

TOWNSHIP OF MONTAGUE  
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 N.J.S. 40A:5-7.

Summary or Synopsis 2010 Audit report of the Township of Montague as required by N.J.S. 40A:5-7.

COMBINED COMPARATIVE BALANCE SHEET

<u>ASSETS</u>	<u>December 31,</u>	
	<u>2010</u>	<u>2009</u>
Cash & Cash Equivalents	\$ 1,002,145.44	\$ 1,742,528.64
Taxes, Assessments and Liens Receivable	726,534.73	724,418.04
Property Acquired for Taxes Assessed Valuation	272,300.00	272,300.00
Amount to be Raised by Taxation - Property Acquired for Assessments	8,333.96	13,333.96
Accounts and Grants Receivable	504,091.17	610,091.17
Deferred Charges to be Raised in Succeeding Budgets	53,268.00	85,024.00
Deferred Charges to Future Taxation - General Capital Fund	327,500.00	325,000.00
Fixed Assets (Unaudited)	3,558,427.40	3,414,274.44
<u>TOTAL ASSETS</u>	<u>\$ 6,452,600.70</u>	<u>\$ 7,186,970.25</u>

LIABILITIES, RESERVES AND FUND BALANCE

Bond Anticipation Notes Payable	\$ 327,500.00	\$ 265,000.00
Improvement Authorizations	69,396.31	110,836.09
Other Liabilities and Special Funds	1,171,049.25	1,743,551.29
Reserve for Certain Assets Receivable	1,221,313.43	1,161,238.78
Reserve for Fixed Assets (Unaudited)	3,558,427.40	3,414,274.44
Fund Balances	105,014.31	492,069.65
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>\$ 6,452,700.70</u>	<u>\$ 7,186,970.25</u>

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE  
IN FUND BALANCE - CURRENT FUND

	<u>Year Ended December 31,</u>	
	<u>2010</u>	<u>2009</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 334,000.00	\$ 390,000.00
Fund Balance Anticipated With Prior Written Consent of Director of Local Government Services	17,000.00	
Miscellaneous Revenue Anticipated	645,725.30	695,181.31
Receipts from:		
Delinquent Taxes	350,313.18	289,427.08
Current Taxes	7,864,362.95	7,787,162.62
Nonbudget Revenue	36,828.25	47,714.35
Other Credits to Income:		
Interfunds Returned	164,520.74	70,952.19
Cancellation of Tax Overpayments		2,643.00
Cancellation of Other Encumbrances Payable		1,885.00
Unexpended Balance of Appropriation Reserves	77,162.27	112,165.13
Total Income	<u>9,489,912.69</u>	<u>9,397,130.68</u>
<u>Expenditures</u>		
Budget Appropriations - Municipal Purposes	1,985,472.08	1,943,739.00
County Taxes	1,843,236.88	1,839,866.53
Local School District Taxes	5,369,418.50	5,261,339.50
Prior Year Senior Citizen and Veteran Deductions Disallowed	1,250.00	1,000.00
Refund of Prior Year Taxes	62,116.16	4,965.12
Reduction of Change Fund	100.00	
Interfunds Advanced	222,478.70	164,520.74
Total Expenditures	<u>9,484,072.32</u>	<u>9,215,430.89</u>
Excess in Revenue	5,840.37	181,699.79
Adjustments Before Fund Balance:		
Expenditures Included Above Which are by Statute		
Deferred Charges to Budget of Succeeding Year		14,000.00
Statutory Excess to Fund Balance	5,840.37	195,699.79
Balance January 1	444,559.62	638,859.83
	<u>450,399.99</u>	<u>834,559.62</u>
Decreased by:		
Utilized as Budget Revenue	<u>351,000.00</u>	<u>390,000.00</u>
Balance December 31	<u>\$ 99,399.99</u>	<u>\$ 444,559.62</u>

It is recommended that

1. Consideration be given to providing for a more adequate segregation of duties with respect to the recording and treasury functions.
2. All means provided by statute continue to be utilized to liquidate tax title liens in order to get such properties back on a taxpaying basis.
3. Consideration is given to engaging an independent appraisal company to completely inventory the fixed assets of the Township.
4. Finance Department's Records:
  - a. Every effort is made to pursue collection of the grants receivable for the Park and Ride, Emergency Generator, Helistop grant so that the interfund between the Current Fund and the Federal and State Grant Fund can be liquidated and every effort be made to limit interfund activity in the future.
  - b. Overtime earned by the Department of Public Works Supervisor is approved by a designated employee or official.

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A Corrective Action Plan, which outlines actions the Township of Montague will take to correct the findings listed above, will be prepared in accordance with federal and state requirements. A copy of it will be placed on file and made available for public inspection in the office of the Municipal Clerk in the Township of Montague within 45 days of this notice.

The above Summary or Synopsis was prepared from the Report of Audit of the Township of Montague, County of Sussex, for the calendar year 2010. This Report of Audit, submitted by Heidi A. Wohlleb, Registered Municipal Accountant of the firm of Nisivoccia LLP, is on file at the Township Clerk's office and may be inspected by any interested person.

**Eileen DeFabiis, RMC**  
**Municipal Clerk**