

TOWNSHIP OF BASS RIVER

**AUDIT REPORT FOR THE YEAR
ENDED DECEMBER 31, 2016**

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**TOWNSHIP OF BASS RIVER
COUNTY OF BURLINGTON**

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**TOWNSHIP OF BASS RIVER
COUNTY OF BURLINGTON**

PART I

**INDEPENDENT AUDITOR'S REPORT
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Township Board of Commissioners
Township of Bass River
3 North Maple Avenue
New Gretna, New Jersey 08224

Report on the Financial Statements

We have audited the accompanying comparative statements of assets, liabilities, reserves and fund balance--regulatory basis of the various funds and account group of the Township of Bass River, County of Burlington, State of New Jersey as of December 31, 2016 and 2015, and the related comparative statements of operations and changes in fund balance--regulatory basis for the years then ended, the related statements of revenues--regulatory basis, statement of expenditures--regulatory basis, and the related notes to the financial statements for the year ended December 31, 2016.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Municipality'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 Municipality's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township of Bass River, County of Burlington, State of New Jersey, as of December 31, 2016 and 2015, 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 above present fairly, in all material respects, the assets, liabilities, reserves and fund balance--regulatory basis of the various funds and account group of the Township of Bass River, County of Burlington, State of New Jersey, as of December 31, 2016 and 2015, and the results of its operations and changes in fund balance --regulatory basis of such funds for the years then ended, and the related statement of revenues--regulatory basis, statement of expenditures--regulatory basis of the various funds, and the related notes to financial statements, for the year ended December 31, 2016 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Other Matters

Report on Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 24, 2017, on our consideration of the Township of Bass River's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Bass River's internal control over financial reporting and compliance.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

Kevin P. Frenia
Certified Public Accountant
Registered Municipal Accountant
CR #435

Medford, New Jersey
April 24, 2017

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

Honorable Mayor and Members
of the Township Board of Commissioners
Township of Bass River
3 North Maple Avenue
New Gretna, New Jersey 08224

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements-regulatory basis of the Bass River, Township of (herein referred to as “the Township”), as of and for the year ended December 31, 2016, 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 24, 2017. Our report indicated that the Township’s financial statements were not prepared and presented in accordance with accounting principles generally accepted in the United States of America but rather prepared and presented in accordance with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Township’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 the Township’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 Townships’ 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. We did identify a deficiency in internal control, described in the accompanying schedule of Comments & Recommendations section that we consider to be a significant deficiency as Finding No. 2016-001.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which are described in the accompanying Comments & Recommendations section as Finding No's 2016-001 & 2016-002.

Response to Findings

The Township of Bass River's response to the findings identified in our audit is described in the accompanying Comments & Recommendations section. The Township of Bass River's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

Kevin P. Frenia
Certified Public Accountant
Registered Municipal Accountant
CR #435

Medford, New Jersey
April 24, 2017

BASIC FINANCIAL STATEMENTS

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**TOWNSHIP OF BASS RIVER
CURRENT FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE -- REGULATORY BASIS
DECEMBER 31, 2016 AND 2015**

ASSETS	REFERENCE	2016	2015
Regular Fund:			
Cash:			
Treasurer	A-4	\$ 905,910	\$ 744,726
Change Fund	A-5	525	525
Investment - Bond Anticipation Note	C	30,525	72,525
Due From State of New Jersey	A	925	1,000
		<u>937,885</u>	<u>818,776</u>
Total Regular Fund			
Receivables & Other Assets:			
Delinquent Property Taxes Receivable	A-6	174,714	176,131
Tax Title Liens Receivable	A-7	641,135	611,132
Property Acquired for Taxes - Assessed Valuation	A-8	584,100	584,100
Revenue Accounts Receivable	A-9	9,847	9,941
Due from State & Federal Grant Fund	A	42,044	57,185
Due from Payroll Fund	B	148	4,745
Due from Capital Fund	C	72,470	72,470
Due from Trust Assessment Fund	B	-	2,843
Due from Animal Control Fund	B	276	2,145
		<u>1,524,734</u>	<u>1,520,692</u>
Total Receivables & Other Assets			
Deferred Charges To Future Taxation:			
Overexpenditure of Grant Appropriation	A-17	-	12,962
Overexpenditure of Appropriation	A-17	22,859	29,146
Special Emergency - HVAC	A-17	-	10,626
Special Emergency - Revaluation	A-17	-	24,744
		<u>22,859</u>	<u>77,478</u>
Total			
		<u>2,485,478</u>	<u>2,416,946</u>
Total Regular Funds			
State & Federal Grants:			
Federal & State Grants Receivable	A-14	613,695	347,612
Deferred Charges To Future Taxation:			
Overexpenditure of Grant Appropriation	A-15	6,065	-
		<u>619,760</u>	<u>347,612</u>
Total State & Federal Grants			
		<u>619,760</u>	<u>347,612</u>
Total			
		<u>\$ 3,105,238</u>	<u>\$ 2,764,558</u>

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

**TOWNSHIP OF BASS RIVER
CURRENT FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE -- REGULATORY BASIS
DECEMBER 31, 2016 AND 2015**

LIABILITIES RESERVES & FUND BALANCE	REFERENCE	<u>2016</u>	<u>2015</u>
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3,A-10	\$ 100,253	\$ 90,685
Encumbrances Payable	A-3	12,559	14,752
Prepaid Taxes	A-4	81,663	50,543
Tax Overpayments	A	22,310	2,715
Due County for Added & Omitted Taxes	A-13	9,505	25,624
Local District School Tax Payable	A-11	241,253	215,486
Regional District School Tax Payable	A-12	20,444	16,627
Due to Trust Other Fund	B	<u>52,343</u>	<u>38,753</u>
Total Liabilities		<u>540,330</u>	<u>455,185</u>
Reserves for Receivable & Other Assets	A	1,524,734	1,520,692
Fund Balance	A-1	<u>420,414</u>	<u>441,069</u>
Total Regular Fund		<u>2,485,478</u>	<u>2,416,946</u>
State & Federal Grants:			
Appropriated Reserves	A-15	546,517	264,657
Unappropriated Reserves	A-16	13,945	7,602
Encumbrances Payable	A-15	17,254	18,168.00
Due to Current Fund	A	<u>42,044</u>	<u>57,185</u>
Total State & Federal Grants		<u>619,760</u>	<u>347,612</u>
Total Liabilities, Reserves & Fund Balance		<u>\$ 3,105,238</u>	<u>\$ 2,764,558</u>

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

**TOWNSHIP OF BASS RIVER
CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015**

	2016	2015
Revenue & Other Income Realized:		
Fund Balance Utilized	\$ 345,000	\$ 345,000
Miscellaneous Revenue Anticipated	862,291	545,002
Receipts From Current Taxes	3,600,675	3,455,195
Receipts From Delinquent Taxes	145,565	155,184
Non-Budget Revenue	160,418	105,791
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	62,032	41,132
Interfunds Liquidated	9,760	-
Cancellation of Prior Year Liability	25,069	-
Total	5,210,810	4,647,304
Expenditures:		
Operations Within "CAPS"		
Salaries and Wages	398,755	396,940
Other Expenses	523,190	526,442
Deferred Charges & Statutory Expenditures Within "CAPS"	98,836	66,932
Operations Excluded From "CAPS"		
Salaries and Wages	3,060	3,060
Other Expenses	312,480	24,446
Municipal Debt Service Excluded From "CAPS"	42,000	42,000
Deferred Charges & Statutory Expenditures Excluded From "CAPS"	18,877	8,249
County Taxes	799,902	731,194
Due County for Added & Omitted Taxes	9,505	25,624
Local District School Tax	1,478,596	1,329,055
Regional High School Tax	1,181,005	1,119,828
Interfunds Created	447	31,271
Refund of Prior Year Revenue	19,812	-
Total Expenditures	4,886,465	4,305,041
Excess in Revenue	324,345	342,263
Adjustment to Income Before Fund Balance:		
Expenditures Included Above which are by Statute		
Deferred Charges to Budget of Succeeding Year	-	39,772
Statutory Excess to Surplus	324,345	382,035
Fund Balance January 1	441,069	404,034
Total	765,414	786,069
Decreased by:		
Utilization as Anticipated Revenue	345,000	345,000
Balance December 31	<u>\$ 420,414</u>	<u>\$ 441,069</u>

