

**TOWNSHIP OF MORRIS**  
**SUMMARY OR SYNOPSIS OF AUDIT REPORT FOR PUBLICATION**

Attention is directed to the fact that a Summary or Synopsis of the Audit Report together with the recommendations is the minimum required to be published pursuant to N.J.S. 40A:5-7.

Summary or Synopsis of 2013 Audit report of the Township of Morris as required by N.J.S. 40A:5-7.

**COMBINED COMPARATIVE BALANCE SHEET**

<u>ASSETS</u>	Year Ended December 31,	
	2013	2012
Cash and Cash Equivalents	\$ 44,183,822.07	\$ 53,068,587.88
Investments	3,373,207.80	3,373,207.80
Taxes and Liens Receivable	681,242.96	757,256.01
Property Acquired for Taxes Assessed Valuation	36,475.00	36,475.00
Accounts Receivable	10,931,041.65	5,392,141.58
Deferred Charges	526,492.03	372,000.00
Deferred Charges to Future Taxation - General Capital Fund	27,059,453.50	27,048,886.00
Fixed Capital - Utility Funds	84,294,602.39	78,037,598.86
Fixed Capital Authorized and Uncompleted - Utility Funds	7,143,748.14	10,446,877.49
Fixed Assets (Unaudited)	51,476,484.00	51,198,194.00
<b>TOTAL ASSETS</b>	<b>\$ 229,706,569.54</b>	<b>\$ 229,731,224.62</b>

**LIABILITIES, RESERVES AND FUND BALANCES**

Bonds and Loans Payable	\$ 43,828,227.93	\$ 44,135,709.36
Improvement Authorizations	14,428,941.88	21,027,308.47
Other Liabilities and Special Funds	23,889,785.51	22,836,993.96
Reserve for Amortization - Utility Funds	68,245,039.45	67,166,335.99
Deferred Reserve for Amortization - Utility Funds	1,406,216.00	1,272,216.00
Reserve for Certain Assets Receivable	5,887,241.31	5,643,437.76
Investment in Fixed Assets (Unaudited)	51,476,484.00	51,198,194.00
Fund Balances	20,544,633.46	16,451,029.08
<b>TOTAL LIABILITIES, RESERVES AND FUND BALANCES</b>	<b>\$ 229,706,569.54</b>	<b>\$ 229,731,224.62</b>

**SUMMARY OR SYNOPSIS OF AUDIT REPORT FOR PUBLICATION**

(Continued)

Comparative Statement of Operations and Change in  
Fund Balance - Current Fund

	Year Ended December 31,	
	2013	2012
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 4,100,000.00	\$ 3,626,000.00
Miscellaneous Revenue Anticipated	6,457,088.84	6,617,112.48
Receipts from:		
Delinquent Taxes	701,315.46	1,003,780.00
Current Taxes	91,088,904.96	89,844,000.07
Nonbudget Revenue	1,009,245.14	577,349.92
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	1,531,135.77	1,452,512.24
Cancellations:		
Other Encumbrances	50,759.29	48,581.41
Tax Overpayments	125,027.84	
Federal and State Grant Fund Appropriated Reserves	33,731.92	57,377.72
Due Other Trust Funds - Premium on Tax Sale Certificates	21,400.00	130,600.00
Prior Year Senior Citizens' and Veterans' Deductions Allowed	250.00	250.00
Interfunds Returned	1,244.85	38,581.95
	<u>105,120,104.07</u>	<u>103,396,145.79</u>
<u>Expenditures</u>		
Budget and Emergency Appropriations:		
Municipal Purposes	30,501,358.22	30,366,341.12
County Taxes	13,235,449.44	13,439,270.30
Regional School District Taxes	55,085,850.00	53,890,014.11
Local Open Space Taxes	75,688.68	75,588.22
Reserve for Pending Tax Appeals	1,000,000.00	1,000,000.00
Federal and State Grant Fund Receivables Canceled	32,773.05	32,375.00
Prior Year Senior Citizens' and Veterans' Deductions Disallowed	3,509.59	3,750.00
Refund of Prior Year Revenue:		
Taxes		262,669.58
Other	16,664.15	21,632.20
Interfunds Advanced	111,854.42	419.34
	<u>100,063,147.55</u>	<u>99,092,059.87</u>
Excess in Revenue/Statutory Excess to Fund Balance	5,056,956.52	4,304,085.92
<u>Fund Balance</u>		
Balance January 1	<u>7,144,823.69</u>	<u>6,466,737.77</u>
	12,201,780.21	10,770,823.69
Decreased by:		

Utilized as Anticipated Revenue	4,100,000.00	3,626,000.00
Balance December 31	<u>\$ 8,101,780.21</u>	<u>\$ 7,144,823.69</u>

**TOWNSHIP OF MORRIS**  
**SUMMARY OR SYNOPSIS OF AUDIT REPORT FOR PUBLICATION**  
**(Continued)**

Comparative Statement of Operations and Change in  
Fund Balance - Sewer Utility Operating Fund

