

BOROUGH OF MOUNT ARLINGTON
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 of Synopsis of 2018 Audit report of the Borough of Mount Arlington as required by N.J.S. 40A:5-7.

COMBINED COMPARATIVE BALANCE SHEET

<u>ASSETS</u>	<u>December 31,</u>	
	<u>2018</u>	<u>2017</u>
Cash and Cash Equivalents	\$ 10,014,589.85	\$ 9,305,681.62
Taxes, Liens and Assessments Receivable	296,989.13	403,477.00
Property Acquired for Taxes Assessed Valuation	491,900.00	491,900.00
Accounts Receivable	1,883,155.53	2,105,435.86
Deferred Charges to Future Taxation	2,590,292.00	3,205,000.00
General Fixed Assets	<u>7,285,013.29</u>	<u>7,175,191.09</u>
<u>TOTAL ASSETS</u>	<u>\$ 22,561,939.80</u>	<u>\$ 22,686,685.57</u>

LIABILITIES, RESERVES AND FUND BALANCE

Bonds, Loans and Notes Payable	\$ 2,590,292.00	\$ 3,055,000.00
Improvement Authorizations	1,316,269.19	615,239.57
Other Liabilities and Special Funds	4,002,097.59	4,118,877.15
Reserve for Certain Assets Receivable	5,082,280.64	5,586,452.63
General Fixed Assets	7,285,013.29	7,175,191.09
Fund Balances	<u>2,285,987.09</u>	<u>2,135,925.13</u>
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>\$ 22,561,939.80</u>	<u>\$ 22,686,685.57</u>

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

	Ref.	<u>Year Ended December 31,</u>	
		<u>2018</u>	<u>2017</u>
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized		\$ 1,046,500.00	\$ 1,011,840.00
Miscellaneous Revenue Anticipated		4,792,489.72	4,337,208.69
Receipts from:			
Delinquent Taxes		340,640.73	383,263.91
Current Taxes		18,875,370.57	18,167,925.52
Nonbudget Revenue		285,608.00	462,948.70
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		555,230.47	1,037,318.74
Cancelled Federal and State Grant Appropriation Reserves		254,023.45	
Decrease in Reserve for General Capital Fund Grants Receivable		123,266.31	
Prior Year Interfunds Returned			13,544.62
Total Income		<u>26,273,129.25</u>	<u>25,414,050.18</u>
<u>Expenditures</u>			
Budget and Emergency Appropriations:			
Municipal Purposes		11,403,144.63	10,708,477.73
County Taxes		2,091,448.83	2,047,411.41
Local School District Taxes		10,638,573.00	10,312,460.00
Refund of Prior Year Revenue			42,000.00
Increase in Reserve for Litigation		700,000.00	216,165.14
Increase in Reserve for Pending Tax Appeals			175,500.00
Cancellation of Federal and State Grant Receivables		4,023.45	
Increase in Reserve for Grants Receivable		238,004.43	486,345.61
Increase in Reserve for Storm Recovery			50,000.00
Increase in Reserve for Accrued Compensated Absences			10,000.00
Increase in Reserve for Self-Insurance Deductible			50,000.00
Interfunds and Other Receivables Advanced		1,372.95	6,153.79
Total Expenditures		<u>25,076,567.29</u>	<u>24,104,513.68</u>
Statutory Excess to Fund Balance		1,196,561.96	1,309,536.50
<u>Fund Balance</u>			
Balance January 1		<u>2,109,884.09</u>	<u>1,812,187.59</u>
		3,306,446.05	3,121,724.09
Decreased by:			
Utilized as Anticipated Revenue		<u>1,046,500.00</u>	<u>1,011,840.00</u>
Balance, December 31	A	<u>\$ 2,259,946.05</u>	<u>\$ 2,109,884.09</u>

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(Continued)

It is recommended that:

1. An adequate segregation of duties be maintained with respect to the recording and treasury functions.
2. The Current Fund bank reconciliation and accompanying analysis of cash be completed accurately and in a timely manner.
3. Tax, utility, clerk, building department, animal control and police monthly cash receipts collection reports be reconciled with the Treasure's records on a monthly basis.

A Corrective Action Plan, which outlines actions the Borough of Mount Arlington 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 Borough of Mount Arlington within 45 days of this notice.

The above summary or synopsis was prepared from the report of audit of the Borough of Mount Arlington, County of Morris, for the calendar year 2018. This report of audit, submitted by Francis Jones, Registered Municipal Accountant, of Nisivoccia LLP, is on file at the Borough Clerk's office and may be inspected by any interested person.


Clerk