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

**TOWNSHIP OF BASS RIVER
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2016**

	ANTICIPATED	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Anticipated	\$ 345,000	\$ 345,000	\$ -
Miscellaneous Revenue:			
Licenses:			
Alcoholic Beverages	5,500	6,824	1,324
Fees & Permits	15,000	21,081	6,081
Fines & Costs:			
Municipal Court	165,000	184,317	19,317
Interest & Costs on Taxes	30,000	38,099	8,099
State Aid Without Offsetting Appropriations:			
Energy Receipts Tax	142,045	142,045	-
Consolidated Municipal Property Tax Relief Aid	1,754	1,754	-
Garden State Trust Fund	160,491	160,491	-
Special Items Offset with Appropriations:			
Clean Communities Grant	8,559	8,559	-
NJ DOT Grant	220,000	220,000	-
Alcohol Education & Rehabilitation Grant	121	121	-
Municipal Park Development Program	79,000	79,000	-
Total Miscellaneous Revenues	827,470	862,291	34,821
Receipts From Delinquent Taxes	140,000	145,565	5,565
Subtotal General Revenues	1,312,470	1,352,856	40,386
Local Tax for Municipal Purposes	265,766	312,705	46,939
Budget Totals	1,578,236	1,665,561	87,325
Nonbudget Revenues	-	160,418	160,418
Total	\$ 1,578,236	\$ 1,825,979	\$ 247,743

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

**TOWNSHIP OF BASS RIVER
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2016**

ANALYSIS OF REALIZED REVENUES

Allocation of Current Tax Collections:	
Revenue From Collections	\$ 3,600,675
Allocated to School, County & Fire District Taxes	<u>3,469,008</u>
Balance for Support of Municipal Budget Appropriations	131,667
Increased by Appropriation - Reserve for Uncollected Taxes	<u>181,038</u>
Amount for Support of Municipal Budget Appropriations	<u><u>\$ 312,705</u></u>
Receipts From Delinquent Taxes:	
Tax Title Lien Collections	\$ 12,389
Delinquent Tax Collections	<u>133,176</u>
Total Receipts From Delinquent Taxes	<u><u>\$ 145,565</u></u>

ANALYSIS OF NONBUDGET REVENUE

Miscellaneous Revenues Not Anticipated:	
Cash - Treasurer:	
Washington Twp. Court Interlocal Payment	\$ 28,315
Tower Fees	61,798
Cable Fees	4,389
Various Fees	6,686
Septic Charges	24,985
Miscellaneous	<u>34,245</u>
Total	<u><u>\$ 160,418</u></u>

**TOWNSHIP OF BASS RIVER
CURRENT FUND
STATEMENT OF EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2016**

OPERATIONS - WITHIN "CAPS"	APPROPRIATIONS		EXPENDED		
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	CANCELED
Department of Revenue & Finance:					
Director's Office:					
Salaries and Wages	\$ 4,805	\$ 4,805	\$ 4,698	\$ 107	\$ -
Administrative and Executive:					
Salaries and Wages	15,000	13,500	9,284	4,216	-
Other Expenses	13,100	14,800	14,792	8	-
Financial Administration (Treasury):					
Salaries and Wages	31,500	31,500	25,886	5,614	-
Other Expenses	15,000	15,000	12,328	2,672	-
Tax Assessment Administration:					
Salaries and Wages	23,500	23,500	21,599	1,901	-
Other Expenses	4,200	4,500	4,294	206	-
Collection of Taxes:					
Salaries and Wages	21,500	21,500	17,782	3,718	-
Other Expenses	6,000	6,000	5,006	994	-
Liquidation of Tax Title Liens & Foreclosed Property:					
Other Expenses	5,000	10,000	9,881	119	-
Auditing Services:					
Other Expenses	25,000	25,000	19,000	6,000	-
Municipal Clerk:					
Salaries and Wages	55,000	55,000	52,554	2,446	-
Legal Services:					
Other Expenses	25,000	25,000	23,524	1,476	-
Engineering Services:					
Other Expenses	21,000	21,000	17,874	3,126	-
Planning Board:					
Salaries and Wages	4,786	4,786	3,498	1,288	-
Other Expenses	7,000	5,000	3,398	1,602	-
Sewer Systems:					
Salaries and Wages	9,180	9,180	9,180	-	-
Other Expenses	15,500	15,500	12,504	2,996	-
Recreation:					
Other Expenses	2,250	2,250	2,007	243	-
Utility Expenses & Bulk Purchases:					
Telephone	8,000	8,000	7,485	515	-
Gas (Propane)	1,000	4,500	4,327	173	-
Electricity	11,000	11,000	7,897	3,103	-
Street Light	19,500	19,500	19,250	250	-
Gasoline	4,500	4,500	4,160	340	-
Telecommunication	200	200	-	200	-
Department of Public Works, Parks & Public Property:					
Director's Office:					
Salaries and Wages	4,284	4,284	4,161	123	-
Buildings and Grounds:					
Other Expenses	12,000	10,500	7,274	3,226	-
Streets and Road Maintenance:					
Salaries and Wages	23,460	24,460	24,442	18	-
Other Expenses	19,500	21,500	20,957	543	-

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

**TOWNSHIP OF BASS RIVER
CURRENT FUND
STATEMENT OF EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2016**

OPERATIONS - WITHIN "CAPS"	APPROPRIATIONS		EXPENDED		CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
Convenience Center:					
Salaries and Wages	52,000	52,000	51,802	198	-
Other Expenses	125,000	112,550	92,184	20,366	-
Landfill Closure Costs:					
Salaries and Wages	1,224	1,224	-	1,224	-
Other Expenses	1,500	1,500	1,135	365	-
Mosquito & Pest Control:					
Other Expenses	1,000	-	-	-	-
Department of Public Affairs & Safety:					
Director's Office:					
Salaries and Wages	4,284	4,284	4,161	123	-
Fire:					
Other Expenses	27,000	32,000	30,553	1,447	-
EMS - First Responder	5,000	5,000	3,658	1,342	-
First Aid Organization Contribution	10,000	10,000	10,000	-	-
Public Health Services (Board of Health):					
Other Expenses	1,000	-	-	-	-
Municipal Prosecutor:					
Other Expenses	22,000	22,000	21,750	250	-
Bailiff:					
Salaries and Wages	5,100	5,300	5,160	140	-
Municipal Court:					
Salaries and Wages	132,600	132,600	126,166	6,434	-
Other Expenses	26,500	26,500	26,312	188	-
Public Defender:					
Other Expenses	8,800	8,800	8,000	800	-
Office of Emergency Management:					
Salaries and Wages	600	600	-	600	-
Other Expenses	2,000	3,000	2,267	733	-
Code Enforcement:					
Salaries and Wages	3,672	3,672	3,366	306	-
Other Expenses	500	-	-	-	-
Dog Regulation:					
Other Expenses	4,500	4,500	3,124	1,376	-
Zoning Enforcement:					
Salaries and Wages	3,700	3,700	2,514	1,186	-
Other Expenses	200	3,950	3,900	50	-
State Uniform Construction Code:					
Construction Official:					
Salaries and Wages	3,000	3,000	-	3,000	-
Other Expenses	1,000	1,000	930	70	-
Insurance:					
General Liability	20,500	20,500	12,815	7,685	-
Workers Compensation	48,000	48,000	48,000	-	-
Total Operations Within "CAPS"	918,445	921,945	826,839	95,106	-

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

**TOWNSHIP OF BASS RIVER
CURRENT FUND
STATEMENT OF EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2016**

	APPROPRIATIONS		EXPENDED		CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
Detail:					
Salaries and Wages	398,755	398,755	366,253	32,502	-
Other Expenses	519,690	523,190	460,586	62,604	-
Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"					
Overexpenditure of Appropriations	35,744	35,744	35,744	-	-
Contributions to:					
Public Employees' Retirement System	30,592	30,592	30,592	-	-
Social Security System (O.A.S.I.)	30,000	30,000	28,512	1,488	-
Unemployment Insurance	3,500	2,500	904	1,596	-
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	99,836	98,836	95,752	3,084	-
Total General Appropriations for Municipal Purposes Within "CAPS"	1,018,281	1,020,781	922,591	98,190	-
Operations - Excluded from "CAPS"					
Other Operations:					
Aid to Library	500	500	-	500	-
Recycling Tax	1,800	1,800	1,360	440	-
Total Other Operations - Excluded From "CAPS"	2,300	2,300	1,360	940	-
Additional Appropriations Offset by Revenues					
Utility Maintenance:					
Salaries and Wages	3,060	3,060	2,810	250	-
Other Expenses	5,000	2,500	1,629	871	-
Total Additional Appropriations Offset by Revenues	8,060	5,560	4,439	1,121	-
Public and Private Programs Offset by Revenues					
Clean Communities Program	-	8,559	8,559	-	-
Alcohol Education Rehabilitation Program	-	121	121	-	-
Burlington Municipal Park Development Grant	-	79,000	79,000	-	-
NJDOT FY 2016 Municipal Aid Program	-	220,000	220,000	-	-
Total Additional Appropriations Offset by Revenues	-	307,680	307,680	-	-

