

SUMMARY OR SYNOPSIS OF AUDIT REPORT FOR PUBLICATION

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

COMBINED COMPARATIVE BALANCE SHEETS

	DECEMBER <u>31, 2011</u>	JUNE <u>30, 2011</u>
<u>ASSETS</u>		
Cash and Investments	\$ 32,431,419.33	\$ 20,515,108.60
Taxes, Assessments, Liens and Utility Charges Receivable	4,673,561.73	4,528,398.47
Property Acquired for Taxes-Assessed Value	7,185,690.06	7,178,604.19
Accounts Receivable	26,873,104.30	17,565,938.23
Fixed Capital - Utility	1,439,914.74	1,439,914.74
Fixed Capital Authorized and Uncompleted - Utility		
Deferred Charges to Future Taxation-General Capital	30,448,230.16	36,252,117.92
Deferred Charges to Revenue of Succeeding Years		373,496.87
General Fixed Assets	<u>56,070,756.00</u>	<u>28,391,265.40</u>
 <u>TOTAL ASSETS</u>	 <u>\$ 159,122,676.32</u>	 <u>\$ 116,244,844.42</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
Bonds and Notes Payable	\$ 30,198,958.09	\$ 31,859,230.78
Improvement Authorizations	6,469,858.86	10,306,464.28
Other Liabilities and Special Funds	48,596,716.80	30,471,216.54
Amortization of Debt for Fixed Capital Acquired or Authorized	104,000.00	939,000.00
Reserve for Certain Assets Receivable	12,926,584.05	11,951,244.47
Fund Balance	3,875,802.52	2,326,422.95
Investment in General Fixed Assets	<u>56,070,756.00</u>	<u>28,391,265.40</u>
 TOTAL LIABILITIES, RESERVES AND FUND BALANCE	 <u>\$ 158,242,676.32</u>	 <u>\$ 116,244,844.42</u>

CITY OF PLAINFIELD

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

	TRANSITION YEAR ENDED DECEMBER <u>31, 2011</u>	YEAR ENDED JUNE <u>30, 2011</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>		
Fund Balance Utilized	\$ 725,000.00	\$ 1,900,000.00
Miscellaneous - From Other Than Local		
Property Tax Levies	14,702,013.87	19,907,309.46
Collection of Delinquent Taxes and Tax Title Liens	3,557,660.38	2,872,792.96
Collection of Current Tax Levy	<u>39,588,931.85</u>	<u>82,786,358.24</u>
<u>TOTAL INCOME</u>	<u>\$ 58,573,606.10</u>	<u>\$ 107,466,460.66</u>
<u>EXPENDITURES</u>		
Budget Expenditures	\$ 37,890,186.62	\$ 69,458,055.43
County Taxes	6,399,075.18	13,334,090.36
Local District School Taxes	11,652,000.00	23,134,086.01
Other Expenditures	<u>382,836.41</u>	<u>146,643.16</u>
<u>TOTAL EXPENDITURES</u>	<u>\$ 56,324,098.21</u>	<u>\$ 106,072,874.96</u>
Excess in Revenue	\$ 2,249,507.89	\$ 1,393,585.70
Adjustments to Income Before Fund Balance:		
Expenditures Included Above Which are by Statute		
Deferred Charges to Budget of Succeeding Year	\$ _____	\$ <u>58,000.00</u>
Statutory Excess in Revenue	<u>\$ 2,249,507.89</u>	<u>\$ 1,451,585.70</u>
Fund Balance, July 1	<u>\$ 2,235,608.08</u>	<u>\$ 2,684,022.38</u>
	\$ 4,485,115.97	\$ 4,135,608.08
Less: Utilized as Anticipated Revenue	<u>725,000.00</u>	<u>1,900,000.00</u>
Fund Balance, Ending	<u>\$ 3,760,115.97</u>	<u>\$ 2,235,608.08</u>

CITY OF PLAINFIELD

COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGE IN FUND BALANCE
SEWER UTILITY OPERATING FUND

	TRANSITION YEAR ENDED DECEMBER <u>31, 2011</u>	YEAR ENDED JUNE <u>30, 2011</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>		
Utility Capital Surplus Anticipated	\$	\$
Miscellaneous	<u>32.16</u>	<u>207.07</u>
<u>TOTAL INCOME</u>	\$ <u>32.16</u>	\$ <u>207.07</u>
<u>EXPENDITURES</u>		
Debt Service	\$ <u>71,350.01</u>	\$ <u>84,274.99</u>
<u>TOTAL EXPENDITURES</u>	\$ <u>71,350.01</u>	\$ <u>84,274.99</u>
Excess in Revenue	\$ <u>(71,317.85)</u>	\$ <u>(84,067.92)</u>
Adjustments to Income Before Fund Balance: Realized from General Budget for Anticipated Deficit	\$ <u>71,317.85</u>	\$ <u>84,067.92</u>
Fund Balance, July 1	<u>19,079.76</u>	<u>19,079.76</u>
Fund Balance, Ending	\$ <u><u>19,079.76</u></u>	\$ <u><u>19,079.76</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 all tax receipts be deposited within 48 hours of receipt.
- *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.
- That the Tax Collector's monthly reports be filed with the Finance Office on a timely basis.
- That the detailed billing ledger be reconciled with the actual tax requirements.
- That all tax stubs be available for audit.

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 all grants be properly appropriated in the budget prior to the commitment or expenditure of funds.
- *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 interfund balances be cleared of record.
- *That unsupported balance sheet items in the sewer utility fund be cancelled of record.
- *That efforts be made to collect delinquent Payment in Lieu of Taxes (PILOT) receivables.

RECOMMENDATIONS (CONTINUED)

Finance (Continued):

That all cancellations approved by the City Council be reflected on the financial records of the City.

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

Payroll:

That the City's use of payroll processing and disbursement services be brought into compliance with the requirements of N.J.A.C. 5:30-17.

Departments:

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

That all City Departments maintain accurate records of monies collected.

That receipts collected by the City's Departments be reconciled with the amounts recorded by the Finance Office.

*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 transition year ended December 31, 2011. 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