BURLINGTON COUNTY BRIDGE COMMISSION

REPORT OF AUDIT

WITH SUPPLEMENTARY INFORMATION

FOR THE FISCAL YEARS ENDING SEPTEMBER 30, 2015 and 2014

BOWMAN & COMPANY LLP
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

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BURLINGTON COUNTY BRIDGE COMMISSION
ROSTER OF OFFICIALS
As of September 30, 2015

MEMBERS	POSITION
John B. Comegno, II	Chairman
James D. Fattorini	Vice-Chairman
Troy E. Singleton	Commissioner
OTHER OFFICIALS	
John D. Jeffers	Executive Director
Christine J. Nociti	Treasurer
Kathleen M. Wiseman	Secretary
Michelle Chiemiego	Procurement Officer
PROFESSIONALS	
Pennoni Associates Inc.	Consulting Engineer
Anthony T. Drollas, Jr.. of Capehart & Scatchard, P.A.	Solicitor

BURLINGTON COUNTY BRIDGE COMMISSION

PART I

FINANCIAL SECTION

FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2015

BOWMAN & COMPANY LLP
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT AUDITOR'S REPORT

The Chairman and Members of
The Burlington County Bridge Commission
Palmyra, New Jersey

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of the Burlington County Bridge Commission, in the County of Burlington, State of New Jersey, a component unit of the County of Burlington (Commission), as of and for the fiscal years ending September 30, 2015 and 2014 and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with 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 an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Bureau of Authority Regulation, Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of the Burlington County Bridge Commission, in the County of Burlington, State of New Jersey as of September 30, 2015 and 2014, and the changes in financial position and its cash flows thereof for the fiscal years then ended, in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Adoption of New Accounting Principles

As discussed in note 1 to the financial statements, during the fiscal year ended September 30, 2015, the Commission adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 68*, Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27,* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. Our opinion is not modified with respect to this matter.

Prior Period Restatement

Because of the implementation of GASB Statements No. 68 and No. 71 and invoices that were received subsequent to the previous audit, net position as of September 30, 2013 on the statement of revenues, expenses and changes in net position has been restated, as discussed in note 11 to the financial statements. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of funding progress for the OPEB plan, schedule of the Commission's proportionate share of the net pension liability, and schedules of Commission's contributions 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 an opinion on the financial statements that collectively comprise the Commission's basic financial statements. The accompanying supplementary schedules as listed in the table of contents are not a required part of the basic financial statements.

The accompanying supplementary schedules as listed in the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information, as listed in the table of contents, is 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 July 8, 2016 on our consideration of the Commission'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 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 Commission's internal control over financial reporting and compliance.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Woodbury, New Jersey
July 8, 2016

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

INDEPENDENT AUDITOR'S REPORT

The Chairman and Members of
The Burlington County Bridge Commission
Palmyra, New Jersey

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 in compliance with audit requirements as prescribed by the Bureau of Authority Regulation, Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements of the business-type activities of the Burlington County Bridge Commission, in the County of Burlington, State of New Jersey, a component unit of the County of Burlington (Commission), as of and for the fiscal year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated July 8, 2016. Our report on the financial statements included an emphasis of matter paragraph describing the restatement of the prior period financial statements resulting from the adoption of new accounting principles and the correction of an error.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Woodbury, New Jersey
July 8, 2016

MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)

This Management Discussion and Analysis ("MD&A") by the Burlington County Bridge Commission (the "Commission") provides an introduction to the financial statements of the Commission for the fiscal year ended September 30, 2015. The financial section of the annual audit report consists of three sections: the MD&A, the basic financial statements together with the notes thereto, and required supplementary information. The intent of the discussion and analysis is to look at the Commission's financial performance and review the notes to the basic financial statements to enhance the understanding of the Commission's financial performance.

The Commission's financial statements are prepared on an accrual basis in accordance with accounting principles generally accepted in the United States of America which are promulgated by the Governmental Accounting Standards Board. As the Commission follows the accrual method of accounting, the current year's revenues and expenses are accounted for in the statements of revenues, expenses, and changes in net position regardless of when cash is received or paid. Net position - the difference between the Commission's assets, deferred inflows of resources, liabilities and deferred outflows of resources - is a measure of the Commission's financial health. Accordingly, the Commission is structured as a single enterprise fund with revenues recognized when earned and expenses recognized when incurred. Capital assets, which meet certain criteria, are capitalized and depreciated over their useful lives (with the exception of land and construction in progress). A summary of the Commission's significant accounting policies is described in the "Notes to the Financial Statements" which is included with the audit as described above.

The statements of net position (Exhibit A) include all of the Commission's assets and liabilities. The statements of revenues, expenses and changes in net position (Exhibit B) provide a breakdown of the various areas of revenues and expenses encountered during the fiscal year. The statements of cash flows (Exhibit C) provide a breakdown of the various sources of cash flow, categorized into three areas: Cash flows from operating activities, capital and related financing activities and investing activities.

FINANCIAL HIGHLIGHTS:

- During the fiscal year ended September 30, 2015, the Commission was required to implement Governmental Accounting Standard Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27, and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68. GASB 68 requires agencies to report unfunded pension obligations as a liability on the financial statements even in cases where the agency is not legally responsible for the unfunded pension obligation. Previously, this category was included in a footnote to the financials. The pension liability is based on an actuarial estimate and the actual payments may vary as they will be paid over the employee's lifetime through retirement. At September 30, 2013, the Net Position Restatement related to the pension obligations was $21,896,635 and the unfunded pension liability as of December 31, 2015 was $24,540,233.

- Since the pension liability is now required to be recorded in the financial statements, the liability and related expenses results in a deficit in unrestricted net position. Since this pension liability is expected to be paid out over decades, the Commission's management backs out these amounts when making operating decisions. Without the inclusion of the pension liability and related deferred items, the September 30, 2015 unrestricted net position would be $8,042,981 as opposed to the GAAP deficit amount of $14,193,406. Management feels the current ratio, the comparison of current assets to current liabilities, is the best way to evaluate the operations of the Commission. When you compare the current assets of $60,526,700 to the current liabilities of $11,764,652, the Commission is in a stable financial position more than able to meet current operating requirements. In addition, the notes to the financial statements provide a more thorough discussion of the implementation of GASB 68 and the effects to the financial statements.

FINANCIAL HIGHLIGHTS (CONT'D):

- The Commission approved a rate increase effective September 15, 2015. Below is a comparison of toll rates before and after the increase:

	Prior to September 15, 2015	Subsequent to Sept. 15, 2015	
	Cash & E-Z Pass	Cash	E-Z Pass
Auto, Lt. Trucks, Vans	$ 2.00	$ 4.00	$ 3.00
Buses or Dual Wheel Pickups:			
2 Axle	4.50	6.00	5.00
3 Axle	6.75	9.00	8.00
Extra Axle	1.50	3.00	2.00
Trucks:			
2 Axle	9.00	12.00	12.00
6 Axle		36.00	36.00
Extra Axle	4.50	6.00	6.00

- Operating expenses are up from 2014 which is largely attributable to an increase in Major Repairs. The Commission also continues to dedicate resources in a joint effort with the County to provide support which will conserve taxpayer dollars through shared services. The Commission attributes the global success of their ability to stabilize costs to the continued pursuit of efficiencies offered through technology and the strength of the Commission's leadership and management's efforts.

- Total assets at the end of fiscal year 2015 was just over $161.1 million. After adding deferred outflows of $3.5 million and deducting liabilities and deferred inflows totaling just over $98.5 million, net position came to $66.1 million.

SUMMARY OF FINANCIAL POSITION:

The largest portion of the Commission's net position is represented by its investment in capital assets (e.g. bridges and equipment), less the related debt outstanding used to acquire those capital assets. The Commission remains devoted to providing the best possible facilities to its customers and visitors. The Commission's investment in its capital assets is reported net of related debt; the resources required to repay this debt was substantially provided from operations costs in recent years.

An additional portion of the Commission's net position includes resources that are subject to external restrictions on how they can be used under bond resolutions and State regulations. The Commission will apply these restricted funds as appropriate for State Unemployment Compensation and Bond Resolution Covenants.

The remaining portion of the Commission's net position is a deficit in unrestricted net position. The deficit is primarily a result of the Commission's implementation of GASB 68 and 71.

NET POSITION SEPTEMBER 30,

	2015	2014	2013*
ASSETS:		(Restated)	
UNRESTRICTED ASSETS	$ 27,458,751.56	$ 16,905,021.28	$ 12,073,889.71
RESTRICTED ASSETS	33,067,948.09	50,874,456.89	70,476,326.23
CAPITAL ASSETS (NET OF DEPRECIATION)	100,608,862.94	96,547,424.30	87,433,148.17
TOTAL ASSETS	161,135,562.59	164,326,902.47	169,983,364.11
DEFERRED OUTFLOWS OF RESOURCES:			
RELATED TO PENSIONS	3,478,674.00	941,051.50	-
LIABILITIES:			
CURRENT LIABILITIES	11,764,651.64	8,527,032.38	10,357,935.36
LONG TERM LIABILITIES	85,430,815.80	85,225,736.99	66,369,253.92
TOTAL LIABILITIES	97,195,467.44	93,752,769.37	76,727,189.28
DEFFERED INFLOWS OF RESOURCES:			
RELATED TO PENSIONS	1,324,957.00	1,285,122.00	-
NET POSITION:			
NET INVESTMENT IN CAPITAL ASSETS	70,384,154.10	69,975,426.31	63,597,859.79
RESTRICTED	9,903,063.70	9,837,615.07	9,871,234.67
UNRESTRICTED	(14,193,405.65)	(9,582,978.78)	19,787,080.37
TOTAL NET POSITION, AS ORIGINALLY STATED	66,093,812.15	70,230,062.60	93,256,174.83
RESTATEMENT (SEE NOTE 11)	-	-	(21,896,635.00)
TOTAL NET POSITION, AS RESTATED	$ 66,093,812.15	$ 70,230,062.60	$ 71,359,539.83

* 2013 has not been restated to comply with GASB 68. See Note 11

SUMMARY OF FINANCIAL POSITION (CONT'D):

CHANGES IN NET POSITION:

The total net position decreased in fiscal year 2015 primarily as the result of the Commission's dedication to a consistent capital program. Resources will be applied to Major Repairs and other appropriate uses consistent with the Commission's continued focus and aggressive policy regarding bridge safety. Management's adheres to its long term plan to keep the Commission's revenue generating assets in the best condition and also to keep current with technology. Because improvements and large scale repairs require longer periods of time to design and implement, the associated costs may not be spread equally from year to year as projects develop from the design to construction phase. In fiscal year 2015, the total expended for Major Repairs was $7.17 million, and Completed Projects (Net of Accumulated Depreciation) reflected a financial statement increase of $4.06 million.

CHANGE IN NET POSITION SEPTEMBER 30,

	2015	2014 (Restated)	2013*
OPERATING REVENUES:			
TOLL REVENUE	$ 34,365,157.94	$ 32,910,092.54	$ 33,653,728.85
OTHER REVENUE	436,214.45	495,252.78	136,713.93
TOTAL OPERATING REVENUE	34,801,372.39	33,405,345.32	33,790,442.78
OPERATING EXPENSES:			
COST OF PROVIDING SERVICE	31,696,398.11	27,487,767.73	25,993,195.93
ADMINISTRATIVE	5,150,343.13	4,983,827.34	5,040,638.49
TOTAL OPERATING EXPENSES	36,846,741.24	32,471,595.07	31,033,834.42
OPERATING INCOME (LOSS)	(2,045,368.85)	933,750.25	2,756,608.36
NON-OPERATING REVENUES AND (EXPENSES):			
INVESTMENT INCOME	42,354.04	44,328.10	182,301.43
CONTRIBUTION TO COUNTY	(1,400,000.00)	(1,400,000.00)	(1,400,000.00)
INTEREST EXPENSE	(733,235.64)	(716,593.26)	(1,114,043.55)
NET OTHER ITEMS AND TRANSFERS		9,037.68	513,365.99
TOTAL NON-OPERATING ITEMS	(2,090,881.60)	(2,063,227.48)	(1,818,376.13)
INCREASE (DECREASE) IN NET POSITION	$ (4,136,250.45)	$ (1,129,477.23)	$ 938,232.23

* 2013 has not been restated to comply with GASB 68. See Note 11

BUDGETARY HIGHLIGHTS:

The Commission must adopt an annual budget in accordance with N.J.A.C. 5:31-2. The budget is adopted on the accrual basis of accounting with provisions for bond principal. Significant variances between the original adopted budget and actual budget amounts fall within the two categories of favorable and unfavorable.

The Commission had a favorable variance in toll revenue of just over $3.5 million dollars. The Commission attributes the additional revenue to subtle improvements in the local economy. The Commission similarly realized a favorable benefit from a toll increase effective a few weeks before the close of the fiscal year which it expects will positively impact fiscal 2016 revenue by more than $15,000,000.

The Commission had a favorable variance in cost of providing service of just over $2 million dollars. This can be primarily attributed to a less than expected increase in the cost of benefits. The Commission remains proactive regarding health care costs generally and approved participation in a pooled health insurance fund effective October 1, 2015 with the goal of mitigating exposure to significant future cost increases.

The Commission had a favorable variance in administration of about $1.3 million dollars. This can be primarily attributed to a less than expected increase in the cost of benefits and lower legal expense.

DEBT ADMINISTRATION:

The Commission continues to pay down the $46,290,000 2013 Bonds. The Bonds have interest rates ranging from 2% to 5.25% with principal payments until October 2030. The Bonds were issued to provide funds for the costs of various capital improvements to the Commission's Bridge System, funding the Debt Service Reserve Fund, and paying costs and expenses associated with the issuance of the Series 2013 Bonds.

During fiscal year 2015, the Commission made payments of $2.93 million in principal and $2.09 million in interest to meet the required payments of the 2013 bonds. And commensurate with the toll increase, the Commission has taken the necessary steps to finance approximately $50,000,000 in long-term, benefit capital projects with a 2015 note.

CAPITAL ACQUISITIONS AND CONSTRUCTION ACTIVITIES:

As set forth above, the Commission invested significant resources during the year toward capital improvements and construction activities. These capital improvement expenditures during the fiscal year include project costs as well as design and engineering expenses.