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

**TOWNSHIP OF BASS RIVER
CURRENT FUND
STATEMENT OF EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2016**

	APPROPRIATIONS		EXPENDED		
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	CANCELED
Total Operations Excluded From "CAPS"	10,360	315,540	313,479	2,061	-
Detail:					
Salaries and Wages	3,060	3,060	2,810	250	-
Other Expenses	7,300	312,480	310,669	1,811	-
Municipal Debt Service - Excluded From "CAPS"					
Payment of Bond Anticipation Notes and Capital Notes	42,000	42,000	42,000	-	-
Municipal Debt Service - Excluded From "CAPS"	42,000	42,000	42,000	-	-
Deferred Charges - Municipal - Excluded From "CAPS"					
Special Emergency Authorizations	10,628	10,628	10,626	2	-
Special Emergency Authorizations - 5 Years	8,249	8,249	8,249	-	-
Deferred Charges - Municipal - Excluded From "CAPS"	18,877	18,877	18,875	2	-
Total General Appropriations Excluded From "CAPS"	71,237	376,417	374,354	2,063	-
Subtotal General Appropriations	1,089,518	1,397,198	1,296,945	100,253	-
Reserve For Uncollected Taxes	181,038	181,038	181,038	-	-
Total General Appropriations	<u>\$ 1,270,556</u>	<u>\$ 1,578,236</u>	<u>\$ 1,477,983</u>	<u>\$ 100,253</u>	<u>\$ -</u>
Original Appropriations		\$ 1,270,556			
Added per N.J.S.A.40A:4-87		<u>307,680</u>			
Total		<u>\$ 1,578,236</u>			
Reserve for Uncollected Taxes			\$ 181,038		
Due General Capital Fund			42,000		
Encumbrances Payable			12,559		
Deferred Charge			54,619		
Refunds			(2,400)		
Cash Disbursements			882,487		
Reserve for State & Federal Grants Appropriated			<u>307,680</u>		
Total			<u>\$ 1,477,983</u>		

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**TOWNSHIP OF BASS RIVER
TRUST FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE -- REGULATORY BASIS
DECEMBER 31, 2016 AND 2015**

ASSETS	REFERENCE	2016	2015
Animal Control Fund:			
Cash	B-1	\$ 972	\$ 2,934
Total Animal Control Fund		<u>972</u>	<u>2,934</u>
Assessment Fund:			
Cash	B-1	-	2,843
Assessment Receivable	B-8	<u>195</u>	<u>195</u>
Total Assessment Fund		<u>195</u>	<u>3,038</u>
Other Funds:			
Cash	B-1	46,535	48,016
Due From Current Fund	B-6	<u>52,343</u>	<u>38,753</u>
Total Other Funds		<u>98,878</u>	<u>86,769</u>
Total Assets		<u>\$ 100,045</u>	<u>\$ 92,741</u>
LIABILITIES & RESERVES			
Animal Control Fund:			
Due To Current Fund	A	\$ 276	\$ 2,145
Reserve for Animal Control Fund Expenditures	B-3	<u>696</u>	<u>789</u>
Total Animal Control Fund		<u>972</u>	<u>2,934</u>
Assessment Fund:			
Due To Current Fund	A	-	2,843
Reserve for Assessment Receivable	B-9	<u>195</u>	<u>195</u>
Total Assessment Fund		<u>195</u>	<u>3,038</u>
Other Funds:			
Reserve for Unemployment Fund	B-5	2,041	2,041
Reserve for Public Defender	B	10,057	8,245
Reserve for Cash Bonds	B	16,577	16,577
Reserve for Escrow Deposits	B	28,569	27,266
Reserve for Landfill Closure Trust	B	2,190	2,189
Reserve for Tax Sale Premiums	B	39,296	25,706
Due To Current Fund (Payroll)	A	<u>148</u>	<u>4,745</u>
Total Other Funds		<u>98,878</u>	<u>86,769</u>
Total Liabilities & Reserves		<u>\$ 100,045</u>	<u>\$ 92,741</u>

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

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**TOWNSHIP OF BASS RIVER
GENERAL CAPITAL FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE -- REGULATORY BASIS
DECEMBER 31, 2016 AND 2015**

ASSETS	REFERENCE	<u>2016</u>	<u>2015</u>
Deferred Charges to Future Taxation:			
Unfunded	C-3	\$ 410,828	\$ 452,828
 Total Assets		<u>\$ 410,828</u>	<u>\$ 452,828</u>
 LIABILITIES, RESERVES & FUND BALANCE			
Due To Current Fund	A	\$ 72,470	\$ 72,470
Bond Anticipation Notes Payable	C-6	30,525	72,525
Improvement Authorizations:			
Funded	C-4	15,094	15,094
Unfunded	C-4	181,012	181,012
Capital Improvement Fund	C-5	111,373	111,373
Fund Balance	C-1	<u>354</u>	<u>354</u>
 Total Liabilities, Reserve & Fund Balance		<u>\$ 410,828</u>	<u>\$ 452,828</u>

There were Bonds & Notes Authorized but not Issued on December 31, 2016 of \$380,303 and on December 31, 2015 there were \$380,303.

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**TOWNSHIP OF BASS RIVER
GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE STATEMENT OF FIXED ASSETS AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2016 AND 2015**

ASSETS	<u>2016</u>	<u>2015</u>
Land	\$ 809,913	\$ 809,913
Buildings	221,978	221,978
Equipment	286,168	286,168
Vehicles	11,000	11,000
Fire Trucks	<u>705,162</u>	<u>705,162</u>
Total	<u>\$ 2,034,221</u>	<u>\$ 2,034,221</u>
FUND BALANCE		
Investment in Fixed Capital	<u>\$ 2,034,221</u>	<u>\$ 2,034,221</u>

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

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**TOWNSHIP OF BASS RIVER
COUNTY OF BURLINGTON**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

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TOWNSHIP OF BASS RIVER

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

Note 1: Summary of Significant Accounting Policies

Description of Financial Reporting Entity

The Township of Bass River is a large, 72 square mile Township on the eastern edge of Burlington County in the New Jersey Pinelands. Its sparse population, rural character, pristine streams and rivers with access to Great Bay, marinas, and campgrounds define the Township. New Gretna is the historic business and residential center of the Township.

The Township of Bass River is governed by a Commission Form of Government. Voters elect three (3) Commissioners, at-large, nonpartisan, every 4 years. The Mayor is elected by the Board of Commissioner at reorganization for a 4-year term. The Mayor presides over Board of Commissioners.

This three-member governing body is empowered to enact local ordinances, to levy municipal taxes and conduct the affairs of our community. Each Commissioner acts as department head with no single chief executive. The Board of Commissioners conducts all of its business during monthly meetings open to the public.

Component Units

The Township of Bass River had no component units as defined by Governmental Accounting Standards Board Statement No. 14, as amended by GASB Statements No. 39 and 61.

Basis of Accounting, Measurement Focus and Basis of Presentation

The financial statements of the Township of Bass River 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 Bass River accounts for its financial transactions through the use of separate funds which are described as follows:

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

Trust 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.

TOWNSHIP OF BASS RIVER

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

Note 1: Summary of Significant Accounting Policies (continued)

General Fixed Asset Account Group - to account for fixed assets used in general government operations.

Budgets and Budgetary Accounting - The Township of Bass River 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 and investments 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 Bass River requires it to deposit funds in public depositories protected from loss under the provisions of the Act.

