

SUMMARY OF AUDIT REPORT FOR PUBLICATION

Summary of 2016 Audit Report of the
Township of Manalapan
As Required by N.J.S.A. 40A:5-7

Combined Comparative Balance Sheet - Regulatory Basis

| | <u>Dec. 31,</u> <u>2016</u> | <u>Dec. 31,</u> <u>2015</u> |
|---|--------------------------------|--------------------------------|
| <u>ASSETS</u> | | |
| Cash, cash equivalents and investments | \$31,216,228.16 | \$38,121,949.20 |
| Taxes and tax title liens receivable | 1,204,218.57 | 1,176,278.46 |
| Other receivables and assets | 761,622.52 | 543,094.65 |
| Fixed assets | 33,809,834.27 | 32,253,607.52 |
| Fixed utility capital | 1,281,739.63 | 1,281,739.63 |
| Deferred charges to future taxation - funded | 17,296,441.00 | 19,516,142.00 |
| Deferred charges to future taxation - unfunded | 2,986,363.00 | - |
| | <u>\$88,556,447.15</u> | <u>\$92,892,811.46</u> |
| <u>LIABILITIES, RESERVES AND FUND</u> <u>BALANCE</u> | | |
| Bonds and notes payable | \$17,322,000.00 | \$24,103,621.00 |
| Improvement authorizations | 2,359,199.11 | 1,886,690.11 |
| Other liabilities and reserves | 25,761,732.06 | 24,957,376.69 |
| Reserve for amortization | 1,256,180.63 | 1,245,880.63 |
| Investment in fixed assets | 33,809,834.27 | 32,253,607.52 |
| Reserve for receivables and other assets | 1,556,507.31 | 1,512,207.49 |
| Fund balance | 6,490,993.77 | 6,933,428.02 |
| | <u>\$88,556,447.15</u> | <u>\$92,892,811.46</u> |

Comparative Statement of Operations and Change in Fund Balance - Current Fund - Regulatory Basis

| | <u>2016</u> | <u>2015</u> |
|---|-----------------------|-----------------------|
| <u>REVENUE REALIZED</u> | | |
| Fund balance | \$3,825,000.00 | \$3,650,000.00 |
| Miscellaneous from other than local property tax levies | 8,536,974.25 | 8,437,025.91 |
| Collection of delinquent taxes | 1,044,172.92 | 1,217,393.19 |
| Collection of current tax levy | 128,026,845.53 | 126,509,640.79 |
| Total Income | <u>141,432,992.70</u> | <u>139,814,059.89</u> |

EXPENDITURES

| | | |
|---------------------------------------|------------------------------|------------------------------|
| Municipal purposes | 30,466,945.05 | 29,671,626.22 |
| County taxes | 18,901,721.92 | 19,250,645.74 |
| Regional high school taxes | 26,061,624.00 | 25,775,217.00 |
| Regional school taxes | 58,772,613.00 | 57,197,821.00 |
| Fire district taxes | 2,665,895.00 | 2,671,585.00 |
| Local open space taxes | 1,264,302.13 | 1,238,679.71 |
| Other | 10,724.87 | 77,794.39 |
| Total Expenditures | <u>138,143,825.97</u> | <u>135,883,369.06</u> |
| Excess in revenue | 3,289,166.73 | 3,930,690.83 |
| Fund Balance, January 1 | <u>6,578,602.28</u> | <u>6,297,911.45</u> |
| | 9,867,769.01 | 10,228,602.28 |
| Less, utilized as anticipated revenue | <u>3,825,000.00</u> | <u>3,650,000.00</u> |
| Fund balance, December 31 | <u><u>\$6,042,769.01</u></u> | <u><u>\$6,578,602.28</u></u> |

Comparative Statement of Operations and
Change in Fund Balance - Water Utility Operating Fund - Regulatory Basis

| | <u>2016</u> | <u>2015</u> |
|---------------------------------------|----------------------------|---------------------------|
| <u>REVENUE REALIZED</u> | | |
| Fund balance | - | \$69,192.00 |
| Water volume and application fees | \$71,473.08 | 28,553.93 |
| Other | - | 3,595.50 |
| Total Income | <u>71,473.08</u> | <u>101,341.43</u> |
| <u>EXPENDITURES</u> | | |
| Operating | 12,000.00 | 12,000.00 |
| Debt service | <u>6,407.58</u> | <u>52,987.66</u> |
| Total Expenditures | <u>18,407.58</u> | <u>64,987.66</u> |
| Excess in revenue | 53,065.50 | 36,353.77 |
| Fund Balance, January 1 | <u>86,594.91</u> | <u>119,433.14</u> |
| | 139,660.41 | 155,786.91 |
| Less, utilized as anticipated revenue | <u>-</u> | <u>69,192.00</u> |
| Fund balance, December 31 | <u><u>\$139,660.41</u></u> | <u><u>\$86,594.91</u></u> |

RECOMMENDATION

It is recommended that:

-where practicable, interfund balances be liquidated prior to year end.

A corrective action plan, which will outline actions the Township of Manalapan will take to implement the audit recommendation listed above, will be prepared in accordance with applicable requirements.

The accompanying summary was prepared from the 2016 audit report of the Township of Manalapan, County of Monmouth. The 2016 audit report, submitted by Robert S. Oliwa, CPA, RMA #414, of Oliwa & Company, is on file at the Township Clerk's office, and may be inspected by any interested person.

Regina Preteroti, Township Clerk