FACTORS BEARING ON THE COMMISSION'S FUTURE FINANCIAL POSITION:

Toll Revenue is generally subject to local economic conditions and vehicle fares for alternate routes. The Commission's Tacony-Palmyra Bridge continues to enjoy a competitive price advantage for automobile traffic when compared to the nearest alternate route even with the toll increase considered. Alternate routes for the Burlington-Bristol Bridge are less convenient to travelers. Daily weather conditions and impediments to approach roadway access are generally short term in duration and have little impact on annual revenue.

COMPONENT UNITS:

It has been determined by the Commission that the Friends of the Palmyra Nature Cove, Inc. is considered a component unit. The Commission has determined that they are not significant and, therefore, have not been included in the basic financial statements. Requests for financial information should be addressed to Friends of the Palmyra Nature Cove, Inc. 1300 Route 73 North, P.O. Box 6, Palmyra, New Jersey 08065.

ADDITIONAL FINANCIAL INFORMATION:

This financial report is designed to provide the Commission's customers, investors and other interested parties with an overview of the Commission's financial operations and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional financial information, please contact the Commission's Chief Financial Officer/Compliance Officer/Treasurer: Christine J. Nociti, J.D., C.P.A. at 1300 Route 73 North, P.O. Box 6, Palmyra, New Jersey 08065-1090.

BASIC FINANCIAL STATEMENTS

BURLINGTON COUNTY BRIDGE COMMISSION
Comparative Statements of Net Position
As of September 30, 2015 and 2014

	2015	2014 (Restated)
ASSETS		
Current Assets:		
Unrestricted Assets:		
Cash and Cash Equivalents	$ 24,841,204.99	$ 14,722,193.62
EZ-Pass Receivable	2,109,601.75	1,456,686.25
Other Accounts Receivable	78,073.79	153,094.81
Prepaid Expenses	429,871.03	573,046.60
Total Unrestricted Assets	27,458,751.56	16,905,021.28
Restricted Assets:		
Cash and Cash Equivalents	33,067,948.09	50,874,456.89
Total Current Assets	60,526,699.65	67,779,478.17
Noncurrent Assets:		
Capital Assets		
Completed (Net of Depreciation)	85,461,370.82	76,829,141.41
Improvements in Progress	15,147,492.12	19,718,282.89
Total Noncurrent Assets	100,608,862.94	96,547,424.30
Total Assets	161,135,562.59	164,326,902.47
DEFERRED OUTFLOWS OF RESOURCES		
Related to Pensions	$ 3,478,674.00	$ 941,051.50

(Continued)

BURLINGTON COUNTY BRIDGE COMMISSION
Comparative Statements of Net Position
As of September 30, 2015 and 2014

	2015	2014 (Restated)
LIABILITIES		
Current Liabilities Payable from Unrestricted Assets:		
Accounts Payable	$ 4,800,726.18	$ 3,164,761.76
Payments in Lieu of Taxes	21,502.47	
Accounts Payable - Related to Early Retirement Incentive Programs	81,878.00	79,494.00
Accounts Payable - Related to Pensions	939,862.00	949,508.00
Escrow and Retained Funds	294,344.98	299,989.10
Unearned Revenue	11,469.56	9,903.77
Total Current Liabilities Payable from Unrestricted Assets	6,149,783.19	4,503,656.63
Current Liabilities Payable from Restricted Assets:		
Accounts Payable	1,690,249.72	
Accrued Interest Payable on Bonds	1,024,618.73	1,061,243.75
Reserve for Worker's Compensation Claims		32,132.00
Bridge System Revenue Bonds Payable	2,900,000.00	2,930,000.00
Total Current Liabilities Payable from Restricted Assets	5,614,868.45	4,023,375.75
Long-Term Liabilities Payable:		
Compensated Absences Payable	1,838,496.86	1,912,209.22
Net OPEB Obligation	12,233,279.12	10,632,433.61
Accrued Liabilities - Related to Early Retirement Incentive Programs	771,765.00	853,643.00
Accrued Liabilities - Related to Pensions	234,966.00	234,965.50
Net Pension Liability	24,540,233.00	21,564,408.00
Bridge System Revenue Bonds Payable	45,812,075.82	50,028,077.66
Total Long-Term Liabilities	85,430,815.80	85,225,736.99
Total Liabilities	97,195,467.44	93,752,769.37
DEFERRED INFLOWS OF RESOURCES		
Related to Pensions	1,324,957.00	1,285,122.00
NET POSITION		
Net Investment in Capital Assets	70,384,154.10	69,975,426.31
Restricted:		
State Unemployment Compensation		25,757.57
Bond Resolution Covenants	9,903,063.70	9,811,857.50
Unrestricted (Deficit)	(14,193,405.65)	(9,582,978.78)
Total Net Position	$ 66,093,812.15	$ 70,230,062.60

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

BURLINGTON COUNTY BRIDGE COMMISSION

Comparative Statements of Revenues, Expenses and Changes in Net Position
For the Fiscal Years Ended September 30, 2015 and 2014

	2015	2014 (Restated)
Operating Revenues:		
Tolls	$ 34,365,157.94	$ 32,910,092.54
Miscellaneous Revenue	436,214.45	495,252.78
Total Operating Revenues	34,801,372.39	33,405,345.32
Operating Expenses:		
Administration:		
Salaries and Wages	2,134,115.13	2,144,113.91
Employee Benefits	1,417,087.82	1,314,344.16
Other Expenses	1,599,140.18	1,525,369.27
Cost of Providing Service:		
Salaries and Wages	7,741,134.98	8,081,468.62
Employee Benefits	5,295,503.56	5,076,645.12
Other Expenses	7,007,260.90	6,998,260.14
Major Repairs Expense	7,166,422.30	2,385,495.39
Depreciation	4,486,076.37	4,945,898.46
Total Operating Expenses	36,846,741.24	32,471,595.07
Operating Income (Loss)	(2,045,368.85)	933,750.25
Non-Operating Revenues (Expenses):		
Investment Income	42,354.04	44,328.10
Contribution to County	(1,400,000.00)	(1,400,000.00)
Interest on Bonds	(733,235.64)	(716,593.26)
Loss on Disposal of Capital Assets		9,037.68
Total Non-Operating Revenues (Expenses)	(2,090,881.60)	(2,063,227.48)
Change in Net Position	(4,136,250.45)	(1,129,477.23)
Net Position - Beginning, as originally stated	70,230,062.60	93,256,174.83
Restatement (See Note 11)		(21,896,635.00)
Net Position - Beginning, as Restated	70,230,062.60	71,359,539.83
Change in Net Position	(4,136,250.45)	(1,129,477.23)
Net Position - Ending	$ 66,093,812.15	$ 70,230,062.60

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

BURLINGTON COUNTY BRIDGE COMMISSION
Comparative Statements of Cash Flows
For the Fiscal Years Ended September 30, 2015 and 2014

	2015	2014 (Restated)
Cash Flows from Operating Activities:		
Receipts from Customers and Users	$ 33,712,242.44	$ 32,836,174.54
Payments to Suppliers	(5,201,232.51)	(9,130,202.21)
Payments to Employees and Agencies	(14,617,386.50)	(15,018,256.72)
Provision for Major Repairs	(7,120,052.90)	(2,486,265.34)
Other Operating Receipts	428,882.62	996,014.38
Net Cash Provided by Operating Activities	7,202,453.15	7,197,464.65
Cash Flows from Capital and Related Financing Activities:		
Acquisition of Capital Assets	(8,407,253.46)	(15,468,608.11)
Retainage	(109,188.66)	(16,306.70)
Contributed Capital		98,397.00
Contribution to County	(1,400,000.00)	(1,400,000.00)
Bond Principal	(2,930,000.00)	(2,610,000.00)
Interest on Bonds	(2,085,862.50)	(2,090,771.41)
Net Cash Used in Capital and Related Financing Activities	(14,932,304.62)	(21,487,289.22)
Cash Flows from Investing Activities:		
Investment Income Receipts	42,354.04	47,370.44
Investment Principal Redemptions		2,133,866.76
Net Cash Provided by Investing Activities	42,354.04	2,181,237.20
Net Decrease in Cash and Cash Equivalents	(7,687,497.43)	(12,108,587.37)
Cash and Cash Equivalents at Beginning of Year	65,596,650.51	77,705,237.88
Cash and Cash Equivalents at End of Year	$ 57,909,153.08	$ 65,596,650.51

(Continued)

BURLINGTON COUNTY BRIDGE COMMISSION
Comparative Statements of Cash Flows
For the Fiscal Years Ended September 30, 2015 and 2014

	2015	2014 (Restated)
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:		
Operating Income (Loss)	$ (2,045,368.85)	$ 933,750.25
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation Expense	4,486,076.37	4,945,898.46
Change in Assets and Liabilities:		
EZ-Pass Receivable	(652,915.50)	(73,918.00)
Other Accounts Receivable	(8,897.62)	496,433.01
Prepaid Expenses	143,175.57	4,329.29
Escrow and Retained Funds	46,369.40	(100,769.95)
Deferred Outflows Related to Pensions	(2,537,622.50)	(703,674.50)
Accounts Payable	3,261,993.00	(610,902.09)
Unearned Revenue	1,565.79	4,328.59
Post Employment Benefits - Other Then Pension	1,600,845.51	1,450,633.61
Reserve for Workers' Compensation Claims	(19,288.52)	(21,948.52)
Post Employment Benefits - Pensions	2,966,179.50	(334,638.50)
Early Retirement Incentive Program	(79,494.00)	(77,179.00)
Deferred Inflows Related to Pensions	39,835.00	1,285,122.00
Total Adjustments	9,247,822.00	6,263,714.40
Net Cash Provided by Operating Activities	$ 7,202,453.15	$ 7,197,464.65

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Burlington County Bridge Commission (the "Commission") have been prepared to conform with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant of these policies.

Reporting Entity

The Commission is a component unit of the County of Burlington, State of New Jersey. The Commission was created by the Board of Chosen Freeholders of the County of Burlington on October 22, 1948 under the laws of the State of New Jersey. The Commission operates and maintains the Tacony-Palmyra and Burlington-Bristol Bridges that span the Delaware River along with several other non-toll producing bridges. The Commission was granted the power to act as an Improvement Authority during 2002 in order to provide within the County, public facilities for use by the State, the County or any municipality in the County and to acquire real estate within the County by lease or purchase and to construct, reconstruct and rehabilitate improvements thereon. The Commission consists of three Commissioners, who are appointed by resolution by the Burlington County Board of Chosen Freeholders for three-year terms. The daily operations are managed by the Executive Director.

Component Unit

In evaluating how to define the Commission for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statements No. 14, *The Financial Reporting Entity,* as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*. Blended component units, although legally separate entities, are in-substance part of the government's operations. Each discretely presented component unit would be or is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and / or its citizens.

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity.

Based upon the application of these criteria, the Commission is a component unit of the County of Burlington, and it has been determined by the Commission that the following organization is considered a component unit. The Commission has determined that it is not significant and, therefore, has not been included in the basic financial statements:

Friends of the Palmyra Nature Cove, Inc.
1300 Route 73 North,
PO Box 6
Palmyra, New Jersey 08065

Requests for financial information should be addressed to the organization listed above.

Note 1: <u>SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)</u>

Basis of Presentation

The financial statements of the Commission have been prepared in accordance with accounting principles generally accepted in the United States of America applicable to enterprise funds of State and Local Governments on a going concern basis. The focus of enterprise funds is the measurement of economic resources, that is, the determination of operating income, changes in net position (or cost recovery), financial position and cash flows. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The Commission is a single enterprise fund and maintains its records on the accrual basis of accounting. Enterprise funds account for activities (i) that are financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activity; or (ii) that are required by law or regulations that the activity's cost of providing services, including capital cost (such as depreciation or debt service), be recovered with fees and charges, rather than with taxes or similar revenues; or (iii) that the pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs (such as depreciation or debt service). Under this method, revenues are recorded when earned and expenses are recorded when the related liability is incurred.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Enterprise funds are accounted for using the accrual basis of accounting.

Revenues -- Exchange and Non-Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. Bridge toll charges are recognized as revenue when services are provided.

Non-exchange transactions, in which the Commission receives value without directly giving equal value in return, include grants, contributed capital, and donations. Revenue from grants, contributed capital, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the Commission must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Commission on a reimbursement basis.

Expenses - On the accrual basis of accounting, expenses are recognized at the time they are incurred.

Budgets and Budgetary Accounting

The Commission must adopt an annual budget in accordance with N.J.A.C. 5:31-2. N.J.A.C. 5:31-2 requires the governing body to introduce the annual Commission budget at least 60 days prior to the end of the current fiscal year and to adopt not later than the beginning of the Commission's fiscal year. The governing body may amend the budget at any point during the year. The budget is adopted on the accrual basis of accounting with provisions for cash payments for bond principal. Depreciation expense, bond issue costs, bond discounts, deferred loss on defeasance and the annual required contribution for the Commission's Other Postemployment Benefits ("OPEB") Plan are not included in the budget appropriations.

The legal level of budgetary control is established at the detail shown on the Statements of Revenues, Expenses and Changes in Net Position. All budget transfers and amendments to those accounts must be approved by resolution of the Commission as required by the Local Finance Board. Management may transfer among supplementary line items as long as the legal level line items are not affected. There are no statutory requirements that budgetary line items not be over-expended.

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

Budgets and Budgetary Accounting (Cont'd)

The Commission records encumbrances. An encumbrance represents a commitment related to unperformed contracts for goods or services. The issuance of a purchase order or the signing of a contract would create an encumbrance. The encumbrance does not represent an expenditure for the period, only a commitment to expend resources. At year-end, the accounting records are adjusted to record only expenses in accordance with generally accepted accounting principles.

Cash, Cash Equivalents and Investments

Cash and cash equivalents include petty cash, change funds and cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. Such is the definition of cash and cash equivalents used in the statement of cash flows. U.S. treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

New Jersey governmental 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.

Additionally, the Commission has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the GUDPA. In lieu of designating a depository, the cash management plan may provide that the local unit make deposits with the State of New Jersey Cash Management Fund.

Inventories

Inventory consists principally of road deicer for the treatment of the bridge and the surrounding roads and is valued at cost.

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

Prepaid Expenses

Prepaid expenses recorded on the financial statements represent payments made to vendors for services that will benefit periods beyond the applicable fiscal year end.