TOWNSHIP OF BASS RIVER

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

Note 1: Summary of Significant Accounting Policies (continued)

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

Inventories 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 Title 2 U.S. Code of Federal Regulations (CFR) Part 225, *Cost Principles for State, Local, and Indian Tribal Governments*, except that the useful life of such property is at least five years. The Township has adopted a capitalization threshold of \$2,000.00, the maximum amount allowed by the Circular. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. In some instances, assets are valued at the assessed valuation of the property at the time of acquisition, which approximates fair value. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at their estimated fair market value on the acquisition date. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the capital funds until such time as the construction is completed and put into operation. The 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.

TOWNSHIP OF BASS RIVER

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

Note 1: Summary of Significant Accounting Policies (continued)

Fund Balance - Fund Balances included in the current fund represent the amount available for anticipation as revenue in future year's budgets, with certain restrictions.

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 Burlington, the Pinelands Regional School District and the Bass River Township School District. 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 Pinelands Regional School District and the Bass River Township School District. Operations is charged for the full amount required to be raised from taxation to operate the Township's share of the amount required to be raised by taxation for the period from July 1 to June 30, increased by the amount deferred at December 31, 2015 and decreased by the amount deferred at December 31, 2016.

County Taxes - The municipality is responsible for levying, collecting and remitting county taxes for the County of Burlington. 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.

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.

TOWNSHIP OF BASS RIVER

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

Note 1: Summary of Significant Accounting Policies (continued)

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 - The Township has permitted employees to accrue unused sick and vacation pay, to a limited extent, which may be paid upon retirement at an agreed upon rate. The Township policy is to pay this out of current budgets when due. It is estimated that the current cost of such unpaid compensation is not considered material, and is not included in these financial statements as a long-term liability.

Subsequent Events - The Township has evaluated subsequent events occurring after December 31, 2016 through the date of April 24, 2017, which is the date the financial statements were available to be issued.

Note 2: Cash and Cash Equivalents

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits may not be returned. Although the Township does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA).

GUDPA is a supplemental insurance program set forth by the New Jersey Legislature to protect the deposits of local governmental agencies. The program is administered by the Commissioner of the New Jersey Department of Banking and Insurance. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public funds owned by the Township in excess of FDIC insured amounts are protected by GUDPA.

However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity funds or funds that may pass to the Township relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of December 31, 2016, the Township's bank balance of \$960,560 was insured or collateralized as follows:

Insured	\$	250,000
Uninsured and uncollateralized		47,825
Collateralized in the Township's Name		
Under GUDPA		<u>662,735</u>
Total	\$	<u><u>960,560</u></u>

TOWNSHIP OF BASS RIVER

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

Note 3: Investments – Bond Anticipation Note

The Township has invested in the Bond Anticipation Note held in the General Capital Fund for \$30,525 at 0% interest as of December 31, 2016.

Note 4: 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, 2016:

	Due From	Due To
Current Fund	\$ 114,938	\$ 52,347
Federal & State Grant Fund	-	42,044
Trust Other Fund	52,347	148
Animal Control Fund	-	276
General Capital Fund	-	72,470
	\$ 167,285	\$ 167,285

The purpose of these interfunds is short-term borrowings.

Note 5: Property Taxes

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

Comparison of Tax Rate Information

	2016	2015	2014
Total Tax Rate	<u>\$2.186</u>	<u>\$2.203</u>	<u>\$2.036</u>
Apportionment of Tax Rate:			
Municipal	0.155	0.156	0.131
County	0.472	0.461	0.419
Local School	0.867	0.883	0.838
Regional High School	0.692	0.703	0.648

Net Valuation Taxable

2016	\$ 170,483,000
2015	\$ 159,113,790
2014	\$ 160,759,601

TOWNSHIP OF BASS RIVER

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

Note 5: Property Taxes (continued):

Comparison of Tax Levies and Collection Currently

Year	Tax Levy	Cash Collections	Percentage Of Collection
2016	\$ 3,771,096	\$ 3,600,675	95.48%
2015	3,629,204	3,455,195	95.21%
2014	3,291,189	3,106,415	94.39%

Delinquent Taxes and Tax Title Liens

Year Ended December 31	Amount of Tax Title Liens	Amount of Delinquent Taxes	Total Delinquent	Percentage Of Tax Levy
2016	\$ 641,135	\$ 174,714	\$ 815,849	21.63%
2015	611,132	176,131	787,263	21.69%
2014	568,342	173,470	741,812	22.53%

Note 6: 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 two years was as follows:

YEAR	AMOUNT
2016	\$ 584,100
2015	584,100
2014	584,100

Note 7: Pension Obligations

A. Public Employees' Retirement System (PERS)

Plan Description - The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PERS, please refer to Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/annrprts.shtml.

The vesting and benefit provisions are set by *N.J.S.A. 43:15A*. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

TOWNSHIP OF BASS RIVER

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

Note 7: Pension Obligations (continued):

The following represents the membership tiers for PERS:

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 or more years of service credit before age 62 and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Basis of Presentation - The schedules of employer allocations and the schedules of pension amounts by employer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PERS or its participating employers. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PERS or the participating employers. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of PERS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Contributions - The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For the fiscal year 2016, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

TOWNSHIP OF BASS RIVER

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

Note 7: Pension Obligations (continued):

Components of Net Pension Liability - At December 31, 2016, the Municipality reported a liability of \$1,174,269 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2016. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2015, which was rolled forward to June 30, 2016. The Municipality's proportion of the net pension liability was based on the Municipality's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2016. The Municipality's proportion measured as of June 30, 2016, was .00396%, which was an increase of .00040% from its proportion measured as of June 30, 2015.

Collective Balances at December 31, 2016 & December 31, 2015

	<u>12/31/16</u> June 30, 2016	<u>12/31/15</u> June 30, 2015
Actuarial Valuation Date (including roll Forward)		
Deferred Outflows of Resources	376,109	104,838
Deferred Inflows of Resources	112,716	156,964
Net Pension Liability	1,174,269	798,771
Municipality's Portion of the Plan's Total Net Pension Liability	0.00396%	0.00356%

Pension Expense and Deferred Outflows/Inflows of Resources - At December 31, 2016, the Municipality reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 21,838	\$ -
Changes of Assumptions	243,246	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	44,776	-
Changes in Proportion and Differences between Municipality Contributions and Proportionate Share of Contributions	<u>66,249</u>	<u>112,716</u>
	<u>\$ 376,109</u>	<u>\$ 112,716</u>

TOWNSHIP OF BASS RIVER

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

Note 7: Pension Obligations (continued):

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the pension expense as follows:

	Year Ending <u>Dec 31,</u>	<u>PERS</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
	2017	\$ 50,584.00		
	2018	50,583.00		
	2019	61,894.00		
	2020	62,897.00		
	2021	<u>37,438.00</u>		
		<u>\$ 263,396.00</u>		
Differences between Expected and Actual Experience				
Year of Pension Plan Deferral:				
	June 30, 2014		-	-
	June 30, 2015		5.72	-
	June 30, 2016		5.57	-
Changes of Assumptions				
Year of Pension Plan Deferral:				
	June 30, 2014		6.44	-
	June 30, 2015		5.72	-
	June 30, 2016		5.57	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments				
Year of Pension Plan Deferral:				
	June 30, 2014		-	5.00
	June 30, 2015		-	5.00
	June 30, 2016		5.00	-
Changes in Proportion and Differences between Municipality Contributions and Proportionate Share of Contributions				
Year of Pension Plan Deferral:				
	June 30, 2014		6.44	6.44
	June 30, 2015		5.72	5.72
	June 30, 2016		5.57	5.57

TOWNSHIP OF BASS RIVER

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

Note 7: Pension Obligations (continued):

Actuarial Assumptions - The total pension asset/(liability) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

<u>PERS</u>	
Inflation	3.08%
Salary Increases:	
Through 2026	1.65% - 4.15% Based on Age
Thereafter	2.65% - 5.15% Based on Age
Investment Rate of Return	7.65%
Mortality Rate Table	RP-2000
Period of Actuarial Experience	
Study upon which Actuarial	
Assumptions were Based	July 1, 2011 - June 30, 2014

Pre-retirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. For State employees, mortality tables are set back 4 years for males and females. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Post-retirement mortality rate were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for males and females) for service retirements and beneficiaries of former members and a one-year static projection based on the mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scales. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

The actuarial assumptions used in the July 1, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.65% at June 30, 2016) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and

TOWNSHIP OF BASS RIVER

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

Note 7: Pension Obligations (continued):

Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2016 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	0.87%
U.S. Treasuries	1.50%	1.74%
Investment grade credit	8.00%	1.79%
Mortgages	2.00%	1.67%
High Yield Bonds	2.00%	4.56%
Inflation-Indexed Bonds	1.50%	3.44%
Broad U.S. Equities	26.00%	8.53%
Developed Foreign Equities	13.25%	6.83%
Emerging Market Equities	6.50%	9.95%
Private Equity	9.00%	12.40%
Hedge Funds/Absolute Return	12.50%	4.68%
Real Estate (Property)	2.00%	6.91%
Commodities	0.50%	5.45%
Global debt ex U.S.	5.00%	-0.25%
REIT	5.25%	5.63%
	<u>100.00%</u>	

Discount Rate - The discount rate used to measure the total pension liability was 3.98% as of June 30, 2016. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.65%, and a municipal bond rate of 2.85% as of June 30, 2016 based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 30% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2034. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2034 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

TOWNSHIP OF BASS RIVER

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

Note 7: Pension Obligations (continued):

Sensitivity of the Municipality's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Municipality's proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the Municipality's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.98%) or 1-percentage-point higher (4.98%) than the current rate:

	1% Decrease (2.98%)	Current Discount Rate (3.98%)	1% Increase (4.98%)
Municipality's proportionate share of the Net Pension Liability and the State's Proportionate Share of the Net Pension Liability associated with the Municipality	\$ 1,438,930.00	\$ 1,174,269.00	\$ 955,769.00

Note 8: Fixed Assets

The following schedule is a summarization of the changes in General Fixed Assets for the fiscal year ended December 31, 2016:

	Balance December 31, 2015	Additions	Deletions	Balance December 31, 2016
Land	\$ 809,913	\$ -	\$ -	\$ 809,913
Buidlings	221,978	-	-	221,978
Equipment	286,168	-	-	286,168
Vehicles	11,000	-	-	11,000
Fire Trucks	705,162	-	-	705,162
Total	\$ 2,034,221	\$ -	\$ -	\$ 2,034,221

TOWNSHIP OF BASS RIVER

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

Note 9: Capital Debt

Summary of Debt:

<u>Issued</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Bond Anticipation Note Issued	\$ 30,525	\$ 72,525	\$ 114,525
Total Debt Issued	<u>30,525</u>	<u>72,525</u>	<u>114,525</u>
Authorized But Not Issued			
General Bonds and Notes	<u>380,303</u>	<u>380,303</u>	<u>380,303</u>
Total Authorized But Not Issued	<u>380,303</u>	<u>380,303</u>	<u>380,303</u>
Total Bonds and Notes Issued and Authorized But Not Issued	<u>\$ 410,828</u>	<u>\$ 452,828</u>	<u>\$ 494,828</u>

Schedule of Annual Debt Service for Principal and Interest for Bonded Debt Issued and Outstanding:

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 .233%:

	Gross Debt		Deductions		Net Debt
Regional School Debt	\$ 373,866	\$	373,866	\$	-
General	<u>410,828</u>		<u>-</u>		<u>410,828</u>
Total	<u>\$ 784,694</u>	\$	<u>373,866</u>	\$	<u>410,828</u>

Net Debt \$410,828 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, \$176,024,936 equals .233%.

Borrowing Power Under 40A:2-6:

3 1/2% of Equalized Valuation Bases (Municipal)	\$ 6,160,873
Net Debt	<u>410,828</u>
Remaining Borrowing Power	<u>\$ 5,750,045</u>

TOWNSHIP OF BASS RIVER

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

Note 10: Bond Anticipation Notes

The Township issues bond anticipation notes to temporarily fund various capital projects prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding ten years. All such notes must be paid no later than the tenth anniversary of the date of the original note. The State of New Jersey also prescribes that, on or before the third anniversary date of the original note, a payment of an amount at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid or retired. Legal installments must be paid if the notes are to be renewed beyond the fourth anniversary date of the original issuance.

At December 31, 2016, the Township had the following outstanding bond anticipation notes held as investments in the Current Fund at 0%.

<u>December 31,</u> <u>2015</u>	<u>Issued</u>	<u>Retired</u>	<u>December 31,</u> <u>2016</u>
\$ 72,525	\$ 30,525	\$ 72,525	\$ 30,525

Notes mature December 31, 2017.

Note 11: School Taxes

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

	Balance December 2016	Balance December 2015
Local School Taxes:		
Balance of Tax	\$ 716,244	\$ 690,477
Deferred	474,991	474,991
	\$ 241,253	\$ 215,486
Regional School Taxes:		
Balance of Tax	\$ 20,444	\$ 16,627
Deferred	-	-
	\$ 20,444	\$ 16,627

TOWNSHIP OF BASS RIVER

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

Note 12: Risk Management

The Township is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Township is a member of the Burlington County Municipal Joint Insurance Fund, public entity risk pools currently operating as a common risk management and insurance programs for municipalities within the state. The Township pays an actuarially determined annual assessment to the Burlington County Municipal Joint Insurance Fund for its insurance coverage. Supplemental assessments may be levied to supplement the funds. The Township has not been notified on any supplemental assessments.

Note 13: Fund Balance Appropriated

Fund Balance at December 31, 2016 which was appropriated and included as anticipated revenue in their respective funds for the year ending December 31, 2016 were as follows:

Current Fund – 12/31/2016 Fund Balance	\$420,414
Utilized in 2017 Budget	300,000

Note 14. Accounts Receivable

Accounts receivable at December 31, 2016 consisted of intergovernmental grants, taxes, rents and other accounts receivable. All receivables are considered to be collectible in full due to the stable condition of state programs and the current fiscal year guarantee of federal funds. Accounts receivable as of fiscal year end for the Township’s individual major and fiduciary funds, in the aggregate, are as follows:

	Current Fund	State & Federal Grant Fund	Total
State Aid	\$ 925	\$ 613,695	\$ 614,620
Taxes	174,714	-	174,714
Other	9,847	-	9,847
	\$ 185,486	\$ 613,695	\$ 799,181

Note 15: Deferred Charges to be Raised in Succeeding Budgets

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2016, the Township’s deferred charges were as follows:

<u>Fund</u>	<u>Amount</u>
Current	\$ 22,859
State & Federal Grant	6,065
General Capital	410,828
Total	\$ 439,752

SUPPLEMENTARY EXHIBITS

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CURRENT FUND

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**TOWNSHIP OF BASS RIVER
CURRENT FUND
SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>CURRENT FUND</u>	<u>STATE AND FEDERAL GRANT FUND</u>
Balance December 31, 2015	\$ 744,726	\$ -
Receipts:		
Taxes Receivable	\$ 3,652,233	\$ -
Tax Title Lien Collections	12,389	-
Budgeted Revenue	554,611	-
2017 Prepaid Taxes	81,663	-
Due From State of New Jersey Senior Citizen & Veteran Deductions	15,575	-
Miscellaneous Revenue not Anticipated	160,418	-
Budget Refunds	2,400	-
Lien Redemption	24,985	-
Tax Premium	35,900	-
Due From Payroll	5,333	-
Due From Animal Trust Fund	2,145	-
Due From Trust Other	2,843	-
Due From State & Federal Grant Fund	15,142	-
Federal & State Grants Receivable	-	47,940
	<u>4,565,637</u>	<u>47,940</u>
Total	<u>4,565,637</u>	<u>47,940</u>
Subtotal	<u>5,310,363</u>	<u>47,940</u>
Disbursements:		
2016 Appropriations	882,487	-
2015 Appropriations	28,653	-
Encumbrances Payable	14,752	-
Tax Overpayments	217	-
County Taxes	799,902	-
County Share of Added & Omitted Taxes	555	-
Local District School Taxes	1,452,829	-
Regional High School Tax	1,177,188	-
Lien Redemption	45,195	-
Tax Premium	2,100	-
Due to Payroll	575	-
Due to Current Fund	-	15,142
Reserve for State & Federal Grants	-	32,798
	<u>4,404,453</u>	<u>47,940</u>
Total Disbursements	<u>4,404,453</u>	<u>47,940</u>
Balance December 31, 2016	<u><u>\$ 905,910</u></u>	<u><u>\$ -</u></u>

**TOWNSHIP OF BASS RIVER
CURRENT FUND
SCHEDULE OF CHANGE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016**

Balance December 31, 2016	<u>\$ 525</u>
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ANALYSIS OF BALANCE

