

RESOLUTION 70-2014

APPROVAL OF THE 2013 ANNUAL AUDIT

WHEREAS, N.J.S.A. 40A:5-4 requires the governing body of every local unit to have made an annual audit of its books, accounts and financial transactions; and

WHEREAS, the Annual Report of Audit for the year ending December 31, 2013 has been filed by a Registered Municipal Accountant with the Borough Clerk pursuant to N.J.S.A. 40A:5-6, and a copy has been received by each member of the governing body; and

WHEREAS, R.S. 52:27BB-34 authorizes the Local Finance Board of the State of New to prescribe reports pertaining to the local fiscal affairs; and

WHEREAS, the Local Finance Board has promulgated N.J.A.C. 5:30-6.5, a regulation requiring that the governing body of each municipality shall by resolution, certify to the Local Finance Board of the State of New Jersey that all members of the governing body have reviewed, as a minimum, the sections of the annual audit entitled "Findings and Questioned Costs" or "Findings and Recommendations; and

WHEREAS, the members of the governing body have personally reviewed as a minimum the Annual Report of Audit, and specifically the sections of the Annual Audit entitled "Findings and Questioned Costs" or "Findings and Recommendations", as evidenced by the group affidavit form of the governing body attached hereto; and

WHEREAS, such resolution of certification shall be adopted by the governing body no later than forty-five days after the receipt of the annual audit, pursuant to N.J.A.C. 5:30-6.5; and

WHEREAS, all members of the governing body have received and have familiarized themselves with, at least, the minimum requirements of the Local Finance Board of the State of New Jersey, as stated aforesaid and have subscribed to the affidavit, as provided by the Local Finance Board; and

WHEREAS, failure to comply with the regulations of the Local Finance Board of the State of New Jersey may subject the members of the governing body to the penalty provisions of R.S. 52:27BB-52 - to wit:

R.S. 52:27BB-52 - A local officer or member of a local governing body who, after a date fixed for compliance, fails or refuses to obey an order of the director (Director of Local Government Services), under the provisions of this Article, shall be guilty of a misdemeanor and, upon conviction, may be fined not more than one thousand dollars (\$1,000.00) or imprisoned for not more than one year, or both, in addition shall forfeit his/her office."

NOW, THEREFORE BE IT RESOLVED, that the Borough Council of the Borough of Woodbury Heights, hereby states that it has complied with N.J.A.C. 5:30-6.3 and does hereby submit a certified copy of this resolution and the required affidavit to said Board to show evidence of said compliance.

BOROUGH OF WOODBURY HEIGHTS

BY: 
HARRY W. ELTON, JR., MAYOR

ATTEST:


JANET PIZZI, CLERK/Administrator

The foregoing Resolution was duly adopted by the Borough Council of the Borough of Woodbury Heights at the Regular Meeting held on the 20th day of August, 2014.


JANET PIZZI, CLERK/Administrator

SYNOPSIS OF THE 2013 REPORT OF AUDIT FOR THE BOROUGH OF WOODBURY HEIGHTS

Combined Comparative Statement of Assets, Liabilities, Reserves
and Fund Balance – Regulatory Basis

All Funds

| | <u>Dec. 31, 2013</u> | <u>Dec. 31, 2012</u> |
|---|-----------------------------|-----------------------------|
| <u>ASSETS</u> | | |
| Cash | \$ 3,087,078.52 | \$ 2,639,509.36 |
| Taxes and Liens Receivable | 268,842.80 | 455,266.14 |
| Property Acquired for Taxes -- Assessed Valuation | 95,075.00 | 95,075.00 |
| Accounts Receivable | 366,674.58 | 271,944.60 |
| Fixed Capital -- Utility | 3,484,997.47 | 3,374,168.90 |
| Fixed Capital Authorized and Uncompleted -- Utility | 566,052.36 | 576,880.95 |
| Deferred Charges to Future Taxation -- General Capital | 2,114,250.00 | 2,252,150.00 |
| Deferred Charges to Revenues of Succeeding Years | 90,000.00 | 139,000.00 |
| Fixed Assets | <u>4,328,931.20</u> | <u>4,278,603.70</u> |
| Total Assets | <u>\$ 14,401,801.95</u> | <u>\$ 14,082,598.65</u> |
| <u>LIABILITIES, RESERVES AND FUND BALANCE</u> | | |
| Bonds and Notes Payable | \$ 3,179,296.19 | \$ 3,329,938.72 |
| Improvement Authorizations | 896,533.86 | 1,198,811.37 |
| Other Liabilities and Special Funds | 1,301,176.69 | 1,221,282.91 |
| Amortization of Debt for Fixed Capital Acquired or Authorized | 2,964,003.66 | 2,851,263.13 |
| Reserve for Certain Assets Receivable | 462,076.12 | 677,870.28 |
| Fund Balance | 1,169,882.23 | 526,830.54 |
| Investment in Fixed Assets | <u>4,328,931.20</u> | <u>4,278,603.70</u> |
| Total Liabilities, Reserves and Fund Balance | <u>\$ 14,401,801.95</u> | <u>\$ 14,082,598.65</u> |