Capital Assets

Capital assets primarily consist of expenditures to acquire, construct, place in operation and improve the facilities of the Commission. Assets purchased prior to June 30, 1993 are stated at estimated cost. Assets purchased since are stated at actual cost. Donated capital assets are recorded at their fair market value as of the date received.

Expenditures, which enhance the asset or significantly extend the useful life of the asset are considered improvements and are added to the fixed asset's currently capitalized cost. The cost of normal repairs and maintenance are not capitalized. Costs incurred during construction of an asset are recorded as construction in progress. In the year that the project is completed, these costs are transferred to Capital Assets - Completed. Interest costs incurred during construction are not capitalized into the cost of the asset.

Expenditures are capitalized when they meet the following requirements:

1) Cost of $25,000.00 or more
2) Cost of $5,000.00 or more if purchased with Federal or State grants
3) Vehicles with a cost of $15,000.00 or more
4) Useful life of more than five years
5) Asset is not affected by consumption

Depreciation

Depreciation is provided using the straight-line method over the following estimated useful life of the assets:

	Years
Building and Infrastructure	40-100
Major Moveable Equipment	5-15
Vehicles	5-7

Depreciation is calculated from the month of acquisition.

Bond Discounts/Bond Premiums

Bond discounts/premiums arising from the issuance of long-term debt are amortized over the life of the bonds by, in a systematic and rational method as a component of interest expense. Bond discounts/ premiums are presented as an adjustment of the face amount on the bonds.

Deferred Outflows and Deferred Inflows of Resources

The comparative statements of net position reports separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources, reported after total assets, represents a reduction of net position that applies to a future period(s) and will be recognized as an outflow of resources (expense) at that time. Deferred inflows of resources, reported after total liabilities, represents an acquisition of net position that applies to a future period(s) and will be recognized as an inflow of resources (revenue) at that time.

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

Deferred Outflows and Deferred Inflows of Resources (Cont'd)

Transactions are classified as deferred outflows of resources and deferred inflow of resources only when specifically prescribed by the Governmental Accounting Standards Board (GASB) standards. The Commission is required to report the following as deferred outflows of resources and deferred inflows of resources:

Defined Benefit Pension Plans – The difference between expected (actuarial) and actual experience, changes in actuarial assumptions, net difference between projected (actuarial) and actual earnings on pension plan investments, changes in the Commission's proportion of expenses and liabilities to the pension as a whole, differences between the Commission's pension contribution and its proportionate share of contributions, and the Commission's pension contributions subsequent to the pension valuation measurement date.

Compensated Absences

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the Commission and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the Commission and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied and are recorded as a liability until the revenue is both measurable and the Commission is eligible to realize the revenue.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Employees' Retirement System ("PERS") and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Net Position

In accordance with the provisions of GASB Statement No. 34 ("Statement 34") of the Governmental Accounting Standards Board "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments", the Commission has classified its net position into three components – net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

Net Investment in Capital Assets - This component of net position consists of capital assets, net of accumulated depreciation, reduced, by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also should be included in this component of net position If there are significant unspent related debt proceeds or deferred inflows of resources at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflows of resources should be included in the same net position component as the unspent amount.

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

Net Position (Cont’d)

Restricted – Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Commission or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Unrestricted - This component of net position consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.” This component includes net position that may be allocated for specific purposes by the Commission’s Board.

Income Taxes

The Commission operates as defined by the Internal Revenue Code Section 115 and appropriately is exempt from income taxes under Section 115.

Operating and Non-Operating Revenues and Expenses

Operating revenues include all revenues derived from facility charges (i.e., toll revenues, which include E-Z Pass revenues) and other revenue sources. Non-operating revenues principally consist of interest income earned on various interest-bearing accounts and on investments in debt securities.

Operating expenses include expenses associated with the operation, maintenance and repair of the bridges and general administrative expenses. Non-operating expenses principally include expenses attributable to the Commission’s interest on funded debt and contributions to Burlington County.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Recently Issued and Adopted Accounting Pronouncements

For the fiscal year ended September 30, 2015, the Commission adopted GASB 68, Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27, and GASB 71, Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68. As a result of adopting such Statements, the Commission was required to measure and recognize liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures related to their defined benefit pensions. The cumulative effect of adopting GASB Statements No. 68 and No. 71 totaled $21,896,635.00, and was recognized as a restatement of the Commission’s September 30, 2013 net position on the statements of net position (see note 11).

Recently Issued Accounting Pronouncements

The GASB has issued the following Statements which will become effective in future fiscal years as shown below:

Statement No. 72, *Fair Value Measurement and Application*. This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The Statement is effective for periods beginning after June 15, 2015. Management has not yet determined the impact of this Statement on the financial statements.

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

Recently Issued Accounting Pronouncements (Cont'd)

Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. The objective of this Statement is to improve the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability. Components of this Statement are effective for periods beginning after June 15, 2015 and 2016. Management does not expect this Statement will have an impact on the financial statements.

Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. The Statement is effective for periods beginning after June 15, 2016. Management does not expect this Statement will have an impact on the financial statements.

Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. The Statement is effective for periods beginning after June 15, 2017. Management has not yet determined the impact of this Statement on the financial statements.

Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The objective of this Statement is to identify, in the context of the current governmental financial reporting environment, the hierarchy of generally accepted accounting principles (GAAP). The "GAAP hierarchy" consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. The Statement is effective for periods beginning after June 15, 2015. Management does not expect this Statement will have an impact on the financial statements.

Statement No. 77, *Tax Abatement Disclosures*. This Statement requires governments that enter into tax abatement agreements to disclose certain information about the agreements. The Statement is effective for periods beginning after December 15, 2015. Management does not expect this Statement will have an impact on the notes to the financial statements.

Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*. This Statement amends the scope and applicability of Statement 68 to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan that (1) is not a state or local governmental pension plan, (2) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (3) has no predominant state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan). This Statement establishes requirements for recognition and measurement of pension expense, expenditures, and liabilities; note disclosures; and required supplementary information for pensions that have the characteristics described above. The Statement is effective for periods beginning after December 15, 2015. Management has not yet determined the impact of this Statement on the financial statements.

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

Recently Issued Accounting Pronouncements (Cont'd)

Statement No. 79, *Certain External Investment Pools and Pool Participants*. This Statement establishes additional note disclosure requirements for qualifying external investment pools that measure all of their investments at amortized cost for financial reporting purposes and for governments that participate in those pools. Those disclosures for both the qualifying external investment pools and their participants include information about any limitations or restrictions on participant withdrawals. The requirements of this Statement are effective for reporting periods beginning after June 15, 2015, except for certain provisions on portfolio quality, custodial credit risk, and shadow pricing. Those provisions are effective for reporting periods beginning after December 15, 2015. Management does not expect this Statement will have an impact on the notes to the financial statements.

Statement No. 80, *Blending Requirements for Certain Component Units, an amendment of GASB Statement No. 14*. This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, *Determining Whether Certain Organizations Are Component Units*. The Statement is effective for periods beginning after June 15, 2016. Management does not expect this Statement will have an impact on the financial statements.

Statement No. 81, *Irrevocable Split-Interest Agreements.* This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period. The Statement is effective for periods beginning after December 15, 2016. Management does not expect this Statement will have an impact on the financial statements.

Statement No. 82, *Pension Issues – an amendment of GASB Statements No. 67, No. 68 and No. 73.* This Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2016, except for the requirements of this Statement for the selection of assumptions in a circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year-end. In that circumstance, the requirements for the selection of assumptions are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017. Management has not yet determined the impact of this Statement on the financial statements.

Note 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Compliance with finance related legal and contractual provisions

Management of the Commission is unaware of any material violations of finance related legal and contractual provisions.

Note 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONT'D)

General Bond Resolution

The Commission is subject to the provisions and restrictions of a Bond Resolution adopted April 27, 1993. A summary of the activities of each account created by the Bond Resolution is covered below.

Revenue Account - All money collected by the Commission for bridge tolls or from any other source for operating, maintaining or repairing the system is deposited in this account. All revenues of the Commission are deposited into this account and are transferred in turn to the appropriate trust account on or before the 20th day of each month.

Operating Account - The balance on deposit must be equal to at least 10% of the annual budgeted appropriations for operating expenses, not including principal payments on debt. At September 30, 2015, the balance in the operating account meets the requirements of the Bond Resolution.

Debt Service Account - The amount on deposit in this account must equal at least the accrued interest payable on the Bridge System Revenue bonds plus that portion of the principal installment, which would have accrued if principal accrued in the same manner as interest. At September 30, 2015, the balance meets the requirements of the Bond Resolution.

Debt Reserve Account - The amount of funds on deposit must be maintained at a level equal to the Maximum Debt Service to insure funds are available for payment of Debt Service. The balance on September 30, 2015 meets the requirements of the Bond Resolution.

Reserve Maintenance Account – The amount on deposit in this account must be equal to the greater of $500,000.00 or a larger amount if certified as necessary by the Consulting Engineer. Amounts in this account may be applied to the cost of major or extraordinary repairs, renewals and replacements of the Bridge System and major acquisitions of equipment. Additionally, the Commission received insurance proceeds for damage to the bride fender system. These funds are held in trust and utilized for the repair and maintenance of the fender system. At September 30, 2015, the balance meets the requirements of the Bond Resolution.

General Reserve Account – All excess funds of the Commission are recorded in the General Reserve Account. If the Commission is not in default in the payment of bond principal or interest and all fund requirements are satisfied and there is no money owing to the County under the Security Agreement (See Note 4), then the Commission may use the excess funds for any lawful purpose. The Commission Board has internally designated $4,001,315.46 of the General Reserve Account for the repainting of Commission bridges. Since the designation for the repainting of the bridges is internal only, it is not recorded as restricted in the financial statements.

Note 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONT'D)

Debt Service Coverage

The Commission's Bond Resolution requires that net revenues equal at least 105% of debt service. Compliance with this covenant is calculated as follows:

	2015		2014	
Net Revenue:				
Operating Income (Loss) (Exhibit B)	$ (2,045,368.85)		$ 933,750.25	
Add:				
Depreciation Expenses	4,486,076.37		4,945,898.46	
Major Repairs and Acquisitions	7,166,422.30		2,385,495.39	
Interest Revenue	42,354.04		44,328.10	
Net Revenue	$ 9,649,483.86		$ 8,309,472.20	
Debt Service				
Interest Charges	$ 2,049,237.48		$ 2,122,487.50	
Bond Principal (Due Oct. 1)	2,900,000.00		2,930,000.00	
Debt Service	$ 4,949,237.48		$ 5,052,487.50	
Net Revenue / Debt Service	$ 9,649,483.86 / $ 4,949,237.48	= 195%	$ 8,309,472.20 / $ 5,052,487.50	= 164%

Toll Increase

The Commission approved a toll increase effective September 15, 2015. Below are the new approved rates:

	Prior to September 15, 2015	Subsequent to Sept. 15, 2015	
	Cash & E-Z Pass	Cash	E-Z Pass
Auto, Lt. Trucks, Vans	$ 2.00	$ 4.00	$ 3.00
Buses or Dual Wheel Pickups:			
2 Axle	4.50	6.00	5.00
3 Axle	6.75	9.00	8.00
Extra Axle	1.50	3.00	2.00
Trucks:			
2 Axle	9.00	12.00	12.00
6 Axle		36.00	36.00
Extra Axle	4.50	6.00	6.00

Note 3: DETAIL NOTES - ASSETS

Cash and Cash Equivalents

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the Commission's deposits might not be recovered. Although the Commission does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first $250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the Commission in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings or funds that may pass to the Commission relative to the happening of a future condition. If the Commission had any such funds, they would be shown as Uninsured and Uncollateralized in the schedule below.

As of September 30, 2015 and 2014, the Commission's bank balances were exposed to custodial credit risk as follows:

	2015	2014
Insured by FDIC & GUDPA	$ 25,465,883.80	17,257,209.57
Uninsured and Uncollateralized	33,066,872.47	50,830,248.58
Total	$58,532,756.27	$68,087,458.15

Required Cash and Investment Balances

Below is a schedule of amounts required to be on deposit as of September 30, 2015, as discussed in Note 2:

	Balance September 30, 2015	Required Balance	Excess/ (Deficit)
Unrestricted:			
Revenue Account	$ 3,284,863.59		$ 3,284,863.59
Operating Account	19,970,145.37	$ 2,691,076.20	17,279,069.17
General Reserve Account	1,586,196.03		1,586,196.03
	24,841,204.99	2,691,076.20	22,150,128.79
Restricted:			
Worker's Compensation	16,979.17		16,979.17
Unemployment			
Construction Fund	21,914,312.67		21,914,312.67
Debt Service	3,924,668.75		3,924,668.75
Debt Service Reserve	6,711,987.50	6,711,987.50	
Reserve Maintenance	500,000.00	500,000.00	
	33,067,948.09	7,211,987.50	25,855,960.59
	$ 57,909,153.08	$ 9,903,063.70	$48,006,089.38

Note 3: DETAIL NOTES – ASSETS (CONT'D)

Capital Assets

During the fiscal year ended September 30, 2015 and 2014, the following changes in capital assets occurred:

	Balance October 1, 2014	Additions and Transfers	Deletions	Balance September 30, 2015
Land	$ 2,323,076.92			$ 2,323,076.92
Bridges and Improvements	90,735,979.52	$ 9,186,165.32		99,922,144.84
Approaches	4,803,881.20			4,803,881.20
Buildings and Improvements	12,981,390.76	3,364,694.27		16,346,085.03
Equipment	20,710,480.36	504,012.79		21,214,493.15
Mobile Equipment	2,237,189.38	63,433.40	$ 49,624.25	2,250,998.53
	133,791,998.14	13,118,305.78	49,624.25	146,860,679.67
Less: Depreciation	56,962,856.73	4,486,076.37	49,624.25	61,399,308.85
	$ 76,829,141.41	$ 8,632,229.41	$ -	$ 85,461,370.82

	Balance October 1, 2013	Additions and Transfers	Deletions	Balance September 30, 2014
Land	$ 2,323,076.92			$ 2,323,076.92
Bridges and Improvements	85,481,428.80	$ 5,254,550.72		90,735,979.52
Approaches	4,803,881.20			4,803,881.20
Buildings and Improvements	12,603,598.49	377,792.27		12,981,390.76
Equipment	19,385,425.60	1,394,634.76	$ 69,580.00	20,710,480.36
Mobile Equipment	2,314,473.69	237,829.00	315,110.31	2,237,189.38
	126,911,884.70	7,264,806.75	384,690.31	133,791,998.14
Less: Depreciation	52,388,368.78	4,945,898.46	371,410.51	56,962,856.73
	$ 74,523,515.92	$ 2,318,908.29	$ 13,279.80	$ 76,829,141.41