Tax Collector	\$ 100
Zoning Office	25
Court Clerk	<u>400</u>
Total	<u>\$ 525</u>

**TOWNSHIP OF BASS RIVER
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
FOR THE YEAR ENDED DECEMBER 31, 2016**

YEAR	BALANCE DECEMBER 31, 2015	2016 LEVY	ADDED TAXES	COLLECTED		DUE FROM STATE OF NEW JERSEY	CANCELED	TRANSFERRED TO		BALANCE DECEMBER 31, 2016
				2015	2016			TAX TITLE LIENS	LIENS	
Arrears	\$ 36,930	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 36,930
2014	484	-	-	-	76	-	-	-	-	408
2015	138,717	-	-	-	133,100	-	-	2,186	-	3,431
Total	176,131	-	-	-	133,176	-	-	2,186	-	40,769
2016	-	3,725,080	46,016	50,543	3,534,632	15,500	2,204	34,272	-	133,945
Total	\$ 176,131	\$ 3,725,080	\$ 46,016	\$ 50,543	\$ 3,667,808	\$ 15,500	\$ 2,204	\$ 36,458	\$ -	\$ 174,714

ANALYSIS OF 2016 PROPERTY TAX LEVY

Tax Yield:	
General Purpose	\$ 3,725,080
Added Taxes (54:4-63.1 et seq)	46,016
Total	<u>\$ 3,771,096</u>
Tax Levy:	
Regional High School Tax (Abstract)	\$1,181,005
Local District School Tax (Abstract)	1,478,596
County Taxes:	
County Tax (Abstract)	\$ 659,925
County Open Space Tax (Abstract)	78,555
County Library Tax (Abstract)	61,422
Due County for Added & Omitted Taxes	809,407
Local Purpose Taxes:	
Local Purpose Tax (Abstract)	265,766
Add: Additional Tax Levy	36,322
Total Levy	<u>\$ 3,771,096</u>

**TOWNSHIP OF BASS RIVER
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS
FOR THE YEAR ENDED DECEMBER 31, 2016**

Balance December 31, 2015		\$ 611,132
Increased by:		
Interest & Costs from Tax Sale	\$ 648	
Adjustment to Tax System	5,286	
Transfers from Taxes Receivable	36,458	42,392
		<hr/>
Decreased by:		
Collections		12,389
		<hr/>
Balance December 31, 2016		<u><u>\$ 641,135</u></u>

**SCHEDULE OF PROPERTY ACQUIRED FOR TAXES
(AT ASSESSED VALUATION)
FOR THE YEAR ENDED DECEMBER 31, 2016**

Balance December 31, 2016 & 2015	<u><u>\$ 584,100</u></u>
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TOWNSHIP OF BASS RIVER
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNT RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2016

	BALANCE DECEMBER 31, 2015	ACCRUED	COLLECTED BY TREASURER	BALANCE DECEMBER 31, 2016
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	\$ -	\$ 6,824	\$ 6,824	\$ -
Fees & Permits	-	21,081	21,081	-
Fines & Costs:				
Municipal Court	9,941	184,223	184,317	9,847
Interest & Costs on Taxes	-	38,099	38,099	-
State Aid Without Offsetting Appropriations:				
Energy Receipts Tax	-	142,045	142,045	-
Consolidated Municipal Property Tax Relief Aid	-	1,754	1,754	-
Garden State Trust Fund	-	160,491	160,491	-
Total	\$ 9,941	\$ 554,517	\$ 554,611	\$ 9,847

**TOWNSHIP OF BASS RIVER
CURRENT FUND
SCHEDULE OF 2015 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2016**

ACCOUNT	BALANCE DECEMBER 31, 2015	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
Salary and Wages	\$ 29,761	\$ 29,761	\$ 14,103	\$ 15,658
Other Expenses:				
Administrative & Executive	689	689	634	55
Financial Administration	505	505	412	93
Assessment of Taxes	853	853	57	796
Collection of Taxes	623	623	384	239
Legal Services & Costs	302	302	-	302
Auditing Services	4,250	4,250	-	4,250
Planning Board	3,538	3,538	171	3,367
Sewer Systems	1	1	-	1
Recreation	86	86	-	86
Utility Expenses & Bulk Purchases	4,017	4,017	3,413	604
Building and Grounds	212	712	514	198
Streets and Roads	85	85	85	-
Convenience Center	26,761	24,261	13,057	11,204
Landfill Closure	3,894	3,894	-	3,894
Mosquito & Pest Control	1,000	1,000	-	1,000
EMS- First Responder	4,425	4,425	2,181	2,244
First Aid Organization Contribution	639	639	-	639
Public Health Services	1,000	1,000	-	1,000
Municipal Prosecutor	4,600	4,600	1,400	3,200
Baliff	78	78	-	78
Municipal Court	866	1,866	1,378	488
Public Defender	2,500	2,500	2,500	-
Office of Emergency Management	1,230	1,230	-	1,230
Code Enforcement	500	500	-	500
Dog Regulation	970	970	966	4
Zoning Enforcement	-	1,000	545	455
Construction Official	370	370	57	313
Insurance	2,690	2,690	-	2,690
Social Security	1,641	1,641	1,243	398
Unemployment Insurance	1,729	1,729	305	1,424
Aid to Library	500	500	-	500
Recycling Tax	1,493	1,493	-	1,493
Utility Maintenance	1,129	1,129	-	1,129
State & Federal Matching Funds	2,500	2,500	-	2,500
Subtotal	<u>\$ 105,437</u>	<u>\$ 105,437</u>	<u>\$ 43,405</u>	<u>\$ 62,032</u>
Appropriation Reserves	\$ 90,685	\$ 90,685	\$ 28,653	\$ 62,032
Encumbrances Payable	14,752	14,752	14,752	-
Total	<u>\$ 105,437</u>	<u>\$ 105,437</u>	<u>\$ 43,405</u>	<u>\$ 62,032</u>

**TOWNSHIP OF BASS RIVER
CURRENT FUND
SCHEDULE OF LOCAL DISTRICT SCHOOL TAX
FOR THE YEAR ENDED DECEMBER 31, 2016**

Balance December 31, 2015:		
School Taxes Payable	\$ 215,486	
School Taxes Deferred	<u>474,991</u>	\$ 690,477
Increased by:		
School Year Levy July 1, 2016 to June 30, 2017		<u>1,478,596</u>
Subtotal		2,169,073
Decreased by Payments		<u>1,452,829</u>
Balance December 31, 2016:		
School Taxes Payable	241,253	
School Taxes Deferred	<u>474,991</u>	<u>716,244</u>
2016 Liability for Local School Tax:		
Tax Paid		1,452,829
Taxes Payable December 31, 2016		<u>241,253</u>
Subtotal		1,694,082
Less: Taxes Payable December 31, 2015		<u>215,486</u>
Amount Charged to 2016 Operations		<u><u>\$ 1,478,596</u></u>

**SCHEDULE OF REGIONAL HIGH SCHOOL TAX
FOR THE YEAR ENDED DECEMBER 31, 2016**

Balance December 31, 2015:		
School Taxes Payable		\$ 16,627
Increased by:		
Levy - Calendar Year 2016		<u>1,181,005</u>
Subtotal		1,197,632
Decreased by Payments		<u>1,177,188</u>
Balance December 31, 2016:		
School Taxes Payable		<u><u>\$ 20,444</u></u>

**TOWNSHIP OF BASS RIVER
CURRENT FUND
SCHEDULE OF COUNTY TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2016**

Balance December 31, 2015:		\$	25,624
Increased by 2016 Levy:			
General County	\$	659,925	
County Library		61,422	
County Open Space Preservation		78,555	
Due County for Added & Omitted Taxes		9,505	809,407
Subtotal			835,031
Cancellation of Prior Year Added Assessment		25,069	
Decreased by Payments		800,457	825,526
Balance December 31, 2016:		<u>\$</u>	<u>9,505</u>

