

**TOWNSHIP OF SOUTH HACKENSACK**

**SYNOPSIS OF AUDIT**

**FOR THE YEAR ENDED**

**DECEMBER 31, 2009**

SYNOPSIS OF 2009 AUDIT REPORT OF

TOWNSHIP OF SOUTH HACKENSACK

AS REQUIRED BY N.J.S. 40A:5-7

COMBINED COMPARATIVE BALANCE SHEETS - STATUTORY BASIS

FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>		
Cash, Investments and Prepaid Debt Service	\$ 3,725,692	\$ 3,393,200
Taxes, Assessments, Liens and Utility Charges Receivable	1,769	1,059
Accounts Receivable	522,017	457,622
Deferred Charges to Future Taxation	3,270,272	3,117,851
Land, Buildings, Machinery and Equipment	<u>5,086,619</u>	<u>4,987,906</u>
TOTAL ASSETS	<u>\$ 12,606,369</u>	<u>\$ 11,957,638</u>
<b>LIABILITIES, RESERVES AND FUND BALANCE</b>		
Bonds, Loans and Notes Payable	\$ 2,622,989	\$ 2,771,068
Improvement Authorizations	769,085	568,340
Other Liabilities and Special Funds	2,449,841	2,283,620
Reserve for Certain Assets Receivable	320,969	1,702
Investments in General Fixed Assets	5,086,619	4,987,906
Fund Balance	<u>1,356,866</u>	<u>1,345,002</u>
TOTAL LIABILITIES, RESERVES AND FUND BALANCE	<u>\$ 12,606,369</u>	<u>\$ 11,957,638</u>

**TOWNSHIP OF SOUTH HACKENSACK  
COMPARATIVE STATEMENTS OF OPERATIONS  
AND CHANGES IN FUND BALANCE - STATUTORY BASIS  
CURRENT FUND  
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>REVENUE AND OTHER INCOME REALIZED</b>		
Fund Balance Utilized	\$ 525,000	\$ 487,937
Miscellaneous-From Other Than Local Property Taxes	2,025,817	2,576,274
Delinquent Taxes		365
Collection of Current Tax Levy	13,260,763	12,673,032
Other Credits to Income	<u>350,863</u>	<u>245,774</u>
TOTAL INCOME	<u>16,162,443</u>	<u>15,983,382</u>
<b>EXPENDITURES</b>		
Budget Appropriations:		
Municipal Purposes	7,986,562	8,240,623
County Taxes	1,443,362	1,254,513
Local and Regional School Taxes	6,257,995	5,943,746
Other Expenditures	<u>12,660</u>	<u>7,004</u>
TOTAL EXPENDITURES	15,700,579	15,445,886
Excess in Revenue	461,864	537,496
Adjustments to Income Before Fund Balance:		
Expenditures included above which are by statute deferred charges to budget of succeeding year	<u>75,000</u>	<u>-</u>
Statutory Excess to Fund Balance	536,864	537,496
Fund Balance, January 1	1,311,749	1,262,190
Less: Utilization as Anticipated Revenue	<u>525,000</u>	<u>487,937</u>
Fund Balance, December 31	<u>\$ 1,323,613</u>	<u>\$ 1,311,749</u>

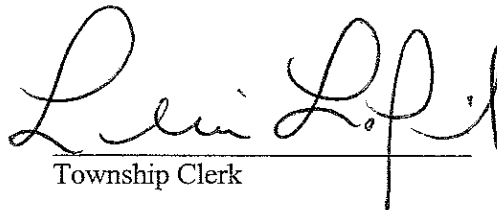
## RECOMMENDATIONS

It is recommended that:

1. The encumbrance system be enhanced to ensure that materials be ordered only after a purchase order has been executed.
2. Tickets assigned and not issued which are greater than six months old be recalled.
3. The various grant receivable balances be reviewed to determine their collectability, and if necessary written off.
4. The Township appropriate sufficient funds to eliminate the cash deficits for capital ordinances over five years old.
5. Current Fund, General Capital Fund and Other Trust Fund general ledger beginning balances be recorded and in agreement with the audit report.
6. All contracts be encumbered when awarded by the governing body.
7. The Township review the payroll service provider contract to ensure that it is in compliance with the Division of Local Government Finance Notice.

A Corrective Action Plan, which outlines actions the Township of South Hackensack 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 Township Clerk in the Township of South Hackensack within 45 days of this notice.

The above synopsis was prepared from the audit of the Township of South Hackensack, for the year 2009. This report of audit, submitted by Gary J. Vinci, Registered Municipal Accountant, is on file at the Township Clerk's office and may be inspected by any interested person.

  
Township Clerk