Note 3: DETAIL NOTES – ASSETS (CONT'D)

Toll Revenues

The following is a three-year comparison of toll revenues:

Fiscal Year	Cash Collected	E-ZPass Transactions	Total Collections
2015	$ 17,576,367.94	$ 16,788,790.00	$ 34,365,157.94
2014	17,225,507.04	15,684,585.50	32,910,092.54
2013	18,095,703.60	15,558,025.25	33,653,728.85

Note 4: DETAIL NOTES - LIABILITIES

During the fiscal year ended September 30, 2015, the following changes occurred in long-term obligations:

	(Restated) Balance October 1, 2014	Additions	Reductions	Balance September 30, 2015	(Memo) Due Within One Year
Bonds Payable:					
Revenue Bonds	$ 43,360,000.00		$ (2,900,000.00)	$ 40,460,000.00	$ 2,900,000.00
Issuance Premiums	6,668,077.66		(1,316,001.84)	5,352,075.82	1,231,046.34
Total Bonds Payable	50,028,077.66	$ -	(4,216,001.84)	45,812,075.82	4,131,046.34
Other Liabilities					
Net Pension Liability	21,564,408.00	2,975,825.00		24,540,233.00	
Accrued Pension Costs	1,088,608.50	867,630.50	(949,508.00)	1,006,731.00	81,878.00
Net OPEB Obiligation	10,632,433.61	2,793,100.00	(1,192,254.49)	12,233,279.12	
Compensated Absences	1,912,209.22		(73,712.36)	1,838,496.86	86,523.48
Total Other Liabilities	35,197,659.33	6,636,555.50	(2,215,474.85)	39,618,739.98	168,401.48
Total Long Term Liabilities	$ 85,225,736.99	$ 6,636,555.50	$ (6,431,476.69)	$ 85,430,815.80	$ 4,299,447.82

Compensated Absences

Full-time employees earn sick and vacation days based on years of service. Part-time employees are not entitled to paid vacation or sick days. Sick days are cumulative; however, vacation days not used during the fiscal year may only be carried forward until December 15th, of the following year. Operations employees may convert five sick and/or vacation days to cash on an annual basis as of December 15th. Additionally, Operations employees may use five sick days as personal days per year. Administrative employees may use four sick days as personal days per year. Upon retirement from the Commission, employees will be paid for all accrued sick and vacation time, eligible for payout, at their then current hourly rate. Administrative employees hired on or before May 1, 2005 who retire after April 13, 2010, cannot be paid for unused sick time in excess of the amount earned as of April 15, 2010. Administration employees and Operations employees hired after May 1, 2005 and April 1, 1998 respectively, have a maximum sick payout of $15,000.00. Employees tendering their resignation or terminated are only entitled to accrued vacation time at their then current hourly rate. The Commission's accrued liability for accumulated sick leave and vacation time at September 30, 2015 is estimated at $1,838,496.86 and September 30, 2014 is estimated at $1,912,209.22.

Note 4: <u>DETAIL NOTES – LIABILITIES (CONT'D)</u>

Retirement Systems

A substantial number of the Commission's employees participate in the Public Employees' Retirement System ("PERS"), which is administered by the New Jersey Division of Pensions and Benefits. In addition, Commission employees may participate in the Defined Contribution Retirement Program, which is a defined contribution pension plan. This plan is administered by Prudential Financial for the New Jersey Division of Pensions and Benefits. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295
http://www.state.nj.us/treasury/pensions

General Information about the Pension Plans

Plan Descriptions

Public Employees' Retirement System - The Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS's designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the Commission, provided the employee is not required to be a member of another state-administered retirement system or other state pensions fund or local jurisdiction's pension fund. The PERS's Board of Trustees is primarily responsible for the administration of the PERS.

Defined Contribution Retirement Program - The Defined Contribution Retirement Program ("DCRP") is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of Chapter 92, P.L. 2007, and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.). The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in PERS on or after November 2, 2008, who do not earn the minimum annual salary for a certain enrollment tier but who earn salary of at least $5,000.00 annually; and employees otherwise eligible to enroll in PERS after May 21, 2010 who do not work the minimum number of hours per week required for certain enrollment tiers, but who earn salary of at least $5,000.00 annually.

Vesting and Benefit Provisions

Public Employees' Retirement System - The vesting and benefit provisions are set by N.J.S.A. 43:15A and 43:3B. The PERS provides retirement, death and disability benefits. All benefits vest after 8 to 10 years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of the PERS.

Note 4: DETAIL NOTES – LIABILITIES (CONT'D)

Retirement Systems (Cont'd)

General Information about the Pension Plans (Cont'd)

Vesting and Benefit Provisions (Cont'd)

The following represents the membership tiers for PERS:

Tier	Definition
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 before age 62 with 25 or more years of service credit 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.

Defined Contribution Retirement Program - Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and nonforfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and nonforfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

Contributions

Public Employees' Retirement System - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Members contribute at a uniform rate. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 6.78% in State fiscal year 2014. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent State fiscal year. The rate for members who are eligible for the Prosecutors Part of PERS (Chapter 366, P.L. 2001) increased from 8.5% of base salary to 10%. Employers' contribution amounts are based on an actuarially determined rate. The Commission's contribution amounts are based on an actuarially determined rate which included the normal cost and unfunded accrued liability.

The Commission's contractually required contribution rate for the years ended September 30, 2015 and 2014 was 12.50% and 12.68% of the Commission's covered-employee payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Note 4: DETAIL NOTES – LIABILITIES (CONT'D)

Retirement Systems (Cont'd)

General Information about the Pension Plans (Cont'd)

Contributions (Cont'd)

Public Employees' Retirement System (Cont'd) – Contributions to the pension plan from the Commission were $939,862.00 and $949,508.00 for the years ended September 30, 2015 and 2014. Employee contributions were $531,174.71 and $514,173.74 for the years ended September 30, 2015 and 2014, respectively.

Defined Contribution Retirement Program – The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the Commission's contribution amounts for each pay period, 3% of the employees' base salary, are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

Contributions to the DCRP pension plan from the Commission were $15,745.63 and $14,957.29 for the years ended September 30, 2015 and 2014. Employee contributions were $29,702.38 and $25,760.14 for the years ended September 30, 2015 and 2014, respectively. There were no forfeitures during the year.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Public Employees' Retirement System - At September 30, 2015, the Commission reported a liability of $24,540,233.00 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2015. The Commission's proportion of the net pension liability was based on a projection of the Commission's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2015, the Commission's proportion was 0.1093203713%, which was a decrease of 0.0058572866% from its proportion measured as of June 30, 2014.

For the years ended September 30, 2015 and 2014, the Commission recognized pension expense of $1,430,390.00 and 1,113,826.00, respectively.

Note 4: DETAIL NOTES – LIABILITIES (CONT'D)

Retirement Systems (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

At September 30, 2015 and 2014, the Commission reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	September 30, 2015		September 30, 2014	
	Deferred Outflow of Resources	Deferred Inflow of Resources	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between Expected and Actual Experience	$ 585,444.00			
Changes of Assumptions	2,635,425.00		$ 678,101.00	
Net Difference between Projected and Actual Earnings on Pension Plan Investments		$ 394,560.00		$ 1,285,122.00
Changes in Proportion and Differences between Commission Contributions and Proportionate Share of Contributions	22,839.00	930,397.00	27,985.00	
Commission Contributions Subsequent to the Measurement Date	234,966.00		234,965.50	
	$ 3,478,674.00	$ 1,324,957.00	$ 941,051.50	$ 1,285,122.00

The deferred outflows of resources related to pensions totaling $234,966.00 and $234,965.50 will be included as a reduction of the net pension liability in the years ended September 30, 2016 and 2015.

Note 4: **DETAIL NOTES – LIABILITIES (CONT'D)**

Retirement Systems (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

Public Employees' Retirement System (Cont'd) - The Commission will amortize the other deferred outflows of resources and deferred inflows of resources related to PERS over the following number of years:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2014	-	-
June 30, 2015	5.72	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	-
June 30, 2015	5.72	-
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
Changes in Proportion and Differences between Commission 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

Note 4: DETAIL NOTES – LIABILITIES (CONT'D)

Retirement Systems (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

September 30, 2015		September 30, 2014	
Year Ending December 31,		Year Ending December 31,	
2016	$ 324,811.00	2015	$ (191,485.00)
2017	324,811.00	2016	(191,485.00)
2018	324,809.00	2017	(191,485.00)
2019	646,093.00	2018	(191,487.00)
2020	298,227.00	2019	129,795.00
		Thereafter	57,111.00
	$ 1,918,751.00		$ (579,036.00)

Actuarial Assumptions

The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2015. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.04%
Salary Increases:	
2012-2021	2.15% - 4.40% Based on Age
Thereafter	3.15% - 5.40% Based on Age
Investment Rate of Return	7.90%
Mortality Rate Table	RP-2000
Period of Actuarial Experience Study upon which Actuarial Assumptions were Based	July 1, 2008 - June 30, 2011

Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for females) with adjustments for mortality improvements from the base year of 2012 based on Projection Scale AA.

In accordance with State statute, the long-term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pension and Benefits, the board of trustees and the actuaries. Best estimates of arithmetic real rates of returns for each major asset class included in PERS's target asset allocation as of June 30, 2015 is summarized in the table on the following page.

Note 4: DETAIL NOTES – LIABILITIES (CONT'D)

Retirement Systems (Cont'd)

Actuarial Assumptions (Cont'd)

Asset Class	Target Allocation %	Long-Term Expected Real Rate of Return
Cash	5.00%	1.04%
U.S. Treasuries	1.75%	1.64%
Investment Grade Credit	10.00%	1.79%
Mortgages	2.10%	1.62%
High Yield Bonds	2.00%	4.03%
Inflation-Indexed Bonds	1.50%	3.25%
Broad U.S. Equities	27.25%	8.52%
Developed Foreign Equities	12.00%	6.88%
Emerging Market Equities	6.40%	10.00%
Private Equity	9.25%	12.41%
Hedge Funds / Absolute Return	12.00%	4.72%
Real Estate (Property)	2.00%	6.83%
Commodities	1.00%	5.32%
Global Debt ex U.S.	3.50%	-0.40%
REIT	4.25%	5.12%
	100.00%	

Discount Rate - The discount rate used to measure the total pension liability was 4.90% as of June 30, 2015 and 5.39% as of June 30, 2014. These single blended discount rates were based on the long-term expected rate of return on pension plan investments of 7.9%, and a municipal bond rate of 3.80% as of June 30, 2015 and long-term expected rate of return on pension plan investments of 7.9%, and a municipal bond rate of 4.29% as of June 30, 2014, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/ Aa or higher. The projection of cash flows used to determine the discount rates 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 average of the last five years. 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 2033. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Note 4: DETAIL NOTES – LIABILITIES (CONT'D)

Retirement Systems (Cont'd)

Sensitivity of Commission's Proportionate Share of Net Pension Liability to Changes in the Discount Rate

The following presents the Commission's proportionate share of the net pension liability at September 30, 2015 calculated using a discount rate of 4.90%, as well as what the Commission's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	September 30, 2015		
	1% Decrease (3.90%)	Current Discount Rate (4.90%)	1% Increase (5.90%)
Commission's Proportionate Share of the Net Pension Liability	$ 30,500,507.00	$ 24,540,233.00	$ 19,543,182.00

The following presents the Commission's proportionate share of the net pension liability at September 30, 2014 calculated using a discount rate of 5.39%, as well as what the Commission's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	September 30, 2014		
	1% Decrease (4.39%)	Current Discount Rate (5.39%)	1% Increase (6.39%)
Commission's Proportionate Share of the Net Pension Liability	$ 27,128,759.00	$ 21,564,408.00	$ 16,891,769.00

Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued New Jersey Division of Pension and Benefits financial report. Information on where to obtain the report is indicated at the beginning of this note.

Early Retirement Incentive Program – Legislation enacted in 1991 and 1993 made early retirement available through Early Retirement Incentive Programs. These programs, which were subject to the approval of the Commission's governing body (within a limited period of time), were available to employees who met certain minimum requirements. The governing body of the Commission approved the program on January 14, 1992, March 17, 1992 and November 9, 1993 for eligible members of the PERS. Seven employees applied for early retirement under the 1991 and 1993 programs. Program costs are billed annually by the Division of Pensions. As of September 30, 2015, the accrued liability to the PERS for the 1991 and 1993 programs were $430,304.00 and $423,339.00, respectively. As of September 30, 2014, the accrued liability to the PERS for the 1991 and 1993 programs were $493,229.00 and $439,908.00, respectively. The Commission incurred and recorded the costs the year the programs were adopted and have made all payments annually. The current year payments for the 1991 and 1993 programs were $62,925.00 and $16,569.00, respectively. The payments for the fiscal year ending September 30, 2014 for the 991 and 1993 programs were $61,092.00 and $16,087.00, respectively. The payments are scheduled to increase 4% annually.

Note 4: DETAIL NOTES – LIABILITIES (CONT'D)

Post-Employment Benefits

Plan Description - The Burlington County Bridge Commission provides medical benefits to employees that have retired from the Commission. The Commission provides family prescription and medical insurance, a $5,000.00 life and accidental death insurance policy, and 50% of the Medicare B premium, if eligible, deducted from the employee's social security check for both the employee and the spouse.

As of September 30, 2015, there were 106 active employees and 140 retirees, surviving spouses and dependents participants. One hundred percent of all future eligible retirees will be covered by the medical and life insurance plans as well as be reimbursed for 50% of their Medicare part B premiums, if eligible. The benefits are determined by negotiated contract of each collective bargaining unit. As a result, changes can only be made through a negotiated process agreed upon by the Union and the Commission. Benefits for administrative personnel are determined by the Commissioner's since they are not represented by a collective bargaining unit.

Funding Policy - The contribution requirement of the Commission is the established policy of the Commission and certain employment contracts and may be amended by same. The required contribution is based on projected pay-as-you-go financing requirements. For the fiscal year ending September 30, 2015, the Commission contributed $1,192,254.49 to the plan for current premiums and Medicare part B reimbursements. Plan members are not required to make any contributions to the plan.