**FEDERAL AND STATE GRANT FUND
SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2016**

	BALANCE DECEMBER 31, 2015	BUDGETED	RECEIVED	TRANSFER FROM UN- APPROPRIATED	BALANCE DECEMBER 31, 2016
State Grants:					
Alcohol Education and Rehabilitation	\$ -	\$ 121	\$ 121	\$ -	\$ -
Municipal Stormwater Regulation Program	8,750	-	-	-	8,750
GovConnect Grant	140	-	-	-	140
Hazardous Discharge Site Remediation	500	-	-	-	500
Clean Communities Grant	5,779	8,559	8,559	-	5,779
NJ Transportation Trust Fund - West Rd.	40,933	-	-	-	40,933
NJ DOT	-	220,000	-	-	220,000
County Grants:					
Municipal Park Development Program	291,510	79,000	32,917	-	337,593
Total	<u>\$ 347,612</u>	<u>\$ 307,680</u>	<u>\$ 41,597</u>	<u>\$ -</u>	<u>\$ 613,695</u>

**TOWNSHIP OF BASS RIVER
CURRENT FUND
SCHEDULE OF STATE AND FEDERAL GRANTS - APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2016**

	BALANCE DECEMBER 31, 2015	PRIOR YEAR ENCUMBERED	APPROPRIATED	EXPENDED	OVER EXPENDITURE	BALANCE DECEMBER 31, 2016
State Grants:						
Alcohol Education & Rehabilitation Fund	\$ 162	\$ -	\$ 121	\$ -	\$ -	283
Clean Communities Grant	41,134	-	8,559	8,424	-	41,269
Rural Development Pilot Program	657	-	-	-	-	657
NJ DEPE Local Coastal Planning Grant	5,670	-	-	-	-	5,670
Hazardous Discharge Site Remediation	2,897	-	-	-	-	2,897
Recycling Tonnage Grant	3,542	-	-	50	-	3,492
GovConnect Grant	155	-	-	-	-	155
Municipal Stormwater Regulation Program	71	-	-	-	-	71
Volunteer Fire Assistance Grant	5,000	-	-	-	-	5,000
NJ DOT Grant	-	-	220,000	8,995	-	211,005
Municipal Drug Alliance	-	-	-	6,065	(6,065)	-
Federal Grants:						
US Forest Service Volunteer Fire Assistance	585	-	-	-	-	585
County Grants:						
Municipal Park Development Program	204,784	18,167	79,000	26,518	-	275,433
Total	\$ 264,657	\$ 18,167	\$ 307,680	\$ 50,052	\$ (6,065)	\$ 546,517
Original Budget Chapter 159's	\$ -		307,680			
Total	\$ -		<u>307,680</u>			
Cash		\$ -		\$ 32,798		
Encumbrances				<u>17,254</u>		
Total				<u>\$ 50,052</u>		

**TOWNSHIP OF BASS RIVER
FEDERAL AND STATE GRANT FUND
SCHEDULE OF STATE AND FEDERAL GRANTS - UNAPPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2016**

	BALANCE DECEMBER 31, 2015	RECEIVED 2016	ANTICIPATED AS REVENUE	BALANCE DECEMBER 31, 2016
State Grants:				
Recycling Tonnage	\$ 1,966	\$ 1,583	\$ -	\$ 3,549
Municipal Drug Alliance	5,636	4,760	-	10,396
	<hr/>			
Total	\$ 7,602	\$ 6,343	\$ -	\$ 13,945

**CURRENT FUND
SCHEDULE OF DEFERRED CHARGES
FOR THE YEAR ENDED DECEMBER 31, 2016**

	BALANCE DECEMBER 31, 2015	AUTHORIZED	BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2016
Overexpenditure of Grant Appropriation	\$ 12,962	\$ -	\$ 12,962	\$ -
Overexpenditure of Appropriation	29,146	-	6,287	22,859
Special Emergency - HVAC	10,626	-	10,626	-
Special Emergency - Revaluation	24,744	-	24,744	-
	<hr/>			
Total	\$ 77,478	\$ -	\$ 54,619	\$ 22,859

TRUST FUND

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**TOWNSHIP OF BASS RIVER
TRUST FUND
SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2016**

	ANIMAL CONTROL FUND	TRUST OTHER FUND	PAYROLL FUND	ASSESSMENT FUND
Balance December 31, 2015	\$ 2,934	\$ 43,271	\$ 4,745	\$ 2,843
Receipts:				
Dog License Fees:				
Municipal Licenses - 2016	264	-	-	-
Payroll Account	-	-	450,553	-
Public Defender	-	1,812	-	-
Tax Sales Escrow	-	1	-	-
Developer's Escrow	-	1,729	-	-
Unemployment Account	-	2,046	-	-
Due from Current	-	-	575	-
Total Funds Available	<u>3,198</u>	<u>48,859</u>	<u>455,873</u>	<u>2,843</u>
Disbursements:				
State Department of Health	81	-	-	-
Due to Current	2,145	-	5,320	2,843
Payroll Deductions Payable	-	-	450,405	-
Expenditures from Developer's Escrow	-	426	-	-
Expenditures from Unemployment Account	-	2,046	-	-
Total Disbursements	<u>2,226</u>	<u>2,472</u>	<u>455,725</u>	<u>2,843</u>
Balance December 31, 2016	<u>\$ 972</u>	<u>\$ 46,387</u>	<u>\$ 148</u>	<u>\$ -</u>

**TOWNSHIP OF BASS RIVER
ANIMAL CONTROL FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2016**

Balance December 31, 2015	\$	789
Increased by:		
2016 Dog License Fees Collected		264
Subtotal		1,053
Decreased by:		
Expenditures Under N.J.S.A.4:19-15.11	\$	81
Due Current Fund - Statutory Excess		276
Subtotal		357
Balance December 31, 2016	\$	696

LICENSE FEES COLLECTED

YEAR	AMOUNT
2014	\$ 312
2015	384
Total	\$ 696

**ANIMAL CONTROL FUND
SCHEDULE OF DUE (TO)/FROM CURRENT FUND (ANIMAL CONTROL FUND)
FOR THE YEAR ENDED DECEMBER 31, 2016**

Balance December 31, 2015	\$	2,145
Increased by:		
Statutory Excess		276
Subtotal		2,421
Decreased by:		
Interfunds Liquidated		2,145
Balance December 31, 2016	\$	276

**TOWNSHIP OF BASS RIVER
TRUST ASSESSMENT FUND
SCHEDULE OF DUE (TO)/FROM CURRENT FUND (TRUST ASSESSMENT FUND)
FOR THE YEAR ENDED DECEMBER 31, 2016**

Balance December 31, 2015	\$ 2,843
Decreased by:	
Interfund Activity	2,843
	<hr/>
Balance December 31, 2016	\$ -
	<hr/> <hr/>

**TRUST FUND
SCHEDULE OF RESERVE FOR UNEMPLOYMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2016**

Balance December 31, 2015 & 2016	\$ 2,041
	<hr/> <hr/>

**TRUST FUND
SCHEDULE OF DUE (TO)/FROM CURRENT FUND (TRUST OTHER FUND)
FOR THE YEAR ENDED DECEMBER 31, 2016**

Balance December 31, 2015	\$ 38,753
Increased by:	
Tax Sale Premiums	13,590
	<hr/>
Balance December 31, 2016	\$ 52,343
	<hr/> <hr/>

**TOWNSHIP OF BASS RIVER
TRUST FUND
SCHEDULE OF PAYROLL DEDUCTIONS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2016**

Balance December 31, 2015		\$	-
Increased by:			
Payroll Deductions Received			<u>450,553</u>
Subtotal			450,553
Decreased by:			
Payroll Expenditures	\$	450,405	
Interfund Activity		148	<u>450,553</u>
Balance December 31, 2016		<u>\$</u>	<u>-</u>

**TOWNSHIP OF BASS RIVER
TRUST ASSESSMENT FUND
SCHEDULE OF ASSESSMENTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2016**

<u>Purpose</u>	<u>Date Confirmed</u>	<u>Date</u>	<u>Number</u>	Balance December 31, 2016 & 2015
Offshore Manor Wastewater	11/08/90	3/10/91-2011	20	\$ 195

**SCHEDULE OF RESERVE FOR ASSESSMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2015 & 2016	\$ 195
Pledged to Receivable Balance December 31, 2016 & 2015	\$ 195

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GENERAL CAPITAL FUND

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**TOWNSHIP OF BASS RIVER
GENERAL CAPITAL FUND
SCHEDULE OF FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2016**

Balance December 31, 2016 & 2015	\$ <u><u>354</u></u>
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**SCHEDULE OF CASH
FOR THE YEAR ENDED DECEMBER 31, 2016**

Balance December 31, 2016 & 2015	\$ <u><u>-</u></u>
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**ANALYSIS OF GENERAL CAPITAL CASH
FOR THE YEAR ENDED DECEMBER 31, 2016**

