIP OF COMMERCIAL**  
**GENERAL CAPITAL FUND**  
 Analysis of General Capital Cash  
 For the Year Ended December 31, 2014

	Balance Dec. 31, 2013	Transfers		Balance Dec. 31, 2014
		From	To	
Fund Balance	\$ 9,289.06	\$	\$	\$ 9,289.06
Capital Improvement Fund	79,795.03	75,000.00	40,000.00	44,795.03
Reserve for Encumbrances	20,557.97	20,557.97	69,757.01	69,757.01
Deferred Revenue - Insurance Reimbursement			47,916.15	47,916.15
Due from Current Fund	(74,517.50)	87,916.15	114,031.24	(48,402.41)
<u>Improvement Authorizations:</u>				
<u>Ordinance</u>				
<u>Date</u>				
04-455	Various General Improvements	4,010.00		4,010.00
06-467	Various General Improvements	3,632.83		3,632.83
07-479/11-524	Purchase of Building Generator, Engineering Fees, Purchase of 2 YD Dump Truck & Road Repairs	5,859.10		5,859.10
12-529	Renovation to the Robbinstown Library	(150,000.00)		(150,000.00)
13-543	Repairs to Sluice Gate		2,596.58	
13-544	Library Renovations		17,961.39	
13-545	Cohesive Study for Economic Development	101,373.51	101,373.51	
14-554	Various Road Improvements		75,000.00	13,143.23
	\$ -	\$ 367,262.37	\$ 367,262.37	\$ -

**TOWNSHIP OF COMMERCIAL**  
**GENERAL CAPITAL FUND**  
Statement of Due from Current Fund  
For the Year Ended December 31, 2014

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Balance December 31, 2013		\$	74,517.50
Increased by:			
2014 Budget Appropriation:			
Capital Improvement Fund	\$		40,000.00
Amounts Received in Current Fund			
Deferred Revenue - Insurance Reimbursement			<u>47,916.15</u>
			<u>87,916.15</u>
			162,433.65
Decreased by:			
Amounts Disbursed in Current Fund			
Improvement Authorizations Expenditures			<u>114,031.24</u>
Balance December 31, 2014		\$	<u><u>48,402.41</u></u>

**TOWNSHIP OF COMMERCIAL**  
**GENERAL CAPITAL FUND**  
 Statement of Deferred Charges to Future Taxation - Unfunded  
 For the Year Ended December 31, 2014

Ordinance No.	Improvement Description	Balance Dec. 31, 2013	Notes Funded by Budget Appropriation	Balance Dec. 31, 2014	Analysis of Balance Dec. 31, 2014	
					Financed by Bond Anticipation Notes	Expended
04-455	Various General Improvements	\$ 103,500.00	\$ 52,000.00	\$ 51,500.00	\$ 51,500.00	\$
06-467	Various General Improvements	211,408.00	53,000.00	158,408.00	158,408.00	
06-475	Construction of Post Office and Other Municipal Building Improvements	170,500.00	42,500.00	128,000.00	128,000.00	
08-495	Various Capital Improvements	195,000.00	32,500.00	162,500.00	162,500.00	
11-520	Various General Improvements	380,000.00	14,000.00	366,000.00	366,000.00	
07-479/11-524	Purchase of Building Generator, Engineering Fees, Purchase of a 2 Yard Dump Truck and Road Repairs	142,500.00		142,500.00	142,500.00	
07-483/11-525	Road and Drainage Improvements	142,500.00		142,500.00	142,500.00	
12-529	Renovations to the Robbinstown Library	150,000.00		150,000.00		150,000.00
		<u>\$ 1,495,408.00</u>	<u>\$ 194,000.00</u>	<u>\$ 1,301,408.00</u>	<u>\$ 1,151,408.00</u>	<u>\$ 150,000.00</u>
	Improvement Authorizations - Unfunded					\$ 13,501.93
	Less:					
	Unexpended Balance of Notes:					
04-455	Various General Improvements				\$ 4,010.00	
06-467	Various General Improvements				3,632.83	
07-479/11-524	Various Capital Improvements				<u>5,859.10</u>	
						<u>\$ 13,501.93</u>

**TOWNSHIP OF COMMERCIAL**  
**GENERAL CAPITAL FUND**  
 Statement of Improvement Authorizations  
 For the Year Ended December 31, 2014