Annual OPEB Cost and Net OPEB Obligation - The Commission's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the Commission's annual OPEB cost for the year, the amount actually contributed to the Burlington County Bridge Commission Plan, and changes in the Commission's net OPEB obligation to the Burlington County Bridge Commission Plan:

	2015	2014	2013
Normal Cost	$ 968,000.00	$ 911,700.00	$ 911,700.00
Amortization Payment	1,983,300.00	1,874,900.00	1,874,900.00
Interest on Net OPEB Obligation	525,200.00	383,200.00	383,200.00
Adjustment to ARC	(683,400.00)	(498,500.00)	(498,500.00)
Annual OPEB Cost	2,793,100.00	2,671,300.00	2,671,300.00
Contributions Made	(1,192,254.49)	(1,220,666.39)	(1,152,600.00)
Net OPEB Obligation - Beginning of Year	10,632,433.61	9,181,800.00	7,663,100.00
Net OPEB Obligation - End of Year	$ 12,233,279.12	$ 10,632,433.61	$ 9,181,800.00

Note 4: <u>DETAIL NOTES – LIABILITIES (CONT'D)</u>

Post-Employment Benefits (Cont'd)

Funded Status and Funding Progress - As of October 1, 2014, the most recent actuarial valuation date, the Burlington County Bridge Commission Plan was 0% funded. The actuarial accrued liability for benefits was $30,487,800.00, and the actuarial value of assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $30,487,800.00. The covered payroll (annual payroll of active employees covered by the plan) was $7,847,725.00, and the ratio of the UAAL to the covered payroll was 388%. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to financial statements, compares the assets used for funding purposes to the comparable liabilities to determine how well the Burlington County Bridge Commission Plan is funded and how this status has changed over the past several years.

The actuarial liability is compared to the actuarial value of assets to determine the funding ratio. The actuarial accrued liability under GASB is determined assuming that the Burlington County Bridge Commission Plan is ongoing and participants continue to terminate employment, retire, etc., in accordance with the actuarial assumptions.

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

In the October 1, 2014, actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions included a 5.0 % investment rate of return (net of administrative expenses) and for pre-65 medical benefits, this amount initially is at 6.0% and decreases to a 5.0% long-term trend rate after ten years. For post-65 Direct Access medical benefits, the trend rate is 5.0%. For post-65 Medicare Advantage medical benefits, the trend rate is -5.0% in the first year, 10.0% in the second year and decreasing thereafter to a 5.0% long-term trend rate after eight years. For prescription drug benefits, the initial trend rate is 10.0% decreasing to a 5.0% long-term trend rate after ten years. For the Medicare Part B reimbursement, the trend rate is 5.0%. The actuarial value of the Burlington County Bridge Commission Plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a three year period. The Burlington County Bridge Commission Plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at September 30, 2015, was twenty-two years.

Note 4: <u>DETAIL NOTES – LIABILITIES (CONT'D)</u>

Lease Obligations

At September 30, 2015, the Commission has operating lease agreements in effect for copiers and a postage machine.

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

Fiscal Year	Amount
2016	$ 18,528.24
2017	17,730.12
2018	14,243.88
2019	13,865.88
2020	8,088.43
	$ 72,456.55

Current year payments under operating leases totaled $18,036.07.

Unearned Revenue

State and Local Grants - The Commission has received grants from the State of New Jersey for DWI enforcement, the purchase of body armor, and seatbelt safety. These grants are recorded as deferred revenue until the Commission expends the funds.

Revenue Bonds Payable - County Guaranteed Bridge System Revenue Bonds Series 2013

The Commission issued $46,290,000 of the Series 2013 Bonds pursuant to a resolution dated April 18, 2013 with interest rates ranging from 2.50% to 5.00%. The Bonds were issued to provide funds for the costs of various capital improvements to the Commission's Bridge System, funding the Debt Service Reserve Fund, and paying costs and expenses associated with the issuance of the Series 2013 Bonds.

The following schedule reflects the Debt Requirements until 2030.

Bond Year Ending Oct. 1,	Principal	Interest	Total	
2015	$ 2,900,000.00	$ 2,049,237.50	$ 4,949,237.50	
2016	2,905,000.00	1,962,237.50	4,867,237.50	
2017	4,895,000.00	1,816,987.50	6,711,987.50	*
2018	4,760,000.00	1,572,237.50	6,332,237.50	
2019	4,605,000.00	1,334,237.50	5,939,237.50	
2020-2024	17,515,000.00	3,462,437.50	20,977,437.50	
2025-2029	5,500,000.00	520,912.50	6,020,912.50	
2030	280,000.00	9,100.00	289,100.00	
	43,360,000.00	$ 12,727,387.50	$ 56,087,387.50	
Adjustments:				
Premium on Bonds	5,352,075.82			
	$ 48,712,075.82			

* Maximum Debt Service

Note 4: DETAIL NOTES – LIABILITIES (CONT’D)

Burlington County Guarantee

The Burlington County Board of Chosen Freeholders (the “Board”) adopted a resolution on April 28, 1993, as supplemented on March 28, 2001 (the “Prior County Guaranty”), which authorized the guaranty by the County of the payment, when due, of the principal of and interest on certain bonds of the Commission issued in 1993 and 2002 (collectively, the "Prior County Guaranteed Bonds"). The Board further adopted a resolution on November 14, 2012 (the “New County Guaranty” and together with the Prior County Guaranty, the “County Guaranty”) which authorized the guaranty by the County of the payment, when due, of the principal of and interest on the Bonds (the “New County Guaranteed Bonds” and together with the Prior County Guaranteed Bonds, the “County Guaranteed Bonds”). Pursuant to the terms of the County Guaranty, the County has covenanted to pay, when due, the principal of and interest on the outstanding County Guaranteed Bonds to the extent that the revenues or other moneys or securities or funds of the Commission are not available under the terms of the Resolution therefor.

The payments which are required by the County under the terms of the New County Guaranty will constitute the valid, binding, direct and general obligations of the County and are payable out of the first funds becoming legally available for such purpose. In the opinion of Bond Counsel to the Commission, the County has the power, and is obligated, to levy ad valorem taxes upon all the taxable real property within the jurisdiction of the County, for the purpose of making such payments under the New County Guaranty, as the same shall become due, without limitation as to rate or amount, if such funds are not otherwise available. The New County Guaranty will remain in full force and effect for as long as the Bonds remain outstanding.

Note 5: CONDUIT DEBT OBLIGATIONS

The Commission is authorized to provide within the County, public facilities for use by the State, the County or any municipality in the County and to acquire real estate within the County by lease or purchase and to construct, reconstruct and rehabilitate improvements thereon and to lease the same to governmental units. Utilizing this authorization, the Commission has issued certain debt bearing its name to lower the cost of borrowing for specific governmental entities. This debt is commonly referred to as conduit (or non-commitment) debt. Typically, the debt proceeds are used to finance facilities within the Commission’s jurisdiction that are transferred to the third party either by lease or by sale. The underlying lease or mortgage loan agreement, which serves as collateral for the promise of payments by the third party, calls for payments that are essentially the same as those required by the debt. These payments are made by the third-party directly to an independent trustee, who is appointed to service and administer the arrangement. The Commission assumes no responsibility for repayment of this debt beyond the resources provided by the underlying leases or mortgage loans.

As of September 30, 2015, there were twenty-one series of Special Revenue Bonds outstanding. The corresponding aggregate principal totaling $348,840,000.00 is treated strictly as conduit debt obligations under Interpretation No. 2 of the Governmental Accounting Standards Board (GASB) and accordingly is not included in the financial statements.

Note 6: INTERGOVERNMENTAL AGREEMENTS

Burlington County Service Agreement

The Commission remitted $1,400,000.00 to Burlington County as set forth and described in an Interlocal Service Agreement approved on August 14, 2012. The funds were applied toward the operation and maintenance of County bridges and the network of roadways which feed the bridges under the Commission's jurisdiction.

Note 7: COMMITMENTS AND CONTINGENCIES

Construction Contracts

The Commission had several outstanding or planned construction projects as of September 30, 2015. These projects are evidenced by contractual commitments with contractors and include:

Project	Awarded	Remaining
Tacony Palmyra Bascule Span Deck Replacement	$ 6,680,500.00	$ 105,000.00
Tacony Palmyra Bascule Span Deck Replacement, Phase 2	2,130,896.00	319,016.13
Burlington Bristol Bridge Mounted Structures Rehabilitation	1,138,603.96	256,801.94
Tacony Palmyra Paving Project	294,541.10	46,369.40
Tacony Palmyra Powerhouse Replacement Project	1,934,731.88	22,723.72
Burlington Bristol Counterweight Repairs	2,226,400.00	262,317.96
	$ 14,405,672.94	$ 1,012,229.15

Litigation

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

Note 8: DEFERRED COMPENSATION SALARY ACCOUNT

The Commission offers its employees a Deferred Compensation Plan in accordance with Internal Revenue Code Section 457 which has been approved by the Director of the Division of Local Government Services. The Plan, available to all full time employees at their option, permits employees to defer a portion of their salary to future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency.

Amounts deferred under Section 457 plans must be held in trust for the exclusive benefit of participating employees and not be accessible by the Commission or its creditors. Since the Commission does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Commission's financial statements.

Note 9: RISK MANAGEMENT

The Commission 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. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded coverage for the past several years.

The Commission has adopted a plan of self-insurance for workers compensation. The Commission charges its budget annually an amount estimated by the plan's administrator to meet current claims. The self-insurance plan includes an outside policy for excess coverage. The deductible is $250,000.00 per occurrence or an aggregate deductible of $766,000.00 or 200% of the annual premium, whichever is greater. There is no liability for unpaid claims as of September 30, 2015.

An analysis of the claims filed, incurred and paid is shown below.

Reserves at beginning of year	$ 32,132.00
Cancellations	(12,843.48)
	19,288.52
Claims Paid	19,288.52
Balance at end of year	$ -

Note 10: JOINT INSURANCE POOL

The Bridge Commission presently purchases insurance through the Burlington County Insurance Commission. Excess insurance is managed by the New Jersey Counties Excess Joint Insurance Fund.

The Insurance Commission provides its members with the following coverage:

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

Through membership in the New Jersey Counties Excess Joint Insurance Fund, the County receives the following ancillary insurance coverage:

Public Officials Liability/Employment Practices Liability
Crime
Pollution Liability
Medical Professional Liability
Employed Lawyers Liability

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

The Fund publishes its own financial report for the year ended June 30, which can be obtained from:

Burlington County Insurance Commission
49 Rancocas Road
PO Box 6000
Mt Holly, New Jersey 08060

Note 11: RESTATEMENT OF NET POSITION

As indicated in note 1 to the financial statements, the Commission adopted GASB Statement 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27,* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*, for the fiscal year ended September 30, 2015. As a result of implementing these two Statements, a restatement of unrestricted net position was required to record the Commission's proportionate share of its net pension liability.

Additionally, the Commission received invoices subsequent to the previous year audit that should have been recorded for the fiscal year ended September 30, 2014.

The cumulative effect on the financial statements as reported for September 30, 2013 is as follows:

		GASBS 68 and 71 Implementation			
	As Previously Reported December 31, 2013	Deferred Outflows (1)	Accounts Payable and Accrued Expense (2)	Net Pension Liability (3)	As Restated December 31, 2013
Net Position:					
Net Investment in Capital Assets	$ 63,597,859.79				$ 63,597,859.79
Restricted	9,871,234.67				9,871,234.67
Unrestricted (Deficit)	19,787,080.37	$ 237,377.00	$ (154,403.00)	$ (21,979,609.00)	(2,109,554.63)
Total Net Position	$ 93,256,174.83	$ 237,377.00	$ (154,403.00)	$ (21,979,609.00)	$ 71,359,539.83

(1) Represents the Commission's Proportionate Share of the PERS Plan Total Deferred Outflows of Resources at June 30, 2013 plus an Accrual for the Commission's June 30, 2014 PERS Plan Required Contribution (April 1, 2015 PERS Pension Invoice), Contribution Subsequent to the Measurement Date.

(2) Represents the Commission's Accounts Payable for the June 30, 2013 PERS Plan Required Contribution (April 1, 2014 PERS Pension Invoices), plus an Accrual for the Commission's June 30, 2014 PERS Plan Required Contribution (April 1, 2015 PERS Pension Invoice).

(3) Represents the Commission's Proportionate Share of the PERS, June 30, 2013 Net Pension Liability.

