

SUMMARY OR SYNOPSIS OF 2013 REPORT OF AUDIT OF
BOROUGH OF NORTH PLAINFIELD
SOMERSET COUNTY, NEW JERSEY
AS REQUIRED BY N.J.S.A. 40A:5-7

<u>ASSETS</u>	DECEMBER 31, <u>2013</u>	DECEMBER 31, <u>2012</u>
Cash and Investments	\$ 10,092,195.42	\$ 8,340,052.29
Accounts Receivable:		
State & Federal Grants Receivable	992,987.50	1,295,633.02
Due from State of New Jersey		
Taxes, Assessments, Liens & Utility Charges	1,297,509.41	1,277,565.69
Interfund Loans		550,412.65
Other Accounts Receivable	30,129.34	42,295.85
Overpayment of School Taxes		
Property Acquired for Taxes at Assessed Valuation	827,500.00	827,500.00
Prospective Assessments Funded	68,203.44	68,203.44
Inventory	27,503,112.10	27,773,879.88
Fixed Capital - Utility	3,406,910.77	2,533,157.96
Fixed Capital - Authorized and Uncompleted - Utility	300,542.74	974,295.55
Deferred Charges to Revenue of Succeeding Years	1,005,000.00	2,060,000.00
Deferred Charges to Future Taxation:		
General Capital Fund	11,905,674.65	13,138,371.56
Operating Deficit Sewer Utility		27,476.46
	<u>\$ 57,429,765.37</u>	<u>\$ 58,908,844.35</u>

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<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	DECEMBER 31, 2013	DECEMBER 31, 2012
Bonds and Notes Payable	\$ 14,585,297.42	\$ 15,072,531.16
Prepaid Taxes, Assessments, Utility Charges and Licenses	212,997.46	336,237.78
Tax, Assessment, Lien, License and Utility Charge Overpayments	541,469.53	530,887.72
Appropriation Reserves	491,462.84	1,533,495.85
Reserve for Encumbrances/ Accounts Payable	1,549,556.03	848,849.84
Other Liabilities	296,526.41	276,911.09
Due County for Added Taxes		
Amts. Pledged to Specific Purposes	4,041,548.24	2,832,454.62
Escrow Funds		
Improvement Authorizations	953,867.26	3,519,737.01
Interfund Loans		550,412.65
Investments in General Fixed Assets	27,503,112.10	27,773,879.88
Reserve for Amortization of Costs of Fixed Capital Acquired or Authorized	1,907,417.94	1,701,984.20
Reserve for Certain Assets Acquired or Receivables & Inventories	2,223,342.19	2,265,091.77
Fund Balance	<u>3,123,167.95</u>	<u>1,666,370.78</u>
	<u>\$ 57,429,765.37</u>	<u>\$ 58,908,844.35</u>

COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - CURRENT FUND

<u>REVENUE AND OTHER INCOME REALIZED</u>	<u>YEAR 2013</u>	<u>YEAR 2012</u>
Fund Balance Utilized	\$650,000.00	\$800,000.00
Miscellaneous - From Other Than Local Property Tax Levies	4,995,779.17	5,017,293.55
Collection of Delinquent Taxes and Tax Title Liens	771,793.52	938,978.74
Collection of Current Tax Levy	<u>51,166,076.97</u>	<u>49,164,613.65</u>
Total Income	<u>57,583,649.66</u>	<u>55,920,885.94</u>
<u>EXPENDITURES</u>		
Budget Expenditures:		
Municipal Purposes	21,044,190.29	22,536,080.03
County Taxes	5,896,327.88	6,004,783.00
Local School Taxes	28,893,122.00	28,847,469.00
Other Expenditures	<u>33,338.96</u>	<u>33,338.96</u>
Total Expenditures	<u>55,833,640.17</u>	<u>57,421,670.99</u>
Less: Expenditures to be Raised by Future Taxes	<u>2,000,000.00</u>	<u>2,000,000.00</u>
Total Adjusted Expenditures	<u>55,833,640.17</u>	<u>55,241,066.82</u>
Excess in Revenue	1,750,009.49	499,214.95
Fund Balance January 1	<u>1,227,023.37</u>	<u>1,527,808.42</u>
	2,977,032.86	2,027,023.37
Less: Utilization as Anticipated Revenue	<u>650,000.00</u>	<u>800,000.00</u>
Fund Balance December 31	<u><u>\$2,327,032.86</u></u>	<u><u>\$1,227,023.37</u></u>

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE
IN FUND BALANCE - SEWER UTILITY OPERATING FUND

REVENUE AND OTHER INCOME REALIZED	YEAR <u>2013</u>	YEAR <u>2012</u>
Fund Balance Utilized	\$150,000.00	\$10,000.00
Collection of Sewer Rents	1,960,141.10	1,797,246.32
Miscellaneous - From Other Than Water and Sewer Rents	<u>236,243.30</u>	<u>39,414.13</u>
 Total Income	 <u>2,346,384.40</u>	 <u>1,846,660.45</u>
 <u>EXPENDITURES</u>		
Budget Expenditures:		
Operating	1,813,000.00	1,802,000.00
Debt Service	118,926.89	57,136.91
Deferred Charges and Statutory Expenditures	<u>42,476.46</u>	<u>15,000.00</u>
 Total Expenditures	 <u>1,974,403.35</u>	 <u>1,874,136.91</u>
 Excess in Revenue	 371,981.05	 (27,476.46)
 Adjustment to Income Before Fund Balance Expenditures Included Above Which are by Statute Deferred Charges to Budget of Succeeding Year	 <u>27,476.46</u>	 <u>27,476.46</u>
 Statutory Excess to Fund Balance	 371,981.05	
 Fund Balance January 1	 <u>202,711.66</u>	 <u>212,711.66</u>
	574,692.71	212,711.66
 Less:		
Fund Balance Utilized	<u>150,000.00</u>	<u>10,000.00</u>
 Fund Balance December 31	 <u><u>\$424,692.71</u></u>	 <u><u>\$202,711.66</u></u>

RECOMMENDATIONS

We recommend the following:

That the use of state approved contracts as an exception to the Local Public Contracts Law follow the appropriate approval process as set forth in the law, and that any purchase orders issued utilizing state contract pricing include the applicable state contract number on its face as required by governing regulations.

That an educational process and/or additional formal purchasing procedures be implemented to assure that no employee of the Borough is permitted to commit Borough funds prior to obtaining an approved purchase order.

That prospective assessments greater than five years old be reviewed for confirmation or cancellation, as appropriate.

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The above summary or synopsis was prepared from the Report of Audit of the Borough of North Plainfield, Somerset County, New Jersey for the calendar year 2013. The financial data included in the summary or synopsis is presented in the form prescribed by the Local Finance Board, Department of Community Affairs, State of New Jersey. Readers are cautioned that the summary or synopsis was prepared solely for the purpose of compliance with the public disclosure provisions of N.J.S.A. 40A:5-7 and, accordingly, the summary or synopsis should not be relied upon for any other purpose. The Report of Audit, submitted by Robert S. Morrison, Registered Municipal Accountant, is on file at the Borough Clerk's office and may be inspected by any interested person.

Richard Phoenix
Borough Clerk