Comparative Statement of Operations and Changes in
Fund Balance -- Regulatory Basis

Current Fund

| <u>Revenue and Other Income Realized</u> | <u>Dec. 31, 2013</u> | <u>Dec. 31, 2012</u> |
|---|----------------------|----------------------|
| Surplus Utilized | \$ 305,000.00 | \$ 400,000.00 |
| Miscellaneous -- From Other Than Local Property Tax Levies | 526,510.66 | 511,275.35 |
| Collection of Delinquent Taxes and Tax Title Liens | 378,186.28 | 307,543.38 |
| Collection of Current Tax Levy | 9,569,120.26 | 9,185,089.69 |
| Other Credits to Income | <u>307,920.91</u> | <u>367,394.89</u> |
| Total Income | <u>11,176,736.11</u> | <u>10,771,303.31</u> |
| <u>Expenditures</u> | | |
| Budget Expenditures: | | |
| Municipal Purposes | 3,478,485.21 | 3,407,180.10 |
| Deferred Charges | 49,000.00 | 55,000.00 |
| County Taxes | 1,717,673.50 | 1,643,606.49 |
| Local School District Taxes | 2,368,493.00 | 2,321,516.00 |
| Regional High School District Tax | 3,030,273.57 | 3,069,192.36 |
| Other Expenditures | <u>3,395.70</u> | <u>517.53</u> |
| Total Expenditures | <u>10,645,320.98</u> | <u>10,496,992.50</u> |
| Statutory Excess to Fund Balance | 531,417.13 | 274,310.81 |
| Fund Balance January 1 | <u>405,082.80</u> | <u>530,771.99</u> |
| | 936,499.93 | 805,082.80 |
| Decreased by: | | |
| Utilization as Anticipated Revenue | <u>305,000.00</u> | <u>400,000.00</u> |
| Fund Balance December 31 | <u>\$ 631,499.93</u> | <u>\$ 405,082.80</u> |

Comparative Statement of Operations and Changes in
Fund Balance -- Statutory Basis

Water and Sewer Utility Fund

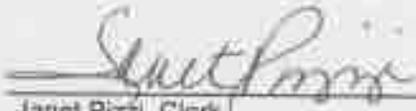
| Revenue and Other Income Realized | Dec. 31, 2013 | Dec. 31, 2012 |
|---|----------------------|----------------------|
| Surplus Utilized | \$ 100,000.00 | \$ 100,000.00 |
| Collection of Water and Sewer Rents | 1,488,832.07 | 1,381,791.97 |
| Miscellaneous | 138,110.08 | 91,878.55 |
| Other Credits to Income | <u>266,985.97</u> | <u>18,874.25</u> |
| Total Income | <u>1,991,928.10</u> | <u>1,592,344.77</u> |
| Expenditures | | |
| Operating | 1,305,000.00 | 1,321,836.00 |
| Debt Service | 145,391.40 | 147,862.65 |
| Deferred Charges and Statutory Expenditures | <u>22,100.00</u> | <u>22,250.00</u> |
| Total Expenditures | <u>1,472,491.40</u> | <u>1,491,947.65</u> |
| Statutory Excess to Fund Balance | 519,436.70 | 100,397.12 |
| Fund Balance January 1 | <u>118,505.79</u> | <u>\$ 118,108.67</u> |
| | 637,942.49 | 218,505.79 |
| Decreased by: | | |
| Utilization as Anticipated Revenue | <u>100,000.00</u> | <u>100,000.00</u> |
| Fund Balance December 31 | <u>\$ 537,942.49</u> | <u>\$ 118,505.79</u> |

RECOMMENDATIONS

That a general fixed asset accounting system be properly maintained in accordance with N.J.A.C. 5:30-5.6.

The above synopsis was prepared from the Report of Audit of the Borough of Woodbury Heights, County of Gloucester, for the calendar year 2013, submitted by Michael J. Welding, Registered Municipal Accountant, Certified Public Accountant of Bowman & Company LLP, Certified Public Accountants. The information included therein is not intended to represent complete financial information as presented in the Report of Audit. A copy of the Report of Audit is on file at the Municipal Clerk's office and may be inspected by any interested person.

A Corrective Action Plan, which outlines the remedial actions the management of the Borough of Woodbury Heights will take in response to the recommendations contained in the Schedule of Audit Findings and Recommendations included in the Report of Audit, will be prepared in accordance with federal and state guidelines. A copy of the Corrective Action Plan will be placed on file and be made available for public inspection in the office of the Municipal Clerk in compliance with the Division of Local Government Services directives.



Janet Pizzi, Clerk