Improvement Description	Ord. No.	Ordinance		Dec. 31, 2013			2014 Authorizations	Paid or Charged	Dec. 31, 2014	
		Date	Amount	Funded	Unfunded	Encumbrances	Capital Improvement Fund		Funded	Unfunded
Various General Improvements	04-455	5/23/02	\$ 151,000.00	\$	\$	\$	\$	\$	\$	\$
		3/18/04	600,000.00		4,010.00					4,010.00
Various General Improvements	06-467	4/28/06	958,000.00		3,632.83					3,632.83
Purchase of a Building Generator, Engineering Fees, Purchase of a 2 Yard Dump Truck and Road Repairs	07-479 / 11-524	4/19/07	150,000.00		5,859.10					5,859.10
Repairs to Sluice Gate	13-543	6/20/13	40,000.00			2,596.58		2,596.58		
Library Renovations	13-544	6/20/13	18,768.97			17,961.39		17,961.39		
Cohesive Study for Economic Development	13-545	7/18/13	147,000.00	101,373.51				101,373.51		
Various Road Improvements	14-554	4/17/14	75,000.00				75,000.00	61,856.77	13,143.23	
				<u>\$ 101,373.51</u>	<u>\$ 13,501.93</u>	<u>\$ 20,557.97</u>	<u>\$ 75,000.00</u>	<u>\$ 183,788.25</u>	<u>\$ 13,143.23</u>	<u>\$ 13,501.93</u>
Reserve for Encumbrances								\$ 69,757.01		
Disbursed in Current Fund								<u>114,031.24</u>		
								<u>\$ 183,788.25</u>		

**TOWNSHIP OF COMMERCIAL**  
**GENERAL CAPITAL FUND**  
Statement of Capital Improvement Fund  
For the Year Ended December 31, 2014

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Balance December 31, 2013	\$ 79,795.03
Increased by:	
2014 Budget Appropriation--Due from Current Fund	<u>40,000.00</u>
	119,795.03
Decreased by:	
Appropriations to Finance Improvement Authorizations	<u>75,000.00</u>
Balance December 31, 2014	<u><u>\$ 44,795.03</u></u>

**TOWNSHIP OF COMMERCIAL**  
 GENERAL CAPITAL FUND  
 Statement of Bond Anticipation Notes  
 For the Year Ended December 31, 2014

Ordinance Number	Improvement Description	Date of Original Issue	Date of Issue	Maturity Date	Interest Rate	Balance Dec. 31, 2013	Increased	Decreased	Balance Dec. 31, 2014
04-455	Various General Improvements	12/08/04	08/15/13	08/15/14	1.34%	\$ 103,500.00		\$ 103,500.00	
04-455	Various General Improvements	12/08/04	08/14/14	05/01/15	1.24%		51,500.00		51,500.00
06-467	Various General Improvements	12/01/06	08/15/13	08/15/14	1.34%	211,408.00		211,408.00	
06-467	Various General Improvements	12/01/06	08/14/14	05/01/15	1.24%		158,408.00		158,408.00
06-475	Construction of Post Office and Other Municipal Building Improvements	12/01/06	08/15/13	08/15/14	1.34%	170,500.00		170,500.00	
06-475	Construction of Post Office and Other Municipal Building Improvements	12/01/06	08/14/14	05/01/15	1.24%		128,000.00		128,000.00
08-495	Various Capital Improvements	04/17/08	08/15/13	08/15/14	1.34%	195,000.00		195,000.00	
08-495	Various Capital Improvements	04/17/08	08/14/14	05/01/15	1.24%		162,500.00		162,500.00
11-520	Various Capital Improvements	08/17/11	08/15/13	08/15/14	1.34%	380,000.00		380,000.00	
11-520	Various Capital Improvements	08/17/11	08/14/14	05/01/15	1.24%		366,000.00		366,000.00
07-479/11-524	Purchase of Building Generator, Engineering Fees, Purchase of a 2 Yard Dump Truck and Road Repairs	08/17/12	08/15/13	08/15/14	1.34%	142,500.00		142,500.00	
07-479/11-524	Purchase of Building Generator, Engineering Fees, Purchase of a 2 Yard Dump Truck and Road Repairs	08/17/12	08/14/14	05/01/15	1.24%		142,500.00		142,500.00
07-483/11-525	Road and Drainage Improvements	08/17/12	08/15/13	08/15/14	1.34%	142,500.00		142,500.00	
07-483/11-525	Road and Drainage Improvements	08/17/12	08/14/14	05/01/15	1.24%		142,500.00		142,500.00
						<u>\$ 1,345,408.00</u>	<u>\$ 1,151,408.00</u>	<u>\$ 1,345,408.00</u>	<u>\$ 1,151,408.00</u>
Paid by Budget Appropriation							\$	\$ 194,000.00	
Rollover							<u>1,151,408.00</u>	<u>1,151,408.00</u>	
						<u>\$ 1,151,408.00</u>	<u>\$ 1,345,408.00</u>		



