

**SYNOPSIS OF 2017 AUDIT REPORT OF  
BOROUGH OF WOODCLIFF LAKE**

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BOROUGH OF WOODCLIFF LAKE

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

COMBINED COMPARATIVE BALANCE SHEETS - STATUTORY BASIS

FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
Cash, Investments and Prepaid Debt Service	\$ 15,817,530	\$ 9,633,174
Taxes, Assessments, Liens and Utility Charges Receivable	225,178	306,317
Accounts Receivable	701,358	291,361
Deferred Charges to Future Taxation-General Capital	7,485,746	7,061,496
Land, Buildings, Machinery and Equipment	<u>21,335,393</u>	<u>20,625,082</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 45,565,205</u></u>	<u><u>\$ 37,917,430</u></u>
<b>LIABILITIES, RESERVES AND FUND BALANCE</b>		
Bonds and Notes Payable	\$ 6,208,000	\$ 5,806,000
Improvement Authorizations	1,359,610	879,233
Other Liabilities and Special Funds	14,226,694	8,234,504
Reserve for Certain Assets Receivable	668,323	448,250
Investments in General Fixed Assets	21,335,393	20,625,082
Fund Balance	<u>1,767,185</u>	<u>1,924,361</u>
<b>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</b>	<u><u>\$ 45,565,205</u></u>	<u><u>\$ 37,917,430</u></u>

**BOROUGH OF WOODCLIFF LAKE  
COMPARATIVE STATEMENTS OF OPERATIONS  
AND CHANGES IN FUND BALANCE - STATUTORY BASIS  
CURRENT FUND  
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

	<u>2017</u>	<u>2016</u>
<b>REVENUE AND OTHER INCOME REALIZED</b>		
Fund Balance Utilized	\$ 1,050,000	\$ 950,000
Miscellaneous-From Other Than Local Property Taxes	2,203,361	2,196,301
Collection of Delinquent Taxes and Tax Title Liens	306,153	252,688
Collection of Current Tax Levy	41,005,415	40,657,971
Other Credits to Income	<u>519,374</u>	<u>413,141</u>
TOTAL INCOME	<u>45,084,303</u>	<u>44,470,101</u>
<b>EXPENDITURES</b>		
Budget Appropriations:		
Municipal Purposes	12,188,390	11,725,734
Municipal Open Space Preservation Trust Fund Taxes	198,708	192,140
County Taxes	4,949,708	4,856,396
Local and Regional School Taxes	26,599,386	26,586,517
Other Expenditures	<u>30,287</u>	<u>15,819</u>
TOTAL EXPENDITURES	43,966,479	43,376,606
Excess in Revenue	1,117,824	1,093,495
Fund Balance, January 1	<u>1,640,875</u>	<u>1,497,380</u>
	2,758,699	2,590,875
Less: Utilization as Anticipated Revenue	<u>1,050,000</u>	<u>950,000</u>
Fund Balance, December 31	<u>\$ 1,708,699</u>	<u>\$ 1,640,875</u>

## **BOROUGH OF WOODCLIFF LAKE**

### **RECOMMENDATIONS**

It is recommended that:

1. Purchases made under National Cooperative contracts be made in accordance with State procurement guidelines.
2. The Borough pursue with the IRS for the removal of all penalties and interest resulting from the filing of the 2015 Federal Tax Form 940. In addition the Borough to obtain and review copies of all Federal and State tax form filed by their third party payroll provider.
3. The Borough maintains a sufficient balance in the payroll agency reserve and that the payroll bank statements are reconciled to the Borough's books and all unreconciled differences be reviewed and cleared of record.
4. All state taxable wages are reported on the employee's W-2 forms at year end.
5. Political Contribution Disclosure forms are obtained for vendors that exceed the \$17,500 threshold.
6. The Borough enhance their internal controls over purchasing procedures to ensure that purchase orders are issued when the goods and/or services are ordered.
7. The police outside duty accounts receivable ledger be updated to include all vendor invoices and payments received and reconciled to the revenue report on a monthly basis.

A Corrective Action Plan, which outlines actions the Borough of Woodcliff Lake 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 in the Borough of Woodcliff Lake within 45 days of this notice.

The above synopsis was prepared from the audit of the Borough of Woodcliff Lake for the year 2017. This report of audit, submitted by Paul J. Lerch, Registered Municipal Accountant, is on file at the Borough Clerk's office and may be inspected by any interested person.

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Borough Clerk