Note 11: RESTATEMENT OF NET POSITION (CONT'D)

The following represents the cumulative effects of the restatement on the respective financial statement balances of the Commission for the year ended September 30, 2014:

Statement of Net Position - September 30, 2014

	Previously Reported	Cumulative Effect - Increase / (Decrease)	Restated Balance
DEFERRED OUTFLOWS OF RESOURCES			
Related to Pensions	$ -	$ 941,051.50	$ 941,051.50
LIABILITIES			
Current Liabilities Payable from Unrestricted Assets:			
Accounts Payable - Related to Early Retirement Incentive Programs	-	79,494.00	79,494.00
Accounts Payable - Related to Pension	1,029,002.00	(79,494.00)	949,508.00
Long-term Liabilities:			
Net Pension Liability	-	21,564,408.00	21,564,408.00
Accrued Liabilities - Related to Pension	-	234,965.50	234,965.50
Total Long-term Liabilities	63,426,363.49	21,799,373.50	85,225,736.99
Total Liabilities	71,953,395.87	21,799,373.50	93,752,769.37
DEFERRED INFLOWS OF RESOURCES			
Related to Pensions	-	1,285,122.00	1,285,122.00
Total Deferred Inflows of Resources	-	1,285,122.00	1,285,122.00
NET POSITION			
Unrestricted	12,560,465.22	(22,143,444.00)	(9,582,978.78)
Total Net Position	$ 92,373,506.60	$ (22,143,444.00)	$ 70,230,062.60

Note 11: RESTATEMENT OF NET POSITION (CONT'D)

The following represents the cumulative effects of the restatement on the respective financial statement balances of the Commission for the year ended September 30, 2014 (Cont'd):

Statement of Revenues, Expenses and Changes in Net Position - September 30, 2014

	Previously Reported	Cumulative Effect - Increase / (Decrease)	Restated Balance
Operating Expenses:			
Administration:			
Employee Benefits	$ 1,264,982.36	$ 49,361.80	$ 1,314,344.16
Cost of Providing Service:			
Employee Benefits	4,879,197.92	197,447.20	5,076,645.12
Total Operating Expenses	32,224,786.07	246,809.00	32,471,595.07
Operating Income	1,180,559.25	(246,809.00)	933,750.25
Change in Net Position	(882,668.23)	(246,809.00)	(1,129,477.23)
Net Position - Beginning	93,256,174.83	(21,896,635.00)	71,359,539.83
Net Position - Ending	$ 92,373,506.60	$ (22,143,444.00)	$ 70,230,062.60

Note 12: SUBSEQUENT EVENTS

Subsequent to September 30, 2015, the Commission authorized and issued Notes as follows:

Purpose	Date	Amount
Various Capital Projects	December 29, 2015	$ 49,820,000.00

REQUIRED SUPPLEMENTARY INFORMATION

BURLINGTON COUNTY BRIDGE COMMISSION
Required Supplementary Information
Schedule of Funding Progress for the OPEB Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability - (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
10/1/2014	$ -	$ 30,487,800.00	$ 30,487,800.00	0%	$ 7,847,725.00	388%
10/1/2012	-	28,822,300.00	28,822,300.00	0%	N/A	N/A

RSI Exhibit 2

BURLINGTON COUNTY BRIDGE COMMISSION
Required Supplementary Information
Schedule of Employer Contributions to the OPEB Plan

Fiscal Year Ended September 30,	Annual Required Contribution (ARC)	Percentage of ARC Contributed
2015	$ 2,951,300.00	40.4%
2014	2,786,600.00	43.8%
2013	2,786,600.00	41.4%

BURLINGTON COUNTY BRIDGE COMMISSION
Required Supplementary Information
Schedule of the Commission's Proportionate Share of the Net Pension Liability
Public Employees' Retirement System (PERS)
Last Two Fiscal Years

	Measurement Date Ending June 30,		
	2015	**2014**	**2013**
Commission's Proportion of the Net Pension Liability	0.1093203713%	0.1151776579%	0.1150043118%
Commission's Proportionate Share of the Net Pension Liability	$ 24,540,233.00	$ 21,564,408.00	$ 21,979,609.00
Commission's Covered-Employee Payroll	$ 7,516,759.00	$ 7,487,073.00	$ 7,791,967.00
Commission's Proportionate Share of the Net Pension Liability as a Percentage of it's Covered-Employee Payroll	326.47%	288.02%	282.08%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	47.93%	52.08%	48.72%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

BURLINGTON COUNTY BRIDGE COMMISSION
Required Supplementary Information
Schedule of the Commission's Contributions
Public Employees' Retirement System (PERS)
Last Two Fiscal Years

	Fiscal Year Ended September 30,		
	2015	**2014**	**2013**
Contractually Required Contribution	$ 939,862.00	$ 949,508.00	$ 866,534.00
Contributions in Relation to the Contractually Required Contribution	(939,862.00)	(949,508.00)	(866,534.00)
Contribution Deficiency (Excess)	$ -	$ -	$ -
Commission's Covered-Employee Payroll	$ 7,516,759.00	$ 7,487,073.00	$ 7,791,967.00
Contributions as a Percentage of Commission's Covered-Employee Payroll	12.50%	12.68%	11.12%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

BURLINGTON COUNTY BRIDGE COMMISSION
Notes to Required Supplementary Information
For the Fiscal Year Ended September 30, 2015

Note 1: OTHER POSTEMPLOYMENT BENEFITS

The information presented in the required supplementary schedules was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation follows:

Valuation Date	October 1, 2014
Actuarial Cost Method	Projected Unit Credit Cost Method
Amortization Method	Open Level Dollar Method, for 30 Years
Remaining Amortization Periods	22 years
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Investment Rate of Return	5.0%
Rate of Medical Inflation	6.0% grading to 5.0% over 10 years (Pre Medicare) 5.0% (Post Medicare)
Prescription Drug Inflation	10.0% grading to 5.0% over 10 years
Medicare Advantage Inflation	-5.0% for the first year,10.0% in the second year grading to 5.0% over 8 years
Medicare Part B Premium Reimbursement	5.0%

For determining the GASB ARC, the rate of employer contributions to the Burlington County Bridge Commission Plan is composed of the Normal Cost plus amortization of the Unfunded Actuarial Liability. The Normal Cost is a portion of the actuarial present value of plan benefits and expenses which is allocated to a valuation year by the actuarial cost method. The Actuarial Liability is that portion of the Present Value of Projected Benefits that will not be paid by Future Employer Normal Costs or active employee contributions. The difference between this liability and the funds accumulated as of the same date is the Unfunded Actuarial Liability.

Note 2: POSTEMPLOYMENT BENEFITS - PENSION

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None

Changes in Assumptions - The discount rate changed from 5.39% as of June 30, 2014, to 4.90% as of June 30, 2015, in accordance with Paragraph 44 of GASB Statement No. 67.

SUPPLEMENTARY SCHEDULES

BURLINGTON COUNTY BRIDGE COMMISSION
Combining Schedule of Revenues, Expenses and Changes in Net Position
For the Fiscal Year Ended September 30, 2015

	Unrestricted			Restricted				
	Revenue	Operating	General Reserve	Debt Service	Debt Service Reserve	Reserve Maintenance	Unemployment Reserve	Total
Operating Revenues:								
Tolls	$ 34,365,157.94							$ 34,365,157.94
Miscellaneous	375,906.22						$ 60,308.23	436,214.45
Operating Expenses:								
Administration:								
Salaries and Wages	(2,134,115.13)							(2,134,115.13)
Employee Benefits	(1,331,002.50)						(86,085.32)	(1,417,087.82)
Other Expenses	(1,599,140.18)							(1,599,140.18)
Cost of Providing Service:								
Salaries and Wages	(7,741,134.98)							(7,741,134.98)
Employee Benefits	(5,295,503.56)							(5,295,503.56)
Other Expenses	(7,007,260.90)							(7,007,260.90)
Major Repairs Expense			$ (7,166,422.30)					(7,166,422.30)
Depreciation		$ (4,486,076.37)						(4,486,076.37)
Operating Income (Loss)	9,632,906.91	(4,486,076.37)	(7,166,422.30)	$ -	$ -	$ -	(25,777.09)	(2,045,368.85)
Non-operating Income (Expenses):								
Investment Income	8,928.27	26,189.36	7,216.89				19.52	42,354.04
Contribution to County			(1,400,000.00)					(1,400,000.00)
Interest on Bonds			1,316,001.84	(2,049,237.48)				(733,235.64)
Total Non-Operating Income (Expense)	8,928.27	26,189.36	(76,781.27)	(2,049,237.48)	-	-	19.52	(2,090,881.60)
Income (Loss) before Transfers	9,641,835.18	(4,459,887.01)	(7,243,203.57)	(2,049,237.48)	-	-	(25,757.57)	(4,136,250.45)
Transfers	(9,641,835.18)	4,551,093.21	3,041,504.49	2,049,237.48				-
Change in Net Position	-	91,206.20	(4,201,699.08)	-	-	-	(25,757.57)	(4,136,250.45)
Net Position Oct. 1 (Restated)	-	2,599,870.00	60,392,447.53	-	6,711,987.50	500,000.00	25,757.57	70,230,062.60
Net Position Sept. 30	$ -	$ 2,691,076.20	$ 56,190,748.45	$ -	$ 6,711,987.50	$ 500,000.00	$ -	$ 66,093,812.15
Analysis of Balance:								
Net Investment in Capital Assets			$ 70,384,154.10					$ 70,384,154.10
Restricted:								
Bond Resolution Covenants		$ 2,691,076.20			$ 6,711,987.50	$ 500,000.00		9,903,063.70
Unrestricted (Deficit)			(14,193,405.65)					(14,193,405.65)
	$ -	$ 2,691,076.20	$ 56,190,748.45	$ -	$ 6,711,987.50	$ 500,000.00	$ -	$ 66,093,812.15

BURLINGTON COUNTY BRIDGE COMMISSION

Schedule of Cash Receipts, Cash Disbursements and Changes in Cash and Investments
For the Fiscal Year Ended September 30, 2015

	Unrestricted			Restricted					
	Revenue	Operating	General Reserve	Reserve Maintenance	Construction Fund	Debt Service	Debt Service Reserve	Other	Total
Balance - October 1, 2014	$ 2,889,559.30	$ 10,253,609.84	$ 1,579,024.48	$ 500,000.00	$ 39,627,017.33	$ 3,991,243.75	$ 6,711,987.50	$ 44,208.31	$ 65,596,650.51
Cash Receipts:									
Tolls	17,576,367.94								17,576,367.94
EZ-Pass Receivable	16,135,874.50								16,135,874.50
Investment Income	8,928.27	26,189.36	7,171.55					64.86	42,354.04
Other Accounts Receivable	126,160.85								126,160.85
Unearned Revenue	1,565.79								1,565.79
Miscellaneous Income	375,906.22							60,308.23	436,214.45
Escrow and Retainage								5,870.00	5,870.00
Transfers In		46,581,014.83				4,949,287.50		13,681.26	51,543,983.59
Total Cash Receipts and Investments Available	37,114,362.87	56,860,814.03	1,586,196.03	500,000.00	39,627,017.33	8,940,531.25	6,711,987.50	124,132.66	151,465,041.67
Cash Disbursements:									
Budgetary		17,402,744.41						86,085.32	17,488,829.73
Major Repairs and Expenses		7,120,052.90							7,120,052.90
Unrestricted Accounts Payable		2,108,566.66							2,108,566.66
Accrued Expenses Payable		1,203,385.94							1,203,385.94
Other Accounts Receivable		83,918.64							83,918.64
Prepaid Expenses		429,871.03							429,871.03
Capital Acquisitions		8,407,253.46							8,407,253.46
Escrow and Retainage		109,188.66							109,188.66
Reserve for Future Claims								19,288.52	19,288.52
Bond Principal						2,930,000.00			2,930,000.00
Accrued Interest Payable						2,085,862.50			2,085,862.50
Transfers Out	33,829,499.28				17,712,704.66			1,779.65	51,543,983.59
Total Cash Disbursements	33,829,499.28	36,864,981.70	0.00	0.00	17,712,704.66	5,015,862.50	0.00	107,153.49	93,530,201.63
Balance - September 30, 2015	$ 3,284,863.59	$ 19,995,832.33	$ 1,586,196.03	$ 500,000.00	$ 21,914,312.67	$ 3,924,668.75	$ 6,711,987.50	$ 16,979.17	$ 57,934,840.04
Analysis of Balance:									
Cash and Cash Equivalents	$ 3,284,863.59	$ 19,970,145.37	$ 1,586,196.03	$ 500,000.00	$ 21,914,312.67	$ 3,924,668.75	$ 6,711,987.50	$ 16,979.17	$ 57,909,153.08

BURLINGTON COUNTY BRIDGE COMMISSION
Schedule of Revenues and Expenses - Budget and Actual
Non-GAAP Budgetary Basis
For the Fiscal Year Ended September 30, 2015

	Adopted Budget	Modifications/ Transfers	Modified Budget	Actual	Variance Favorable (Unfavorable)
Operating Revenues:					
Tolls	$ 30,793,000.00		$ 30,793,000.00	$ 34,365,157.94	$ 3,572,157.94
Miscellaneous Income	120,000.00		120,000.00	436,214.45	316,214.45
	30,913,000.00	$ -	30,913,000.00	34,801,372.39	3,888,372.39
Non-Operating Revenues:					
Investment Income	65,000.00		65,000.00	42,354.04	(22,645.96)
Total Anticipated Revenues	30,978,000.00	-	30,978,000.00	34,843,726.43	3,865,726.43
Cost of Providing Service:					
Toll Collection:					
Salaries	3,430,000.00		3,430,000.00	3,250,733.64	179,266.36
Lunch Money	4,000.00	350.00	4,350.00	4,327.70	22.30
Uniforms	14,000.00		14,000.00	12,324.55	1,675.45
Shoes	4,000.00		4,000.00	3,112.77	887.23
Services	11,000.00	1,621.00	12,621.00	11,136.71	1,484.29
Other Expenses	1,000.00		1,000.00	904.76	95.24
Materials and Supplies	21,500.00	(1,971.00)	19,529.00	12,801.58	6,727.42
Travel & Meetings	400.00		400.00	206.92	193.08
Membership Dues	1,600.00		1,600.00	1,150.00	450.00
	3,487,500.00	-	3,487,500.00	3,296,698.63	190,801.37
Police:					
Salaries	2,525,000.00	(90,000.00)	2,435,000.00	2,404,831.36	30,168.64
Lunch Money	500.00		500.00	231.40	268.60
Uniforms	23,000.00		23,000.00	15,603.55	7,396.45
Other Profesional Expenses	30,000.00		30,000.00	22,100.00	7,900.00
Subscriptions	4,300.00		4,300.00	458.00	3,842.00
Shoes	3,500.00		3,500.00	2,704.58	795.42
Services	10,900.00		10,900.00	5,564.10	5,335.90
Other Expenses	14,300.00		14,300.00	11,626.79	2,673.21
Materials and Supplies	31,900.00	(100.00)	31,800.00	20,665.87	11,134.13
Travel and Meetings	5,500.00		5,500.00	875.98	4,624.02
Membership Dues	2,100.00		2,100.00	1,920.00	180.00
Telephone	12,300.00	25,100.00	37,400.00	25,630.70	11,769.30
	2,663,300.00	(65,000.00)	2,598,300.00	2,512,212.33	86,087.67

(Continued)

BURLINGTON COUNTY BRIDGE COMMISSION
Schedule of Revenues and Expenses - Budget and Actual
Non-GAAP Budgetary Basis
For the Fiscal Year Ended September 30, 2015