**TOWNSHIP OF COMMERCIAL**  
**GENERAL CAPITAL FUND**  
Schedule of Bonds and Notes Authorized but Not Issued  
For the Year Ended December 31, 2014

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Ordinance No.	Improvement Description	Balance Dec. 31, 2014
12-529	Renovations to the Robbinstown Library	\$ <u>150,000.00</u>

**TOWNSHIP OF COMMERCIAL**  
**PART 2**  
**SCHEDULE OF FINDINGS AND RECOMMENDATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

**TOWNSHIP OF COMMERCIAL**  
**Schedule of Findings and Recommendations**  
**For the Year Ended December 31, 2014**

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***Schedule of Financial Statement Findings***

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

***None***

**TOWNSHIP OF COMMERCIAL**  
**Summary Schedule of Prior Year Audit Findings**  
**And Questioned Costs as Prepared by Management**

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This section identifies the status of prior year findings related to the financial statements

**FINANCIAL STATEMENT FINDINGS**

**Finding No. 2013-001**

**Condition**

The following control deficiency has been identified in the design and operation of entity level and activity level controls that is considered a significant deficiency in the Township's financial reporting system. The general ledgers for all funds did not present all non-cash activity for the year; a general ledger was not maintained for the trust funds; and the subsidiary records were not reconciled to the general ledger. As a result audit adjusting journal entries were required in order to achieve proper presentation in the financial statements.

**Current Status**

This finding has been resolved.

**Summary Schedule of Prior Year Audit Findings  
And Questioned Costs as Prepared by Management**

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This section identifies the status of prior year findings related to the financial statements and Federal Awards and State Financial Assistance that are required to be reported in accordance with Government Auditing Standards, OMB Circular A-133 and State of New Jersey Circular 15-08-OMB.

**None.**

**TOWNSHIP OF COMMERCIAL**  
**Officials in Office and Surety Bonds**

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The following officials were in office during the period under audit:

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>
Judson Moore, Jr.	Mayor	
Fletcher Jamison	Deputy Mayor	
Ronald Sutton, Sr.	Committee Member	
Pamela Humphries	Chief Financial Officer	(A)
Hannah Nichols	Township Clerk/ Register of Vital Statistics/ Dog Registrar/Fish & Game Agent	(A)
Jeanne Hitchner	Deputy Township Clerk until 8/17/2014	(A)
Leslie Kraus	Tax Collector	(A)
Heather Sparks	Deputy Tax Collector	
	Deputy Township Clerk from 8/18/2014	(A)
Ruth Benz	Tax Assessor	(A)
John Casarow	Judge	(A)
Edward Duffy	Prosecutor	(A)
William Reilly	Public Defender	(A)
Maryann Sheppard	Court Administrator	(A)
David Dean	Construction Code Official	
	Housing/Zoning Officer	(A)
Frank DiDomenico	Land Use Board Solicitor	(A)
Frederick A. Hundt	Emergency Management Coordinator	(A)
Thomas Mahoney	Fire Sub-code Official	(A)
Guthrie Maier	Electrical Inspector	(A)
Wayne Shelton	Plumbing Sub-code Official	(A)
Cindy Tawes	Senior Center Coordinator and Librarian	(A)
Edward Dennis, Jr.	Engineer	(A)
Thomas Seeley	Solicitor	(A)

(A) Covered by Atlantic County Municipal Joint Insurance Fund \$1,000,000

All Copies of the bonds and policy were examined and found to be properly executed.

**APPRECIATION**

I express my appreciation for the assistance and courtesies rendered by the Township officials during the course of the audit.

Respectfully submitted,

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Carol A. McAllister  
Certified Public Accountant  
Registered Municipal Accountant

