

SUMMARY OR SYNOPSIS OF THE YEAR 2015
 REPORT OF AUDIT OF THE BOROUGH OF SOMERVILLE
 SOMERSET COUNTY, NEW JERSEY
AS REQUIRED BY N.J.S.A. 40A:5-7

<u>ASSETS</u>	DECEMBER 31, <u>2015</u>	DECEMBER 31, <u>2014</u>
Cash and Investments	\$ 8,413,958.83	\$ 7,395,253.03
Accounts Receivable:		
State & Federal Grants Receivable	15,274,902.74	1,640,453.07
Prospective Assessment Funded	5,000.00	10,000.00
Taxes, Assessments, Liens & Utility Charges	1,109,708.48	986,845.69
Interfund Loans	1,565,375.51	1,192,965.76
Other Accounts Receivable	368,622.63	38,465.00
Property Acquired for Taxes at Assessed Valuation	28,500.00	28,500.00
Deferred Charges to Revenue of Succeeding Years	-	7,809.20
Fixed Assets - General	28,568,779.00	28,283,329.00
Fixed Capital - Utility	2,941,337.83	2,941,337.83
Deferred Charges to Future Taxation: General Capital Fund	<u>24,885,576.15</u>	<u>22,546,361.34</u>
	<u>\$ 83,161,761.17</u>	<u>\$ 65,071,319.92</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
Bonds and Notes Payable	\$ 19,843,000.00	\$ 21,595,800.00
Loans Payable	416,885.32	701,248.51
Prepaid Taxes, Assessments, Utility Charges and Licenses	321,727.36	181,281.12
Tax, Assessment, Lien, License and Utility Charge Overpayments	7,381.79	14,160.68
Appropriation Reserves	665,011.23	976,130.69
Reserve for Encumbrances/ Accounts Payable	910,004.44	320,221.16
Amts. Pledged to Specific Purposes	5,536,917.94	3,319,164.23
Escrow Funds	-	-
Improvement Authorizations	18,592,187.90	2,430,505.65
Interfund Loans	1,565,375.51	1,192,965.76
Investments in General Fixed Assets	28,568,779.00	28,283,329.00
Reserve for Amortization of Costs of Fixed Capital Acquired or Authorized	2,532,810.28	2,457,810.28
Reserve for Certain Assets Acquired or Receivables & Inventories	1,397,705.88	1,271,568.47
Fund Balance	<u>2,803,974.52</u>	<u>2,327,134.37</u>
	<u>\$ 83,161,761.17</u>	<u>\$ 65,071,319.92</u>

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

<u>REVENUE AND OTHER INCOME REALIZED</u>	YEAR <u>2015</u>	YEAR <u>2014</u>
Fund Balance Utilized	\$70,947.00	\$97,000.00
Rents	2,416,136.74	2,441,970.52
Miscellaneous - From Other Than Membership Fees	<u>33,354.87</u>	<u>159,224.94</u>
Total Income	<u>2,520,438.61</u>	<u>2,698,195.46</u>
 <u>EXPENDITURES</u> 		
Budget Expenditures:		
Operating	2,516,065.50	2,620,000.00
Other Expenditures	<u>1,627.00</u>	<u> </u>
Total Expenditures	<u>2,517,692.50</u>	<u>2,620,000.00</u>
Excess in Revenue	2,746.11	78,195.46
Fund Balance January 1	<u>78,877.46</u>	<u>97,682.00</u>
	81,623.57	175,877.46
Less:		
Utilization as Anticipated Revenue	<u>70,947.00</u>	<u>97,000.00</u>
Fund Balance December 31	<u><u>\$10,676.57</u></u>	<u><u>\$78,877.46</u></u>

RECOMMENDATIONS

We recommend the following:

That the Borough maintain a complete General Ledger for all Trust Funds.

That proper documentation for expenditures in excess of \$17,500 be maintained in order to be indicate compliance with pay to play laws.

That the use of confirming orders for procurement cease.

That all outside offices prepare and retain monthly reports of receipts, and that these reports be provided to the Treasurer's office for reconciliation.

That all funds collected by outside offices and departments be deposited in accordance with the 48-hour statutory requirement.

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The above summary or synopsis was prepared from the Report of Audit of the Borough of Somerville, Somerset County, New Jersey for the calendar year 2015. 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 Andrew G. Hodulik, Registered Municipal Accountant, is on file at the Borough Clerk's office and may be inspected by any interested person.



Kevin Sluka
Borough Clerk