	Adopted Budget	Modifications/ Transfers	Modified Budget	Actual	Variance Favorable (Unfavorable)
Cost of Providing Service (Cont'd):					
Maintenance:					
Salaries	$ 1,851,000.00		$ 1,851,000.00	$ 1,736,925.95	$ 114,074.05
Lunch Money	1,500.00	$ 1,000.00	2,500.00	2,020.20	479.80
Services	10,400.00	(1,000.00)	9,400.00	7,759.82	1,640.18
Landscaping	1,200.00		1,200.00	1,177.58	22.42
Land Lease	6,500.00		6,500.00	6,363.00	137.00
Trash	17,100.00	(3,000.00)	14,100.00	7,957.79	6,142.21
Equipment Rental	5,000.00	5,617.00	10,617.00	8,517.00	2,100.00
Electrical Maintenance	11,000.00	(10,000.00)	1,000.00		1,000.00
Other Expense	5,550.00	(1,130.00)	4,420.00	2,915.88	1,504.12
Uniforms	10,000.00	(1,600.00)	8,400.00	8,167.11	232.89
Shoes	2,500.00	(450.00)	2,050.00	2,039.95	10.05
Membership Dues	500.00		500.00		500.00
Travel & Meetings	250.00		250.00		250.00
Minor Tools and Equipment		16,000.00	16,000.00	15,989.00	11.00
IT Support	8,100.00	(2,500.00)	5,600.00		5,600.00
Materials and Supplies	302,500.00	4,563.00	307,063.00	290,538.34	16,524.66
Engineering	8,100.00		8,100.00	2,644.96	5,455.04
	2,241,200.00	7,500.00	2,248,700.00	2,093,016.58	155,683.42
Information Technology:					
Salaries	300,000.00	90,000.00	390,000.00	348,644.03	41,355.97
Other Expense	20,000.00	(2,700.00)	17,300.00	2,396.48	14,903.52
Materials and Supplies	25,000.00	(1,000.00)	24,000.00	17,954.09	6,045.91
Tools and Equipment	3,000.00	50,000.00	53,000.00	2,205.09	50,794.91
Uniforms	700.00		700.00	260.00	440.00
Shoes	100.00		100.00	100.00	
Data Processing	60,500.00		60,500.00	45,478.68	15,021.32
Telephone	136,000.00	10,700.00	146,700.00	131,643.29	15,056.71
Ez Pass	667,500.00	(8,000.00)	659,500.00	535,231.57	124,268.43
ETC	226,000.00		226,000.00	190,248.63	35,751.37
Security	29,000.00		29,000.00	27,393.54	1,606.46
Support	326,200.00		326,200.00	308,821.35	17,378.65
	1,794,000.00	139,000.00	1,933,000.00	1,610,376.75	322,623.25
Other Operations:					
Employee Benefits	4,711,000.00		4,711,000.00	4,047,023.60	663,976.40
General Supplies	193,000.00	(125,000.00)	68,000.00	6,874.18	61,125.82
Utilities	523,300.00		523,300.00	336,017.70	187,282.30
Insurance	2,850,000.00	100,000.00	2,950,000.00	2,875,240.21	74,759.79
PILOT Fees	51,500.00		51,500.00	50,943.81	556.19
Other Expense	1,673,900.00		1,673,900.00	1,646,327.50	27,572.50
	10,002,700.00	(25,000.00)	9,977,700.00	8,962,427.00	1,015,273.00
Total Cost of Providing Service	20,188,700.00	56,500.00	20,245,200.00	18,474,731.29	1,770,468.71

(Continued)

BURLINGTON COUNTY BRIDGE COMMISSION
Schedule of Revenues and Expenses - Budget and Actual
Non-GAAP Budgetary Basis
For the Fiscal Year Ended September 30, 2015

	Adopted Budget	Modifications/ Transfers	Modified Budget	Actual	Variance Favorable (Unfavorable)
Administration:					
General Administrative:					
Salaries	$ 1,836,000.00		$ 1,836,000.00	$ 1,748,333.64	$ 87,666.36
Employee Benefits	1,414,000.00		1,414,000.00	1,064,722.27	349,277.73
Other Expenses	247,900.00	$ (88,491.00)	159,409.00	42,897.12	116,511.88
Materials & Supplies	23,400.00		23,400.00	17,997.83	5,402.17
Travel & Meetings	31,500.00	1,189.00	32,689.00	11,142.38	21,546.62
Membership Dues	12,600.00	3,700.00	16,300.00	10,869.05	5,430.95
Data Processing	9,000.00		9,000.00	8,954.00	46.00
Postage	12,700.00		12,700.00	7,230.23	5,469.77
Printing & Binding	4,000.00		4,000.00	802.67	3,197.33
Legal	506,000.00	(30,500.00)	475,500.00	260,068.27	215,431.73
Accounting	80,000.00		80,000.00	65,537.50	14,462.50
Engineering	250,000.00	(63,000.00)	187,000.00		187,000.00
Other Professional Services	67,400.00		67,400.00	21,634.50	45,765.50
Total General Administrative	4,494,500.00	(177,102.00)	4,317,398.00	3,260,189.46	1,057,208.54
Economic Development:					
Services	28,700.00	(1,000.00)	27,700.00		27,700.00
Advertising	22,000.00		22,000.00	6,434.37	15,565.63
Legal	20,000.00	31,569.00	51,569.00	51,568.82	0.18
Accounting	15,000.00		15,000.00		15,000.00
Other Pro Services		23,500.00	23,500.00	16,352.50	7,147.50
Other Expenses	79,800.00	4,840.00	84,640.00	82,183.87	2,456.13
Office Supplies	12,700.00	(1,500.00)	11,200.00	4,633.35	6,566.65
Subscriptions	1,800.00	160.00	1,960.00	1,595.85	364.15
Meetings	2,000.00		2,000.00	706.10	1,293.90
Membership Dues	3,500.00	1,000.00	4,500.00	3,969.00	531.00
Travel	4,000.00		4,000.00	3,145.41	854.59
Energy Aggregation		3,000.00	3,000.00	2,400.00	600.00
Total Economic Development	189,500.00	61,569.00	251,069.00	172,989.27	78,079.73
Improvement Authority:					
Postage	2,000.00		2,000.00	2,000.00	
Legal Services	150,000.00	(15,569.00)	134,431.00	87,708.50	46,722.50
Engineering Services	25,000.00	60,000.00	85,000.00	59,523.75	25,476.25
Other Prof Services	425,000.00	13,769.00	438,769.00	438,768.68	0.32
Other Expenses	50,000.00	(29,767.00)	20,233.00	1,419.70	18,813.30
Meetings	5,000.00		5,000.00		5,000.00
Membership Dues	1,000.00		1,000.00		1,000.00
Total Improvement Authority	658,000.00	28,433.00	686,433.00	589,420.63	97,012.37

(Continued)

BURLINGTON COUNTY BRIDGE COMMISSION
Schedule of Revenues and Expenses - Budget and Actual
Non-GAAP Budgetary Basis
For the Fiscal Year Ended September 30, 2015

	Adopted Budget	Modifications/ Transfers	Modified Budget	Actual	Variance Favorable (Unfavorable)
Administration (Cont'd):					
Palmyra Nature Cove:					
Salaries	$ 410,000.00		$ 410,000.00	$ 385,781.49	$ 24,218.51
Legal Advertising	4,000.00		4,000.00		4,000.00
Printing & Binding	8,500.00		8,500.00	2,110.00	6,390.00
Legal Services		$ 5,500.00	5,500.00	5,100.00	400.00
Engineering Services		3,000.00	3,000.00	2,660.00	340.00
Other Professional Services		13,600.00	13,600.00	13,245.00	355.00
Services	3,900.00		3,900.00	3,891.75	8.25
Other Expenses	25,000.00	(10,600.00)	14,400.00	11,540.17	2,859.83
Supplies	4,600.00		4,600.00	3,121.78	1,478.22
Minor Tools and Equipment		24,100.00	24,100.00	24,098.95	1.05
Meetings	500.00		500.00		500.00
Data Processing	5,000.00	(5,000.00)			
Events	2,500.00		2,500.00	1,210.50	1,289.50
Exhibits	4,000.00		4,000.00	1,930.40	2,069.60
Total Palmyra Cove	468,000.00	30,600.00	498,600.00	454,690.04	43,909.96
Total Administration	5,810,000.00	(56,500.00)	5,753,500.00	4,477,289.40	1,276,210.60
Total Principal Payments on Debt Service in Lieu of Depreciation	2,930,000.00	-	2,930,000.00	2,930,000.00	-
Total Operating Appropriations	28,928,700.00	-	28,928,700.00	25,882,020.69	3,046,679.31
Non-Operating Appropriations					
Interest on Bonds	2,049,300.00	-	2,049,300.00	2,049,237.48	62.52
County Appropriation	1,400,000.00	-	1,400,000.00	1,400,000.00	-
Total Non-Operating Appropriations	3,449,300.00	-	3,449,300.00	3,449,237.48	62.52
Total Operating and Non-Operating Appropriations	32,378,000.00	-	32,378,000.00	29,331,258.17	3,046,741.83
Excess Revenues Over Expenditures (Deficit)	$ (1,400,000.00)	$ -	$ (1,400,000.00)	$ 5,512,468.26	$ 6,912,468.26

(Continued)

BURLINGTON COUNTY BRIDGE COMMISSION
Schedule of Revenues and Expenses - Budget and Actual
Non-GAAP Budgetary Basis
For the Fiscal Year Ended September 30, 2015

Actual:		
Disbursed	$	17,614,541.66
Cancellation of Workers Compensation Claims Payable		(12,843.48)
Cancellation of Other Accounts Receivable		32,778.81
Accounts Payable		4,705,595.52
Prepaid Expenses Applied		573,046.60
Accrued Vacation and Sick Pay Expenses		1,438,901.58
Debt Service		4,979,237.48
	$	29,331,258.17

Adjustments to Reconcile Excess Revenues over Expenses and Other Costs to GAAP Basis Operating Loss:		
Excess Revenues over Expenses and Other Costs (Schedule 3)	$	5,512,468.26
Less: Investment Income		(42,354.04)
Less: Depreciation		(4,486,076.37)
Less: Other Post Employment Benefits Annual Retirement Contributions		(1,600,845.51)
Less: Provision for Major Repairs		(7,166,422.30)
Less: Prior Year Expenses not Included in the Budget		(641,376.37)
Add: Contribution to County		1,400,000.00
Add: Principal Payments on Bonds		2,930,000.00
Add: Interest on Bonds		2,049,237.48
Total Operating Loss (Exhibit B)	$	(2,045,368.85)

BURLINGTON COUNTY BRIDGE COMMISSION
Analysis of Toll Revenue
For the Fiscal Year Ended September 30, 2015

Category	Current Year Rate	Current Year Units	Current Year Revenue	Prior Year Rate	Prior Year Units	Prior Year Revenue	Increase / (Decrease) Units	Increase / (Decrease) Revenue	% Change Units	% Change Revenue
Auto, Lt. Trucks, Vans	$ 2.00 *	13,972,227	$ 28,758,183.00	$ 2.00	13,807,544	$ 27,615,088.00	164,683	$ 1,143,095.00	1.19%	4.14%
Buses or Dual Wheel Pickups:										
2 Axle	4.50 *	22,335	101,403.50	4.50	20,375	91,687.50	1,960	9,716.00	9.62%	10.60%
3 Axle	6.75 *	439	3,011.75	6.75	411	2,774.25	28	237.50	6.81%	8.56%
Extra Axle	1.50 *	45,254	70,051.50	1.50	41,516	62,274.00	3,738	7,777.50	9.00%	12.49%
Trucks:										
2 Axle	9.00 *	211,965	1,934,469.00	9.00	204,730	1,842,570.00	7,235	91,899.00	3.53%	4.99%
3 Axle	13.50 *	46,719	640,953.00	13.50	45,911	619,798.50	808	21,154.50	1.76%	3.41%
4 Axle	18.00 *	22,905	419,208.00	18.00	20,917	376,506.00	1,988	42,702.00	9.50%	11.34%
5 Axle	22.50 *	103,771	2,367,277.50	22.50	99,110	2,229,975.00	4,661	137,302.50	4.70%	6.16%
Extra Axle	4.50 *	16,819	76,792.50	4.50	16,576	74,592.00	243	2,200.50	1.47%	2.95%
		14,442,434	34,371,349.75		14,257,090	32,915,265.25	185,344	1,456,084.50	1.30%	4.42%
Violations			(3,570.00)			(3,264.00)		(306.00)		9.38%
Over / (Short)			(2,621.81)			(1,908.71)		(713.10)		37.36%
			$ 34,365,157.94			$ 32,910,092.54		$ 1,455,065.40		4.42%
Cash Received			$ 17,576,367.94			$ 17,225,507.04		$ 350,860.90		2.04%
EZ-Pass Transactions			16,788,790.00			15,684,585.50		1,104,204.50		7.04%
			$ 34,365,157.94			$ 32,910,092.54		$ 1,455,065.40		4.42%

* Toll rates increased on September 15, 2015. See Note 2 for information regarding the rate increase.

