

SUMMARY OR SYNOPSIS OF AUDIT REPORT FOR PUBLICATION

SUMMARY OR SYNOPSIS OF STATE FISCAL YEAR 2010 AUDIT REPORT
OF CITY OF PLAINFIELD AS REQUIRED BY N.J.S.40:5-7

COMBINED COMPARATIVE BALANCE SHEET

	<u>JUNE</u> <u>30, 2010</u>	<u>JUNE</u> <u>30, 2009</u>
<u>ASSETS</u>		
Cash and Investments	\$ 31,364,142.98	\$ 22,637,366.25
Taxes, Liens and User Charges Receivable	3,561,757.45	3,339,299.69
Property Acquired for Taxes-Assessed Value	7,135,452.90	7,135,452.90
Accounts Receivable	19,467,825.42	17,008,021.57
Fixed Capital - Sewer Utility	1,439,914.74	1,439,914.74
Deferred Charges to Future Taxation- General Capital	37,798,330.78	34,371,866.08
Deferred Charges to Revenue of Succeeding Year	486,673.59	95,738.68
Fixed Assets	<u>28,391,265.40</u>	<u>28,391,265.40</u>
<u>TOTAL ASSETS</u>	<u>\$ 129,645,363.26</u>	<u>\$ 114,418,925.29</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
Bonds, Notes and Loans Payable	\$ 27,604,443.64	\$ 29,052,978.94
Improvement Authorizations	11,688,319.41	9,798,902.72
Other Liabilities and Special Funds	47,127,182.35	32,085,206.81
Amortization of Debt	869,000.00	829,000.00
Reserve for Certain Assets Receivable	11,204,978.25	10,728,268.08
Fund Balance	2,760,174.21	3,533,303.34
Investment in General Fixed Assets	<u>28,391,265.40</u>	<u>28,391,265.40</u>
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>\$ 129,645,363.26</u>	<u>\$ 114,418,925.29</u>

CITY OF PLAINFIELD

STATEMENT OF OPERATIONS AND CHANGES
IN FUND BALANCE - SEWER UTILITY FUND

	<u>JUNE</u> <u>30, 2010</u>	<u>JUNE</u> <u>30, 2009</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>		
Sewer Utility Capital Fund Surplus	\$ 86,192.16	
Non Budget Revenue	<u>2,118.60</u>	\$ <u>1,649.68</u>
<u>TOTAL INCOME</u>	<u>88,310.76</u>	<u>1,649.68</u>
<u>EXPENDITURES</u>		
Budget Expenditures:		
Debt Service	<u>79,066.44</u>	<u>75,000.00</u>
<u>TOTAL EXPENDITURES</u>	<u>79,066.44</u>	<u>75,000.00</u>
Excess (Deficit) in Revenue	9,244.32	(73,350.32)
Adjustments to Income Before Fund Balance:		
Realized from General Budget for Anticipated Deficit		73,350.32
Statutory Excess to Fund Balance	9,244.32	-0-
Fund Balance, July 1	<u>9,835.44</u>	<u>9,835.44</u>
Fund Balance, June 30	\$ <u><u>19,079.76</u></u>	\$ <u><u>9,835.44</u></u>

RECOMMENDATIONS

Purchasing:

*That all City purchases be made through the Purchasing Agent.

*That the encumbrance accounting system required by the Division of Local Government services be adequately maintained.

That open purchase orders be reviewed periodically and cancelled if no longer valid.

Tax Collector:

*That a detailed analysis of tax sale premiums and outside lien redemption balances at year end be maintained.

That third party lien redemptions be remitted to the outside lienholders in a timely manner.

Finance:

*That the Current Fund General Ledger be accurately maintained.

*That the City obtain the necessary actuarial information required to report the long-term liabilities related to its Other Post-Employment Benefits (OPEB) Programs.

*That grants receivable and appropriated grant reserves from prior year be reviewed and cleared of record where appropriate; the grant appropriation ledger should then be reviewed for proper disposition.

That the City establish monthly closing procedures to ensure that bank accounts are accurately and promptly reconciled on a monthly basis.

*That inactive bank accounts be closed and unnecessary transfers be prohibited.

*That Dedication by Rider approval be requested from the State of New Jersey for Trust reserves and that Trust reserves not eligible for rider approval be cancelled of record.

That the City enhance internal controls over the authorization of expenditures to ensure that sufficient appropriations exist and to prevent overexpenditures.

That interfund balances be cleared of record.

That unsupported balance sheet items in the sewer utility fund be cancelled of record.

That duplicate grant postings be cancelled in the grant fund ledgers.

That efforts be made to collect delinquent Payment in Lieu of Taxes (PILOT) receivables.

That all the County portion of PILOT payments be remitted to the County of Union.

RECOMMENDATIONS (CONTINUED)

Departments:

*That all departments remit funds collected to the Finance Office within 48 hours of receipt.

*That monthly animal control State reports be reconciled with license fees collected.

City Clerk:

That official minutes of actions taken by the City Council should be prepared in a timely manner and should be bound in official minute books.

Fixed Assets:

*That the Fixed Assets Ledger be updated for all additions and deletions.

Surety Coverage:

That the surety bond covering the Tax Collector be increased to at least the minimum established by N.J.A.C. 5:30-8.3.

*Unresolved prior year recommendations

A Corrective Action Plan, which outlines actions the City of Plainfield 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 City Clerk in the City of Plainfield.

The above summary or synopsis was prepared from the report of audit of the City of Plainfield, County of Union, for the state fiscal year ended June 30, 2010. This report of audit, submitted by Suplee, Clooney & Company, Registered Municipal Accountants and Certified Public Accountants, is on file at the City Clerk's office and may be inspected by any interested person.

Abubakar Jalloh, RMC
Municipal Clerk