

BOROUGH OF RINGWOOD, N.J.

SUMMARY OF SYNOPSIS OF AUDIT REPORT FOR PUBLICATION

Attention is directed to the fact that a summary 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 2012 Audit Report of the BOROUGH OF RINGWOOD,  
County of Passaic, as required by N.J.S. 40A : 5 - 7.

<u>ASSETS</u>	<u>December 31</u> <u>Year 2012</u>	<u>December 31</u> <u>Year 2011</u>
Cash, Investments and Prepaid School Taxes	8,915,269.01	8,502,489.74
Taxes, Assessments, Liens and Utility Charges Receivable	3,042,060.21	2,933,891.33
Property Acquired for Taxes - Assessed Value	3,056,400.00	3,056,400.00
Accounts Receivable ( and Inventory )	1,068,412.08	1,208,866.46
Fixed Capital Authorized and Uncompleted	3,380,000.00	3,380,000.00
Fixed Capital - Utility	14,723,649.97	14,723,649.97
Deferred Charge - Emergency Authorization	870,000.00	1,140,000.00
Deferred Charge - Expenditure without appropriation	0.00	0.00
Deferred Charge - Operating Deficit Utility Operating	0.00	120,565.03
Deferred Charge - Overexp. Of Appropriation Reserves	0.00	0.00
Deferred Charges to Future Taxation - General Capital	9,200,401.89	9,749,099.40
TOTAL ASSETS	<u>44,256,193.16</u>	<u>44,814,961.93</u>

LIABILITIES, RESERVES AND FUND BALANCES

Bond and Notes Payable	14,916,769.24	15,360,504.75
Improvement Authorizations	1,703,722.27	3,534,357.89
Other Liabilities and Special Funds	10,031,049.27	9,109,697.93
Amortization of Debt for Fixed Capital Acquired or Authorized	12,186,534.00	11,946,644.00
Reserve for Certain Assets Receivable	4,267,248.36	4,009,405.74
Fund Balance	1,150,870.02	854,351.62
TOTAL LIABILITIES, RESERVES AND SURPLUS	<u>44,256,193.16</u>	<u>44,814,961.93</u>

BOROUGH OF RINGWOOD, N. J.  
 COMPARATIVE STATEMENT OF OPERATIONS AND  
 CHANGE IN SURPLUS - CURRENT FUND

	<u>2012</u>	<u>2011</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	697,000.00	803,000.00
Miscellaneous - From Other Than Local		
Property Tax Levies	3,329,604.18	3,069,207.26
Collection of Delinquent Taxes and Tax		
Title Liens	454,470.00	499,030.59
Collection of Current Tax Levy	46,784,656.88	45,044,056.86
Other Credits to Income	347,700.85	182,070.33
Interfund Loans Returned	126.37	
	<u>51,613,558.28</u>	<u>49,597,365.04</u>
 Total Income	 <u>51,613,558.28</u>	 <u>49,597,365.04</u>
 <u>Expenditures</u>		
Budget Expenditures:		
Municipal Purpose	14,085,946.27	14,589,475.38
County Taxes	11,020,008.01	10,316,699.56
Local and Regional School Taxes	25,412,715.61	24,873,396.74
Municipal Open Space Taxes	171,411.30	171,688.21
Interfund Loans Advanced	1,322.22	2,089.89
	<u>50,691,403.41</u>	<u>49,953,349.78</u>
 Total Expenditures	 <u>50,691,403.41</u>	 <u>49,953,349.78</u>
 Excess in Revenue	 922,154.87	 (355,984.74)
 Adjustments to income before fund balance:		
Expenditures above which are by Statute		
deferred charges to budget of succeeding year		1,000,000.00
		<u>1,000,000.00</u>
 Statutory Excess to Surplus	 922,154.87	 644,015.26
 Fund Balance January 1	 851,817.79	 1,010,802.53
	<u>1,773,972.66</u>	<u>1,654,817.79</u>
 Less:		
Utilized as Anticipated Revenue	697,000.00	803,000.00
	<u>697,000.00</u>	<u>803,000.00</u>
 Fund Balance December 31	 <u>1,076,972.66</u>	 <u>851,817.79</u>

BOROUGH OF RINGWOOD, N. J.  
 COMPARATIVE STATEMENT OF OPERATIONS AND  
 CHANGE IN SURPLUS - WATER UTILITY FUND

	<u>2012</u>	<u>2011</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized		50,958.50
Collection of Water Rents	1,344,570.52	1,302,917.31
Miscellaneous-From other than Water Rents	149,443.04	11,117.66
	1,494,013.56	1,364,993.47
 <u>Expenditures</u>		
Budget Expenditures:		
Operating	873,495.00	954,633.50
Debt Service	402,890.00	401,925.00
Capital Improvements		100,000.00
Deferred Charges and Statutory Expenditures	146,265.03	29,000.00
	1,422,650.03	1,485,558.50
Total Expenditures	1,422,650.03	1,485,558.50
Excess / (Deficit) in Revenue	71,363.53	(120,565.03)
Adjustments to Income Before Surplus:		
Expenditures included above which are by Statute		
Deferred Charges to Budget of Succeeding Year		
Operating Deficit to be raised in Budget of Succeeding Year		(120,565.03)
Statutory Excess to Fund Balance	71,363.53	
Fund Balance January 1	2,462.81	53,421.31
	73,826.34	53,421.31
Less:		
Utilized as Anticipated Revenue	0.00	50,958.50
	73,826.34	2,462.81
Fund Balance December 31	73,826.34	2,462.81

**BOROUGH OF RINGWOOD**

**RECOMMENDATIONS**

1. That old water assessments receivable balances be collected or cancelled.
2. That New Jersey Business Registration Certificates be obtained for all contracts in excess of 15% of the Borough's bid threshold.
3. That blanket purchase order balances not be included in the Borough's encumbrances.

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

The above Summary or Synopsis was prepared from the Report of Audit of the Borough of Ringwood, County of Passaic, for the calendar year 2012. This Report of Audit, submitted by Charles J. Ferraioli, Jr., C.P.A., R.M.A. of Ferraioli, Wielkotz, Cerullo & Cuva, P.A. is on file at the Borough Clerk's Office and may be inspected by any interested person.

KELLEY A. ROHDE, RMC  
BOROUGH CLERK

1t: Wednesday, September 25, 2013  
The Suburban Trends  
Fees