BURLINGTON COUNTY BRIDGE COMMISSION
Analysis of Investment Income Receivable
For the Fiscal Year Ended September 30, 2015

	Balance October 1, 2014	Investment Income Earned	Received	Balance September 30, 2015
Unrestricted Assets:				
Revenue Account		$ 8,928.27	$ 8,928.27	
Operating Account		26,189.36	26,189.36	
General Account		7,171.55	7,171.55	
	$ -	42,289.18	42,289.18	$ -
Restricted Assets:				
Unemployment Compensation		19.52	19.52	
Workers Compensation		45.34	45.34	
Total Restricted Assets	-	64.86	64.86	-
	$ -	$ 42,354.04	$ 42,354.04	$ -

Schedule 6

BURLINGTON COUNTY BRIDGE COMMISSION
Analysis of Improvements in Progress
For the Fiscal Year Ended September 30, 2015

Balance October 1, 2014		$ 19,718,282.89
Add:		
Disbursed	$ 6,710,829.49	
Accounts Payable	1,779,510.38	
Retainage Due Contractors	57,175.14	
		8,547,515.01
		28,265,797.90
Less:		
Transferred to Completed		13,118,305.78
Balance September 30, 2015		$ 15,147,492.12

Schedule 7

BURLINGTON COUNTY BRIDGE COMMISSION
Analysis of Other Accounts Receivable
For the Fiscal Year Ended September 30, 2015

	Balance October 1, 2014	Cash Receipts	Cancelation	Disbursed	Balance September 30, 2015
Insurance Claims	$ 17,662.82	$ 3,596.00	$ 11,637.82		$ 2,429.00
Refunds Receivable	115.00		115.00	$ 5,373.73	5,373.73
Due from Burlington County Interlocal Service Agreement	113,501.06	121,774.91		78,544.91	70,271.06
State & Federal Operating Grants	21,815.93	789.94	21,025.99		
	$ 153,094.81	$ 126,160.85	$ 32,778.81	$ 83,918.64	$ 78,073.79

BURLINGTON COUNTY BRIDGE COMMISSION
Analysis of Unearned Revenue
For the Fiscal Year Ended September 30, 2015

	Balance October 1, 2014	Cash Receipts	Transferred to Miscellaneous Revenue	Balance September 30, 2015
Unearned Revenue:				
State & Federal Grants	$ 9,903.77	$ 1,565.79	$ -	$ 11,469.56

Schedule 9

BURLINGTON COUNTY BRIDGE COMMISSION
Analysis of Accrued Expenses Payable
For the Fiscal Year Ended September 30, 2015

	Vacation and Sick Pay	ERIP and Pension	Total
Balance October 1, 2014 (Restated)	$ 1,912,209.22	$ 23,682,018.50	$ 25,594,227.72
Increased by:			
Deferred Outflows of Resources		2,537,622.50	2,537,622.50
Budget Charges	8,474.68	1,430,426.90	1,438,901.58
	1,920,683.90	27,650,067.90	29,570,751.80
Decreased by:			
Deferred Inflows of Resources		(39,835.00)	(39,835.00)
Disbursed	82,187.04	1,121,198.90	1,203,385.94
	82,187.04	1,081,363.90	1,163,550.94
Balance September 30, 2015	$ 1,838,496.86	$ 26,568,704.00	$ 28,407,200.86

Schedule 10

BURLINGTON COUNTY BRIDGE COMMISSION
Analysis of Reserve for Workers' Compensation Claims
For the Fiscal Year Ended September 30, 2015

Balance October 1, 2014		$ 32,132.00
Decreased by:		
Cancellation of Reserve	$ 12,843.48	
Disbursements	19,288.52	
		32,132.00
Balance September 30, 2015		$ -

Schedule 11

BURLINGTON COUNTY BRIDGE COMMISSION
Analysis of Accrued Interest Payable on Bonds
For the Fiscal Year Ended September 30, 2015

Balance October 1, 2014		$ 1,061,243.75
Increased by:		
Accrued	$ 2,049,237.48	
Net Amortization of Premium on Bonds	(1,316,001.84)	
		733,235.64
		1,794,479.39
Decreased by:		
Cash Disbursed	2,085,862.50	
Net Amortization of Premium on Bonds	(1,316,001.84)	
		769,860.66
Balance September 30, 2015		$ 1,024,618.73

BURLINGTON COUNTY BRIDGE COMMISSION
Schedule of Revenue Bonds
For the Fiscal Year Ended September 30, 2015

	Date of Issue	Original Issue	Maturities Date	Maturities Amount	Rate	Balance October 1, 2014	Increased	Decreased	Balance September 30, 2015
Series 2013	04/18/13	$ 46,290,000.00	10/01/15	$ 2,900,000.00	3.00%				
			10/01/16	2,905,000.00	5.00%				
			10/01/17	4,895,000.00	5.00%				
			10/01/18	4,760,000.00	5.00%				
			10/01/19	4,605,000.00	5.00%				
			10/01/20	4,425,000.00	5.00%				
			10/01/21	4,255,000.00	5.00%				
			10/01/22	4,065,000.00	5.00%				
			10/01/23	2,555,000.00	5.00%				
			10/01/24	2,215,000.00	5.00%				
			10/01/25	1,835,000.00	5.00%				
			10/01/26	1,425,000.00	4.00%				
			10/01/27	965,000.00	3.00%				
			10/01/28	750,000.00	3.25%				
			10/01/29	525,000.00	3.25%				
			10/01/30	280,000.00	3.25%				
				43,360,000.00		$ 46,290,000.00		$ 2,930,000.00	$ 43,360,000.00
							Premium on Bonds		5,352,075.82
									$ 48,712,075.82

SCHEDULES REQUIRED BY TRUST INDENTURES

ASSOCIATED WITH THE ISSUANCE OF CONDUIT DEBT

BURLINGTON COUNTY BRIDGE COMMISSION
Schedule of Conduit Debt
For the Fiscal Year Ended September 30, 2015

Issue	Issue Date	Issued Amount	Balance October 1, 2014	Issued	Paid/Refunded	Balance September 30, 2015
Guaranteed by Other Government Entities:						
County Guaranteed Lease Revenue Bonds, Series 2002	6/18/2002	$ 60,605,000	$ 5,000.00		$ 5,000.00	
County Guaranteed Pooled Loan Revenue Bonds, Series 2002	10/24/2002	73,510,000	1,450,000.00		80,000.00	$ 1,370,000.00
County Guaranteed Pooled Loan Revenue Bonds, Series 2003	11/20/2003	42,575,000	1,386,000.00		596,000.00	790,000.00
County Guaranteed Pooled Loan Revenue Bonds, Series 2004	12/2/2004	49,550,000	2,510,000.00		2,385,000.00	125,000.00
County Guaranteed Lease Revenue Bonds, Series 2005	8/17/2005	8,730,000	385,000.00		385,000.00	
County Guaranteed Pooled Loan Revenue Bonds, Series 2005	12/22/2005	12,185,000	6,145,000.00		880,000.00	5,265,000.00
County Guaranteed Resource Recovery Project, Series 2006	11/8/2006	7,195,000	6,175,000.00		370,000.00	5,805,000.00
County Guaranteed Pooled Loan Revenue Bonds, Series 2006	12/14/2006	22,565,000	11,480,000.00		1,360,000.00	10,120,000.00
County Guaranteed Lease Revenue Refunding Bonds, Series 2007	5/11/2007	34,020,000	27,555,000.00		2,935,000.00	24,620,000.00
County Guaranteed Pooled Loan Revenue Bonds, Series 2007	12/20/2007	4,595,000	2,645,000.00		370,000.00	2,275,000.00
County Guaranteed Pooled Loan Revenue Bonds, Series 2009	7/16/2009	18,950,000	14,435,000.00		1,505,000.00	12,930,000.00
County Guaranteed Pooled Loan Revenue Bonds, Series 2010	12/8/2010	17,675,000	14,845,000.00		1,065,000.00	13,780,000.00
County Guaranteed Pooled Loan Revenue Refunding Bonds, Series 2011A	3/16/2011	37,785,000	33,245,000.00		4,435,000.00	28,810,000.00
County Guaranteed Lease Revenue Refunding Bonds, Series 2011	9/8/2011	9,480,000	8,495,000.00		820,000.00	7,675,000.00
County Guaranteed Loan Revenue Refunding Bonds, Series 2013A	3/11/2013	47,535,000	46,875,000.00		2,165,000.00	44,710,000.00
County Guaranteed Lease Revenue Notes, Series 2013	11/19/2013	30,000,000	30,000,000.00		30,000,000.00	
County Guaranteed Lease Revenue Bonds, Series 2013A	10/7/2013	29,380,000	29,380,000.00		1,500,000.00	27,880,000.00
County Guaranteed Loan Revenue Refunding Bonds, Series 2014A	1/2/2014	16,250,000	16,250,000.00		1,315,000.00	14,935,000.00
County Guaranteed Lease Revenue Refunding Bonds, Series 2014	6/25/2014	10,605,000	10,605,000.00		745,000.00	9,860,000.00
County Guaranteed Lease Revenue Notes, Series 2014	11/18/2014	60,000,000		$ 60,000,000.00		60,000,000.00
County Guaranteed Lease Revenue Notes, Series 2015	4/22/2015	29,950,000		29,950,000		29,950,000.00
Guaranteed by Other Government Entities			$ 263,866,000.00	$ 89,950,000.00	$ 52,916,000.00	$ 300,900,000.00
Other Series:						
Lutheran Home Project Economic Development Bonds, Series 2005	12/28/2005	4,570,000	$ 3,585,000.00		$ 220,000.00	$ 3,365,000.00
Evergreens Project Economic Development Bonds, Series 2007	10/4/2007	44,575,000	44,575,000.00			44,575,000.00
Guaranteed by Other Government Entities			48,160,000.00	$ -	220,000.00	47,940,000.00
			$ 312,026,000.00	$ 89,950,000.00	$ 53,136,000.00	$ 348,840,000.00

BURLINGTON COUNTY BRIDGE COMMISSION
Schedule of Trust Estates Cash Receipts and Disbursements
For the Fiscal Year Ended September 30, 2015

	Lease Revenue Notes	Burlington County Lease Revenue Bonds					
	Series 2013	Series 2002	Series 2003	Series 2004	Series 2005	Series 2006	Series 2013A
Cash and Cash Equivalents October 1	$ 15,397,822.41	$ 2,505.21	$ 34,171.52	$ 1,503.56	$ 2,002.31	$ 207,267.79	$ 4,362,561.44
Increases:							
Investment Receipts	2,349.12	0.15		1.72	2.30	13.91	67.44
Proceeds from the Issuance of Debt	60,000,000.00						
Net Premium on Debt	634,200.00						
Lease/Loan Revenue	375,000.00	3,157.04			402,400.00	610,850.38	2,810,447.07
Total Increases	61,011,549.12	3,157.19	-	1.72	402,402.30	610,864.29	2,810,514.51
Decreases:							
Interest on Debt Paid		262.50			15,400.00	246,995.02	1,344,000.00
Debt Principal	375,000.00	5,000.00			385,000.00	370,000.00	1,500,000.00
Transferred Proceeds	30,000,000.00		34,171.52				
Debt Issue Costs	255,625.00						
Requisitions	7,670,558.80			1,505.28	2,000.00		1,522,179.35
Total Decreases	38,301,183.80	5,262.50	34,171.52	1,505.28	402,400.00	616,995.02	4,366,179.35
Cash and Cash Equivalents September 30	$ 38,108,187.73	$ 399.90	$ -	$ -	$ 2,004.61	$ 201,137.06	$ 2,806,896.60

(Continued)

BURLINGTON COUNTY BRIDGE COMMISSION
Schedule of Trust Estates Cash Receipts and Disbursements
For the Fiscal Year Ended September 30, 2015

	Burlington County Pooled Loan Revenue Bonds							
	Series 2002	Series 2003	Series 2004	Series 2005	Series 2006	Series 2007	Series 2009	Series 2010
Cash and Cash Equivalents October 1	$ 114,054.46	$ 8,640.09	$ 0.91	$ 1.48	$ 4,301.83	$ 58,504.28	$ 8.95	$ 1,353,903.85
Increases:								
Investment Receipts	0.86	2.96	11.01	5.83	9.87	2.36	12.69	8.86
Lease/Loan Revenue	147,944.10	444,160.93	2,439,396.20	1,126,054.31	1,919,162.77	479,603.84	2,184,141.06	1,675,191.28
Total Increases	147,944.96	444,163.89	2,439,407.21	1,126,060.14	1,919,172.64	479,606.20	2,184,153.75	1,675,200.14
Decreases:								
Interest on Debt Paid	64,650.00	11,375.00	54,406.25	246,061.26	520,862.52	168,109.39	679,150.00	556,500.00
Debt Principal	80,000.00	425,000.00	2,385,000.00	880,000.00	1,360,000.00	370,000.00	1,505,000.00	1,065,000.00
Transferred Proceeds		12,834.78						
Total Decreases	144,650.00	449,209.78	2,439,406.25	1,126,061.26	1,880,862.52	538,109.39	2,184,150.00	1,621,500.00
Cash and Cash Equivalents September 30	$ 117,349.42	$ 3,594.20	$ 1.87	$ 0.36	$ 42,611.95	$ 1.09	$ 12.70	$ 1,407,603.99

(Continued)

BURLINGTON COUNTY BRIDGE COMMISSION
Schedule of Trust Estates Cash Receipts and Disbursements
For the Fiscal Year Ended September 30, 2015

	Burlington County Pooled Lease Refunding Bonds			Lease Revenue Notes	Burlington County Pooled Loan Refunding Bonds		
	Series 2007	Series 2011	Series 2014	Series 2015	Series 2011A	Series 2013A	Series 2014A
Cash and Cash Equivalents October 1	$ 1,617.46		$ 28,002.52		$ 5,245,125.85	$ 28,235.52	$ 10,009.20
Increases:							
Investment Receipts	22.79	$ 10.02	7.94	$ 588.31	31.17	21.50	9.62
Proceeds from the Issuance of Debt				29,950,000.00			
Net Premium on Debt				225,224.00			
Transferred Proceeds		34,171.52					12,834.78
Lease/Loan Revenue	4,128,329.21	1,138,947.19	1,215,813.75		6,033,468.68	4,199,229.85	1,929,275.88
Total Increases	4,128,352.00	1,173,128.73	1,215,821.69	30,175,812.31	6,033,499.85	4,199,251.35	1,942,120.28
Decreases:							
Interest on Debt Paid	1,193,350.00	314,450.00	466,313.76		1,509,375.00	2,034,250.00	630,443.75
Debt Principal	2,935,000.00	820,000.00	745,000.00	167,172.68	4,435,000.00	2,165,000.00	1,315,000.00
Debt Issue Costs							
Requisitions	1,600.00	4,500.00	7,500.00	14,151,326.30			
Total Decreases	4,129,950.00	1,138,950.00	1,218,813.76	14,318,498.98	5,944,375.00	4,199,250.00	1,945,443.75
Cash and Cash Equivalents September 30	$ 19.46	$ 34,178.73	$ 25,010.45	$ 15,857,313.33	$ 5,334,250.70	$ 28,236.87	$ 6,685.73

BURLINGTON COUNTY BRIDGE COMMISSION

PART II

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2015

BURLINGTON COUNTY BRIDGE COMMISSION
Schedule of Findings and Recommendations
For the Fiscal Year Ended September 30, 2015

Schedule of Financial Statement Findings

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

None

BURLINGTON COUNTY BRIDGE COMMISSION
Summary Schedule of Prior Year Findings and Recommendations
As Prepared By Management

Schedule of Financial Statement Findings

This section identifies the status of prior year findings related to the financial statements that are required to be reported in accordance with Government Auditing Standards and with the audit requirements as prescribed by the Bureau of Authority Regulations, Division of Local Governmental Services, Department of Community Affairs, State of New Jersey.

None

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APPRECIATION

We express our appreciation for the courtesies extended and assistance rendered to us during the course of this audit.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants