

SYNOPSIS OF 2012 AUDIT REPORT OF BOROUGH  
OF MATAWAN, COUNTY OF MONMOUTH

AS REQUIRED BY N.J.S.A. 40A:5-7

COMBINED COMPARATIVE BALANCE SHEET  
REGULATORY ACCOUNTING BASIS

	<u>2012</u>	<u>2011</u>
<u>Assets</u>		
Cash and Investments	\$ 6,465,149.65	\$ 7,388,649.28
Length of Service Award Program - Investments	328,931.75	282,269.17
Taxes, Assessments, Liens and Utility Charges Receivable	493,442.60	402,141.59
Property Acquired for Taxes and Assessed Value	35,600.00	125,900.00
Other Receivables	3,504,682.82	535,068.21
Fixed Assets		12,907,001.42
Deferred Charges To Future Taxation	12,639,055.32	12,800,434.65
Fixed Capital - Utility	18,422,359.60	18,397,517.60
Fixed Capital Authorized and Uncompleted - Utility	9,648,009.65	9,648,009.65
Deferred Charges:		
Special Emergency Authorization	100,000.00	
Deficit in Operations		214,253.83
	<u>\$ 51,637,231.39</u>	<u>\$ 62,701,245.40</u>
Total Assets		
	<u>\$ 51,637,231.39</u>	<u>\$ 62,701,245.40</u>
 <u>Liabilities, Reserves and Fund Balance</u>		
Serial Bonds and Loans Payable	\$ 23,583,066.90	\$ 19,784,040.90
Bond Anticipation Notes	807,500.00	
Improvement Authorizations	4,613,977.41	9,173,314.13
Other Liabilities and Special Funds	5,863,336.93	5,960,646.24
Reserve for Amortization	13,545,163.14	12,976,086.47
Deferred Reserve for Amortization	251,615.52	251,615.52
Investments in Fixed Assets		12,907,001.42
Reserve for Length of Service Award Program	328,931.75	282,269.17
Reserve for Receivables and Other Assets	536,736.82	536,206.42
Fund Balance	<u>2,106,902.92</u>	<u>830,065.13</u>
Total Liabilities, Reserves and Fund Balance	<u>\$ 51,637,231.39</u>	<u>\$ 62,701,245.40</u>

SYNOPSIS OF 2012 AUDIT REPORT OF  
BOROUGH OF MATAWAN, COUNTY OF MONMOUTH  
AS REQUIRED BY N.J.S.A. 40A:5-7

COMPARATIVE STATEMENT OF OPERATIONS AND  
CHANGES IN FUND BALANCE - CURRENT FUND  
REGULATORY ACCOUNTING BASIS

	<u>2012</u>	<u>2011</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized		\$ 200,000.00
Miscellaneous Anticipated	\$ 2,877,630.67	2,591,859.95
Than Local Property Tax Levies	166,360.52	89,501.24
Non-Budget Revenue	237,460.12	149,832.77
Collection of Delinquent Taxes and Tax Title Liens	93,426.67	9,875.02
Collection of Current Tax Levy	<u>25,564,156.31</u>	<u>25,262,596.31</u>
 Total Revenues	 <u>28,939,034.29</u>	 <u>28,303,665.29</u>
<u>Expenditures</u>		
Budget Appropriations	10,499,545.74	10,125,214.35
County Taxes	2,756,608.39	2,816,579.17
Regional School Taxes	15,277,592.79	15,320,564.69
Other Expenditures	<u>250.00</u>	<u>255,560.91</u>
 Total Expenditures	 <u>28,533,996.92</u>	 <u>28,517,919.12</u>
 Excess in Revenue	 405,037.37	 (214,253.83)
Adjustments To Income Before Surplus:		
Deferred Charges To Be Raised In Succeeding Years	<u>100,000.00</u>	<u>214,253.83</u>
 Fund Balance, January 1	 <u>302,615.55</u>	 <u>502,615.55</u>
	807,652.92	502,615.55
Decreased By:		
Utilized as Anticipated Revenue	<u>200,000.00</u>	<u>200,000.00</u>
 Fund Balance, December 31	 <u>\$ 807,652.92</u>	 <u>\$ 302,615.55</u>

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BOROUGH OF MATAWAN, COUNTY OF MONMOUTH  
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COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES  
IN FUND BALANCE - WATER/SEWER UTILITY OPERATING FUND  
REGULATORY ACCOUNTING BASIS

	<u>2012</u>	<u>2011</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 52,000.00	\$ 50,000.00
Water/Sewer Rents and Charges	4,606,141.57	4,550,651.16
Miscellaneous Revenue	559,703.42	52,521.84
Other Credits to Income	<u>56,543.74</u>	<u>141,027.53</u>
 Total Revenues	 <u>5,274,388.73</u>	 <u>4,794,200.53</u>
<u>Expenditures</u>		
Budget Expenditures:		
Operating	3,482,815.00	3,766,751.00
Debt Service	817,271.67	701,958.49
Deferred Charges and Statutory Expenditures	143,560.00	141,965.00
Other	<u>16,500.23</u>	<u>                    </u>
 Total Expenditures	 <u>4,460,146.90</u>	 <u>4,610,674.49</u>
 Excess in Revenue	 814,241.83	 183,526.04
 Fund Balance, January 1	 <u>484,576.10</u>	 <u>351,050.06</u>
	1,298,817.93	534,576.10
Decreased By:		
Utilized as Anticipated Revenue	<u>52,000.00</u>	<u>50,000.00</u>
 Fund Balance, December 31	 <u>\$ 1,246,817.93</u>	 <u>\$ 484,576.10</u>

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It is recommended that:

As it relates to the Finance Department:

- Cancellations be approved by Governing Body Officials
- Care be taken to ensure accurate accounting be maintained for all General Ledger accounts.
- All Interfund balances be liquidated by year-end.
- Cancel all outstanding checks in excess of six-months.

As it relates to Internal Controls:

- All bid packages be maintained properly with fully executed contracts.

As it relates to Fixed Assets:

- The Borough establish and maintain an accurate Fixed Assets Accounting and Reporting System.

The above Synopsis was prepared from the report of audit of the Borough of Matawan, County of Monmouth, State of New Jersey, for the calendar year 2012. A Corrective Action Plan outlining actions to be taken by the Borough of Matawan to correct the above finding will be prepared in accordance with federal and state guidelines. A copy of the Plan will be on file and available for public inspection with the Borough Clerk in the Borough of Matawan no later than 60 days from the Borough's receipt of the audit in compliance with directives from the Division of Local Government Services. This report of audit submitted by Robert W. Allison, Registered Municipal Accountant, is on file at the office of the Clerk of the Borough of Matawan and may be inspected by any interested person.

Karen Wynne, RMC  
Deputy Clerk