

COMMERCIAL TOWNSHIP
FIRE DISTRICT NO. 1
COUNTY OF CUMBERLAND
REPORT OF AUDIT
DECEMBER 31, 2013

COMMERCIAL TOWNSHIP FIRE DISTRICT NO. 1

COUNTY OF CUMBERLAND

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COUNTY OF CUMBERLAND

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COMMERCIAL TOWNSHIP FIRE DISTRICT NO. 1
OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office during 2013:

<u>NAME</u>	<u>TITLE</u>	<u>AMOUNT OF SURETY BOND</u>
<u>Board of Fire Commissioners</u>		
William Rhubart III	Chairman	
Christy Rhubart	Vice-Chairman	
Michael Rodgers	Treasurer	\$ 10,000
Gary Hollinger	Secretary	
Robert Hyson	Member	

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March 27, 2014

INDEPENDENT AUDITOR'S REPORT

President and Members of the
Commercial Township Fire District No. 1
County of Cumberland
Port Norris, New Jersey

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Commercial Township Fire District No. 1 ("the Fire District"), County of Cumberland, State of New Jersey as of and for the year ended December 31, 2013, which collectively comprise the Fire District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these basic financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; standards applicable to financial audits contained in **Government Auditing Standards**, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Bureau of Authority Regulation, Division of Local Government Services, 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

Opinions

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of the Commercial Township Fire District No. 1, County of Cumberland, State of New Jersey, as of December 31, 2013, and the respective changes in financial position thereof and for the year then ended in conformity with accounting principles generally accepted in the United States of America.

New Accounting Standards

As discussed in Note 1 to the financial statements, the Fire District adopted the following new accounting standards issued by the Governmental Accounting Standards Board (GASB): Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position and Statement No. 65, Items Previously Reported as Assets and Liabilities. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the accompanying Management Discussion and Analysis on pages 7 through 13 along with budgetary comparison information on pages 32 through 34, as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Fire District's basic financial statements as a whole. The related major fund supporting statements and schedules listed in the table of contents are also presented for purposes of additional analysis and are not a required part of the basic financial statements. These statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with **Government Auditing Standards**, we have also issued our report dated March 27, 2014 on our consideration of the Fire District'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** and should be considered in assessing the results of our audit.

Respectfully submitted,

NIGHTLINGER, COLAVITA & VOLPA, P.A.

Raymond Colavita, C.P.A.
Registered Municipal Accountant

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March 27, 2014

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

INDEPENDENT AUDITOR'S REPORT

President and Members of the
Commercial Township Fire District No. 1
County of Cumberland
Port Norris, New Jersey

We have audited the financial statements of the governmental activities and each major fund of the Commercial Township Fire District No. 1 (the "Fire District"); County of Cumberland, State of New Jersey, as of and for the year ended December 31, 2013, which collectively comprise the Commercial Township Fire District No. 1, County of Cumberland, State of New Jersey's basic financial statements and have issued our report thereon dated March 27, 2014. 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 as prescribed by the New Jersey Division of Local Government Services – Bureau of Authority Regulation.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Fire District's internal control over financial reporting as a basis for designing our auditing procedures 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 Fire District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Fire District's internal control over financial reporting.

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 misstatement on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. We did not identify any deficiency in internal control over financial reporting, described in the accompanying schedule of findings and recommendation that we consider to be a significant deficiency in internal control over financial reporting.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Fire District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards or audit requirements as prescribed by the New Jersey Division of Local Government Services – Bureau of Authority Regulation.

Purpose of this Report

This report is intended for the information of the audit committee, management, Federal and State awarding agencies and pass-through entities and the Bureau of Authority Regulation. However, this report is a matter of public record.

Respectfully submitted,

NIGHTLINGER, COLAVITA & VOLPA, P.A.

Raymond Colavita, C.P.A.
Registered Municipal Accountant

REQUIRED SUPPLEMENTARY INFORMATION – PART I