

SUMMARY OR SYNOPSIS OF AUDIT REPORT FOR PUBLICATION

Attention is directed to the fact that a summary or synopsis of the audit report, together with the recommendations, is the minimum required to be published pursuant to NJSA 40A:5-7.

Summary or Synopsis of 2017 Audit Report of the Township of Upper Pittsgrove as required by NJSA 40A:5-7

COMPARATIVE BALANCE SHEET

	December 31 Year 2017	December 31 Year 2016
ASSETS		
Cash and Investments	\$ 4,519,493.31	\$ 4,296,602.84
Taxes and Liens Receivable	479,268.34	467,721.78
Deferred Charges		
Grant Receivable	68,035.91	162,499.94
General Fixed Assets	3,337,113.06	3,336,825.10
Accounts Receivable	177,048.54	48,157.00
	<u>\$ 8,580,959.16</u>	<u>\$ 8,311,806.66</u>
LIABILITIES, RESERVES, AND FUND BALANCE		
Other Liabilities and Special Funds	\$ 3,601,728.09	\$ 3,382,947.44
Improvement Authorizations - Funded	20,095.50	22,102.10
Reserves for Certain Assets Receivable	495,460.41	484,977.87
Investment in General Fixed Assets	3,337,113.06	3,336,825.10
Fund Balance	1,126,562.10	1,084,954.15
	<u>\$ 8,580,959.16</u>	<u>\$ 8,311,806.66</u>

**COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE – CURRENT FUND**

	Year 2017 Amount	Year 2016 Amount
	<u> </u>	<u> </u>
Revenue & Other Income Realized		
Fund Balance Utilized	\$ 258,744.00	\$ 271,553.00
Miscellaneous - From Other Than Local Property Tax Levies	655,901.65	832,087.95
Collection of Delinquent Taxes and Tax Title Liens	309,371.06	306,716.75
Collection of Current Tax Levy	8,204,958.95	7,855,633.39
Other Income	206,925.67	193,330.78
	<u>9,635,901.33</u>	<u>9,459,321.87</u>
Expenditures		
Budget Expenditures:		
Municipal Purposes	1,334,815.03	1,496,543.05
County Taxes	3,719,423.18	3,465,642.53
Local School Taxes	4,207,026.00	4,135,902.00
Municipal Open Space	67,820.00	68,170.00
Other Expenditures	6,465.17	16,548.45
	<u>9,335,549.38</u>	<u>9,182,806.03</u>
Statutory Excess to Fund Balance	300,351.95	276,515.84
Fund Balance January 1	1,084,954.15	1,079,991.31
	<u>1,385,306.10</u>	<u>1,356,507.15</u>
Less: Utilization as Anticipated Revenue	258,744.00	271,553.00
Fund Balance December 31	<u>\$ 1,126,562.10</u>	<u>\$ 1,084,954.15</u>

FINDINGS AND RECOMMENDATIONS

Finding 2017-001: The required journal entries to lapse appropriation reserves, cancel encumbrances, adjust interfund receivables/payables, record the tax levies, transfer delinquent taxes to tax title liens, record tax appeals, and recognize tax overpayments were not posted to the general ledger.

Recommendation: The Chief Financial Officer ensure that required journal entries are made to the general ledger.

Finding 2017-002: Fifteen disbursements made after year-end were reviewed for posting to proper period. Nine out of the fifteen disbursements tested were not encumbered in the current period.

Recommendation: The Chief Financial Officer maintain a functioning encumbrance accounting system as required by NJAC 5:30-5.2.

Finding 2017-003: There are numerous interfunds existing at year-end.

Recommendation: Interfund receivables and payables be cleared.

Finding 2017-004: The analysis of balances for payroll withholdings does not reconcile amounts withheld to those due the different agencies. The payroll agency trial balance was found to be inaccurate.

Recommendation: A formal analysis of deductions withheld from employees be completed monthly and reconciled to the amounts due to the reporting agencies.

Finding 2017-005: The Township failed to issue IRS Form 1099-Misc for three out of five vendors selected for testing.

Recommendation: The Chief Financial Officer prepare IRS Form 1099-Misc for required vendors.

The above summary or synopsis was prepared from the Report of Audit of the Township of Upper Pittsgrove, County of Salem, for the calendar year 2017. This report of Audit, submitted by Nick L. Petroni, Registered Municipal Accountant, of Petroni & Associates LLC, is on file at the Township Clerk's office and may be inspected by any interested person.

Linda Stephens
Township Clerk