

SUMMARY OR SYNOPSIS OF AUDIT REPORT FOR PUBLICATION

SUMMARY OR SYNOPSIS OF 2011 AUDIT REPORT OF
BOROUGH OF RARITAN AS REQUIRED BY N.J.S. 40A:5-7

COMBINED COMPARATIVE BALANCE SHEET-REGULATORY BASIS

	DECEMBER <u>31, 2011</u>	DECEMBER <u>31, 2010</u>
<u>ASSETS</u>		
Cash and Investments	\$ 3,580,332.53	\$ 4,404,258.56
Taxes, Assessments and Liens Receivable	399,116.18	376,684.31
Property Acquired for Taxes - Assessed Value	1,235.00	1,235.00
Accounts Receivable	2,823,197.72	2,621,673.96
Prospective Assessments Funded	200,000.00	200,000.00
Deferred Charges to Future Taxation - General Capital	4,044,956.56	3,986,281.00
Deferred Charges to Revenue of Succeeding Years	6,000.00	12,000.00
Fixed Assets	<u>15,361,419.00</u>	<u>15,148,047.00</u>
<u>TOTAL ASSETS</u>	<u>\$ 26,416,256.99</u>	<u>\$ 26,750,179.83</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
Bonds and Notes Payable	\$ 3,214,202.00	\$ 3,107,915.00
Improvement Authorizations	781,698.43	1,070,839.49
Other Liabilities and Special Funds	4,698,968.51	5,153,419.11
Reserve for Certain Assets Receivable	913,612.04	893,525.70
Fund Balance	1,446,357.01	1,376,433.53
Investment in Fixed Assets	<u>15,361,419.00</u>	<u>15,148,047.00</u>
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>\$ 26,416,256.99</u>	<u>\$ 26,750,179.83</u>

BOROUGH OF RARITAN

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

	<u>YEAR 2011</u>	<u>YEAR 2010</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>		
Fund Balance Utilized	\$ 1,090,000.00	\$ 990,000.00
Miscellaneous - From Other Than Local		
Property Tax Levies	2,394,323.46	2,400,955.31
Collection of Delinquent Taxes and Tax Title Liens	314,750.70	177,864.22
Collections of Current Tax Levy	<u>25,596,071.77</u>	<u>25,353,185.15</u>
<u>Total Income</u>	<u>\$ 29,395,145.93</u>	<u>\$ 28,922,004.68</u>
 <u>EXPENDITURES</u>		
Budget Expenditures:		
Municipal Purposes	\$ 9,717,950.78	\$ 9,330,830.79
Regional School Taxes	14,500,835.88	14,498,390.04
County Taxes	4,085,886.77	4,053,962.19
Other Expenditures	<u>6,231.84</u>	<u>116,843.44</u>
<u>Total Expenditures</u>	<u>\$ 28,310,905.27</u>	<u>\$ 28,000,026.46</u>
Excess in Revenue	\$ 1,084,240.66	\$ 921,978.22
Fund Balance, January 1	<u>1,346,576.16</u>	<u>1,414,597.94</u>
	\$ 2,430,816.82	\$ 2,336,576.16
Less: Utilization as Anticipated Revenue	<u>1,090,000.00</u>	<u>990,000.00</u>
Fund Balance, December 31	<u>\$ 1,340,816.82</u>	<u>\$ 1,346,576.16</u>

RECOMMENDATIONS

*That a Current Fund General Ledger be completely maintained in accordance with Technical Accounting Directive No. 85-3.

*That all Borough funds from all departments be deposited within 48 hours of receipt.

That a certification of funds be prepared for all Contracts awarded over the bid threshold.

That all purchases made over the bid threshold be awarded by resolution of the governing body that establishes a not to exceed amount.

*That the surety bond coverage for the Tax Collector be increased to the minimum amount required by the Local Finance Board.

That the Borough obtains the necessary actuarial information required to report the long-term liabilities related to its Other Post Employment Benefits (OPEB) Program.

*Unresolved 2010 Audit Recommendations

A Corrective Action Plan, which outlines actions the Borough of Raritan 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 of the Borough of Raritan.

The above summary or synopsis was prepared from the report of audit of the Borough of Raritan, County of Somerset for the calendar year 2011. This report of audit, submitted by Suplee, Clooney & Company, Registered Municipal Accountants and Certified Public Accountants is on file at the Borough Clerk's office and may be inspected by any interested person.

Rayna E. Harris, Borough Clerk