Fund Balance	\$ 354
Capital Improvement Fund	111,373
Due to Current Fund	72,470

Improvement Authorizations:

ORDINANCE
NUMBER

1996	Purchase of Recreation Equipment	2,144
2000-04	Purchase of Fire Trucks	(4,400)
2001-06	Expansion of Municipal Building	(9,800)
2002-08	Reconstruction of Munion Field Road	(90,000)
2008	Reconstruction of Various Streets	(31,003)
2008	Improvement of Various Streets	2,705
2008	Acquisition of Property	5,200
2012-07	Various Capital Improvements	(22,843)
2012-08	Improvements to Municipal Parks	7,750
2014-04	Generator for Public Shelter	<u>(43,950)</u>

Total	\$ <u><u>-</u></u>
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TOWNSHIP OF BASS RIVER
SCHEDULE OF DEFERRED CHARGED TO FUTURE TAXATION - UNFUNDED
FOR THE YEAR ENDED DECEMBER 31, 2016

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2015	2016 AUTHORIZATIONS	PAYMENT OF BOND ANTICIPATION NOTES	BALANCE DECEMBER 31, 2016
2000-04	Purchase of Fire Trucks	\$ 4,400	\$ -	\$ -	\$ 4,400
2001-06	Expansion of Municipal Building	9,800	-	-	9,800
2002-08	Reconstruction of Munion Field Road	90,000	-	-	90,000
2008	Reconstruction of Various Streets	31,003	-	-	31,003
2012-07	Various Capital Improvements	26,600	-	-	26,600
2012	Improvements to Various Streets	72,525	-	42,000	30,525
2012-08	Improvements to Municipal Parks	147,250	-	-	147,250
2014-04	Generator for Public Shelter	71,250	-	-	71,250
	Total	\$ 452,828	\$ -	\$ 42,000	\$ 410,828

**TOWNSHIP OF BASS RIVER
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2016**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	AMOUNT	BALANCE DECEMBER 31, 2015		2016 AUTHORIZATIONS	EXPENDED	BALANCE DECEMBER 31, 2016	
				FUNDED	UNFUNDED			FUNDED	UNFUNDED
1996	Improvements to Recreation Area	5/24/1996	\$ 15,000	\$ 2,144	\$ -	\$ -	\$ -	\$ 2,144	\$ -
2008	Improvement of Various Streets	2/25/2008	120,000	-	2,705	-	-	-	2,705
2008	Acquisition of Property	5/5/2008	65,000	5,200	-	-	-	5,200	-
2012-07	Various Capital Improvements	8/6/2012	28,000	-	3,757	-	-	-	3,757
2012-08	Improvements to Municipal Parks	11/5/2012	155,000	7,750	147,250	-	-	7,750	147,250
2014-04	Generator for Public Shelter	9/8/2014	75,000	-	27,300	-	-	-	27,300
Total				\$ 15,094	\$ 181,012	\$ -	\$ -	\$ 15,094	\$ 181,012

**TOWNSHIP OF BASS RIVER
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2016**

Balance December 31, 2016 & 2015

\$ 111,373

**TOWNSHIP OF BASS RIVER
GENERAL CAPITAL FUND
STATEMENT OF BOND ANTICIPATION NOTES
AT DECEMBER 31, 2016**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF ORIGINAL NOTE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2015	INCREASED	DECREASED	BALANCE DECEMBER 31, 2016
2008	Improvements to Various Streets	12/15/08	12/15/08	12/15/18	0.00%	\$ 72,525	\$ -	\$ 42,000	\$ 30,525
Total									
						\$ 72,525	\$ -	\$ 42,000	\$ 30,525

**TOWNSHIP OF BASS RIVER
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
FOR THE YEAR ENDED DECEMBER 31, 2016**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2015	BONDS AND NOTES AUTHORIZED	NOTES ISSUED	BALANCE DECEMBER 31, 2016
2000-04	Purchase of Fire Trucks	\$ 4,400	-	\$ -	\$ 4,400
2001-06	Expansion of Municipal Building	9,800	-	-	9,800
2002-08	Reconstruction of Munion Field Road	90,000	-	-	90,000
2008	Reconstruction of Various Streets	31,003	-	-	31,003
2012-07	Various Capital Improvements	26,600	-	-	26,600
2012-08	Improvements to Municipal Parks	147,250	-	-	147,250
2014-04	Generator for Public Shelter	71,250	-	-	71,250
		<u>\$ 380,303</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 380,303</u>

**TOWNSHIP OF BASS RIVER
COUNTY OF BURLINGTON**

PART II

**COMMENTS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2016**

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The Honorable Mayor and Members of the
Township Board of Commissioners
Township of Bass River
New Gretna, New Jersey 08224

We have audited the financial statements of the Township of Bass River in the County of Burlington for the year ended December 31, 2016. In accordance with requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the following are the *General Comments* and *Recommendations* for the year then ended.

GENERAL COMMENTS

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

N.J.S.A.40A:11-4 - Every contract or agreement, for the performance of any work or furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other Law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate \$17,500 except by contract or agreement.

It is pointed out that the governing body of the municipality has the responsibility of determining whether the expenditures in any category will exceed the statutory minimum within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the solicitor's opinion should be sought before a commitment is made.

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

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

Contracts and Agreements Requiring Solicitation of Quotations

The examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$2,625 "for the performance of any work or the furnishing or hiring of any materials or supplies", other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of (*N.J.S.A.40A:11-6.1*).

Collection of Interest on Delinquent Taxes and Assessments

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

The governing body on January 4, 2016 adopted the following resolution authorizing interest to be charged on delinquent taxes:

“**BE IT RESOLVED** that the rate of interest to be charged for the nonpayment of taxes and water/sewer rents on the date when they become delinquent is hereby fixed as eight (8%) percent per annum of the first One Thousand Five Hundred Dollars (\$1,500.00) of the delinquency, and eighteen (18%) percent per annum on any amount in excess of One Thousand Five Hundred Dollars (\$1,500.00). The same to be calculated from the date of actual payment; provided, however, that no interest be charged if payment is made with ten (10) days after the date upon which same became payable.”

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

Delinquent Taxes and Tax Title Liens

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

YEAR	NUMBER OF LIENS
2016	159
2015	152
2014	135

Deductions From Taxes

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

Examination of Bills

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

Municipal Court

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

The statutory report on the operations of the Municipal Court has been prepared and copies filed with the New Jersey Administrative Office of the Courts, the Division of Local Government Services, the Municipal Court and the Township Clerk.

General Fixed Assets

Finding 2016-001*:

During our audit it was noted that a fixed asset accounting system is not being maintained in accordance with technical accounting directive No. 2 and N.J.A.C. 5:30-5.6.

Recommendation:

That the fixed assets accounting system be maintained in accordance with technical accounting directive No. 2 and N.J.A.C. 5:30-5.6.

Managements Response:

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

Payroll Fund

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

Chief Financial Officer

Finding 2016-002:

During our audit it was noted that appropriation lines in the State and Federal Grant Fund were over-expended.

Recommendation:

That the Township should only expend funds as appropriated (N.J.S.A. 40A:4-57).

Managements Response:

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

Follow-up on Prior Year Findings

In accordance with government auditing standards, my procedures included a review of all prior year findings. Corrective action has been taken on all of the prior year findings except those marked above with an asterisk (*).

OFFICIALS IN OFFICE

The following officials were in office at December 31, 2016:

NAME	TITLE
Deborah Buzby-Cope	Commissioner and Mayor
Nicholas Capriglione	Commissioner and Deputy Mayor
Louis Bourguignon	Commissioner
Al Stanley	Chief Financial Officer
Amanada Somes	Municipal Clerk
Linda Ellison-Ash	Tax Collector
Peggy A. Beck	Court Administrator
Adolph P. Sicheri	Magistrate

There were Employee's Blanket Performance Bonds in the amount of \$1,000,000 for the Township employees and court personnel carried by the Burlington County Municipal Joint Insurance Fund.

Acknowledgment

We received the complete cooperation of all the Township Officials and employees and we greatly appreciate the courtesies extended to the members of the audit team.

Should you have any questions, please contact us.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

Kevin P. Frenia
Certified Public Accountant
Registered Municipal Accountant
RMA #435

Medford, New Jersey
April 24, 2017