

# Township of West Milford

Passaic County, New Jersey

## ~ Resolution 2013 - 262 ~

**RESOLUTION OF THE TOWNSHIP OF WEST MILFORD, COUNTY OF PASSAIC, STATE OF NEW JERSEY APPROVING THE SYNOPSIS OF AUDIT FOR PUBLICATION FOR THE 2012 AUDIT IN ACCORDANCE WITH N.J.S.A. 40A:5-7**

Attention is directed to the fact that a summary of the audit report, together with the recommendations, is the minimum required to be published pursuant to N.J.S. 40A:5-7. Summary of Synopsis of 2011 Audit Report of the Township of West Milford, County of Passaic, as required by N.J.S. 40A:5-7.

<b>SUMMARY OF SYNOPSIS OF AUDIT REPORT FOR PUBLICATION</b>		
<b>ASSETS</b>	December 31 <b>Year 2012</b>	December 31 <b>Year 2011</b>
Cash, Investments and Prepaid Debt Service	16,362,336.97	14,729,896.79
Taxes, Assessments, Liens and Utility Charges Receivable	4,494,195.15	4,288,402.42
Prospective Assessments Funded	48,216.80	65,623.75
Property Acquired for Taxes - Assessed Value	2,764,000.00	2,764,000.00
Accounts Receivable (and Inventory)	5,240,199.35	5,387,659.01
General Fixed Assets	31,331,193.00	31,331,193.00
Deferred Charges to Future Taxation - General Capital	29,904,015.42	30,020,248.38
Deferred Charges to Revenue of Succeeding Years	1,072,530.40	1,362,547.95
<b>TOTAL ASSETS</b>	91,216,687.09	89,949,571.30
<b>LIABILITIES, RESERVES AND FUND BALANCES</b>		
Bond and Notes Payable	30,355,995.44	31,660,180.25
Improvement Authorizations	3,998,445.63	4,407,194.97
Other Liabilities and Special Funds	15,064,581.71	13,249,975.47
Net Assets Available for Benefits	1,457,712.62	1,272,750.97
Investment in General Fixed Assets	31,331,193.00	31,331,193.00
Reserve for Certain Assets Receivable	5,823,855.50	5,387,888.36
Fund Balance	3,184,903.19	2,640,388.28
<b>TOTAL LIABILITIES, RESERVES AND SURPLUS</b>	91,216,687.09	89,949,571.30
<b>TOWNSHIP OF WEST MILFORD</b>		
<b>COMPARATIVE STATEMENT OF OPERATIONS &amp; CHANGE IN SURPLUS—CURRENT FUND</b>		
<b>REVENUE AND OTHER INCOME REALIZED</b>	<b>2012</b>	<b>2011</b>
Fund Balance Utilized	1,600,000.00	1,900,000.00
Miscellaneous - From Other Than Local Property Tax Levies	6,979,276.12	7,394,845.03
Collection of Delinquent Taxes and Tax Title Liens	996,748.76	769,115.59
Collection of Current Tax Levy	93,427,272.91	91,365,226.00
Other Credits to Income	951,256.16	1,611,449.33
<b>TOTAL INCOME</b>	103,954,553.95	103,040,635.95

<b>EXPENDITURES</b>		
Budget Expenditures: Municipal Purpose	28,873,340.44	29,904,201.60
Special District Taxes	1,672,450.25	1,701,493.95
Municipal Open Space Tax	161,946.01	149,385.57
County Taxes	19,413,025.97	19,725,071.05
Local and Regional School Taxes	51,304,750.00	50,396,165.00
Other Expenditures	77,492.81	611,950.31
<b>TOTAL EXPENDITURES</b>	<b>101,503,005.48</b>	<b>102,488,267.48</b>
Less Expenditures to be Raised by Future Taxes	150,000.00	1,350,000.00
<b>Total Adjusted Expenditures</b>	<b>101,353,005.48</b>	<b>101,138,267.48</b>
Excess in Revenue	2,601,548.47	1,902,368.47
Fund Balance January 1	1,958,959.11	1,956,590.64
	4,560,507.58	3,858,959.11
Less: Utilized as Anticipated Revenue	1,600,000.00	1,900,000.00
Fund Balance December 31	2,960,507.58	1,958,959.11

**RECOMMENDATIONS**

1. That all payroll hand checks be entered into the payroll system.
- 2.\* That the Township's General Fixed Assets be updated for additions and deletions.
- 3.\* That the cash deficits for ordinances over five years old and deferred charges to future taxation-unfunded balances over 5 years old, where the projects have been completed continue to be funded in future budgets.
- 4.\* That old escrow and trust reserve balances be returned or canceled.
- 5.\* That separate bank accounts be opened for escrow accounts with balances over \$5,000.
- 6.\* That old grant receivable and reserve balances be reviewed and be collected, spent or canceled.
- 7.\* That receivable balances in the General Capital Fund be reviewed and the proper action be taken.
- 8.\* That a functioning formal general ledger be maintained.
9. That the actuarial report for the Township's Other Post Employment Benefits contribution be available for audit.
10. That a policy be put in place to collect Police outside duty escrow before the start of the job.

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A Corrective Action Plan, which outlines actions the Township of West Milford will take to correct the findings listed above, will be prepared in accordance with federal and state requirements. A copy of it will be placed on file and made available for public inspection in the Office of the Township Clerk of the Township of West Milford within 45 days of this notice.

The above Summary of Synopsis was prepared from the Report of Audit of the Township of West Milford, County of Passaic, for the calendar year 2012. This Report of Audit, submitted by Charles J. Ferraioli, Jr. of Ferraioli, Wielkotz, Cerullo & Cuva, P.A., is on file at the Township Clerk's Office and may be inspected by any interested person.

Adopted: September 4, 2013

Adopted this 4<sup>th</sup> day of September, 2013  
and certified as a true copy of an original.

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Antoinette Battaglia, Township Clerk