	<u>Year Ended December 31,</u>	
	<u>2013</u>	<u>2012</u>
<u>Revenue and Other Income Realized</u>		
Sewer User Charges	\$ 6,282,965.29	\$ 6,780,992.08
Connection Fees and Permits	56,014.49	32,704.60
Miscellaneous Revenue Anticipated	539,069.56	595,376.08
Sewer User Charges - Borough of Morris Plains Contract	1,565,240.71	1,429,390.12
Township of Randolph - Annual Sewer User Charges	506,765.49	400,942.60
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	82,089.20	358,820.98
Accounts Payable Canceled	128,643.50	2,382.85
Total Income	<u>9,160,788.24</u>	<u>9,600,609.31</u>
<u>Expenditures</u>		
Operating	4,638,800.84	4,453,680.37
Capital Improvements	615,275.00	784,375.00
Debt Service	1,560,135.52	1,231,259.38
Deferred Charges and Statutory Expenditures	290,004.65	289,000.00
Refund of Prior Year Revenue	140.00	
Total Expenditures	<u>7,104,356.01</u>	<u>6,758,314.75</u>
Excess in Revenue	2,056,432.23	2,842,294.56
Adjustments Before Fund Balance:		
Expenditures Included Above Which Are by Statute		
Deferred Charges to Budget of Succeeding Year	146,492.03	
Statutory Excess to Fund Balance	<u>2,202,924.26</u>	<u>2,842,294.56</u>
<u>Fund Balance</u>		

Balance January 1	8,342,830.97	5,750,536.41
	10,545,755.23	8,592,830.97
Decreased by:		
Utilized as Anticipated Revenue:		
Current Fund Budget	250,000.00	250,000.00
Balance December 31	<u>\$ 10,295,755.23</u>	<u>\$ 8,342,830.97</u>

**TOWNSHIP OF MORRIS**  
**SUMMARY OR SYNOPSIS OF AUDIT REPORT FOR PUBLICATION**  
**(Continued)**

Comparative Statement of Operations and Change in  
Fund Balance - Swimming Pool Utility Operating Fund

	<u>Year Ended December 31,</u>	
	<u>2013</u>	<u>2012</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 50,000.00	\$ 27,145.00
Swimming Pool Fees	501,943.50	493,805.00
Miscellaneous Revenue Anticipated	48,788.82	55,409.22
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	18,159.20	51,831.84
	<u>618,891.52</u>	<u>628,191.06</u>
Total Income		
<u>Expenditures</u>		
Operating	504,701.00	497,931.00
Capital Improvements	105,500.00	
Debt Service	46,917.92	37,763.55
Deferred Charges and Statutory Expenditures	31,862.04	29,950.00
	<u>688,980.96</u>	<u>565,644.55</u>
Total Expenditures		
Excess/(Deficit) in Revenues	(70,089.44)	62,546.51
Adjustments Before Fund Balance:		
Expenditures Included Above Which Are by Statute		
Deferred Charges to Budget of Succeeding Year	101,000.00	

Statutory Excess to Fund Balance	30,910.56	62,546.51
<u>Fund Balance</u>		
Balance January 1	83,804.78	48,403.27
	114,715.34	110,949.78
Decreased by:		
Utilized as Anticipated Revenue	50,000.00	27,145.00
Balance December 31	<u>\$ 64,715.34</u>	<u>\$ 83,804.78</u>

**TOWNSHIP OF MORRIS**  
**SUMMARY OR SYNOPSIS OF AUDIT REPORT FOR PUBLICATION**  
**(Continued)**

Comparative Statement of Operations and Change in  
Fund Balance - Parking Lot Utility Operating Fund

	<u>Year Ended December 31,</u>	
	<u>2013</u>	<u>2012</u>
<u>Revenue and Other Income Realized</u>		
Parking Lot Fees and Permits	\$ 361,874.35	\$ 366,465.30
Nonbudget Revenue	3,325.57	2,051.38
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	20,269.85	22,013.39
Total Income	<u>385,469.77</u>	<u>390,530.07</u>
<u>Expenditures</u>		
Operating	180,771.00	183,061.00
Capital Improvements	33,000.00	
Debt Service	103,555.31	101,722.81
Deferred Charges and Statutory Expenditures	13,382.77	14,400.00
Total Expenditures	<u>330,709.08</u>	<u>299,183.81</u>
Excess in Revenues/Statutory Excess to Fund Balance	54,760.69	91,346.26
<u>Fund Balance</u>		

Balance January 1	<u>383,959.20</u>	<u>332,612.94</u>
	438,719.89	423,959.20
Decreased by:		
Utilized as Anticipated Revenue:		
Current Fund Budget	40,000.00	40,000.00
	<u>                    </u>	<u>                    </u>
Balance December 31	<u><u>\$ 398,719.89</u></u>	<u><u>\$ 383,959.20</u></u>

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(Continued)

RECOMMENDATIONS

It is recommended that:

1. The General Capital Fund and Sewer Utility Capital Fund general ledgers fully reflect the activity with regard to debt and improvement authorizations and the general ledgers should be reconciled with the subsidiary expenditure reports.
2. All interfund balances be liquidated on a timely basis and that every effort be made to limit interfund activity in the future.
3. The Township continue its review of grants receivable and appropriated reserve balances from prior years for continued recognition or cancellation.

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The above summary or synopsis was prepared from the report of audit of the Township of Morris, County of Morris, for the calendar year 2013. This report of audit, submitted by David H. Evans, Registered Municipal Accountant, of Nisivoccia LLP, is on file at the Township Clerk's office and may be inspected by any interested person.

CLERK