

**TOWNSHIP OF SHREWSBURY**

**COUNTY OF MONMOUTH**

**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 2021 Audit Report of the Township of Shrewsbury, County of Monmouth as required by N.J.S. 40A:5-7.

**COMBINED COMPARATIVE BALANCE SHEET**

**REGULATORY BASIS**

	<b><u>December 31,</u></b> <b><u>2021</u></b>	<b><u>December 31,</u></b> <b><u>2020</u></b>
<b><u>ASSETS</u></b>		
Cash and Cash Equivalents	\$ 1,529,723.87	\$ 1,811,717.52
Taxes, Assessments, and Liens Receivable	2,805.37	3,905.60
State and Federal Grants Receivable	720,703.00	506,764.09
Other Accounts Receivable	71,408.94	59,298.43
General Fixed Assets	2,037,642.25	2,037,642.25
Deferred Charges to Revenue of Succeeding Years		36,000.00
Deferred Charges to Future Taxation - General Capital	<u>1,160,718.35</u>	<u>1,109,250.00</u>
Total Assets	<u>\$ 5,523,076.78</u>	<u>\$ 5,564,577.89</u>
 <b><u>LIABILITIES, RESERVES AND FUND BALANCE</u></b>		
Bonds, Notes and Loans Payable	\$ 819,000.00	\$ 900,000.00
Improvement Authorizations	1,331,384.11	1,249,338.78
Other Liabilities and Special Funds	380,519.72	619,727.21
Investment in General Fixed Assets	2,037,642.25	2,037,642.25
Reserve for Certain Assets Receivable	70,259.31	52,204.03
Fund Balance	<u>884,271.39</u>	<u>699,665.62</u>
Total Liabilities, Reserves and Fund Balance	<u>\$ 5,523,076.78</u>	<u>\$ 5,564,577.89</u>

**TOWNSHIP OF SHREWSBURY**

**COUNTY OF MONMOUTH**

**COMPARATIVE STATEMENT OF OPERATIONS AND  
CHANGES IN FUND BALANCE – CURRENT FUND**

**REGULATORY BASIS**

	<b><u>Year 2021</u></b>	<b><u>Year 2020</u></b>
<b><u>REVENUE AND OTHER INCOME REALIZED</u></b>		
Fund Balance Utilized	\$ 170,000.00	\$ 128,500.00
Miscellaneous, From Other Than Local		
Property Tax Levies	436,322.69	240,030.26
Collection of Delinquent Taxes and Tax Title Liens	3,905.60	32,062.65
Collection of Current Tax Levy	<u>1,644,594.65</u>	<u>1,577,844.82</u>
 Total Revenues	 <u>2,254,822.94</u>	 <u>1,978,437.73</u>
<b><u>EXPENDITURES</u></b>		
Budget Expenditures:		
Municipal Purpose	1,131,681.99	1,068,796.63
County Taxes	155,728.28	152,010.13
Regional Elementary School Taxes	411,424.00	435,332.00
Regional District High School Taxes	187,011.00	188,529.00
Other Expenditures	<u>14,371.90</u>	<u>                    </u>
 Total Expenditures	 <u>1,900,217.17</u>	 <u>1,749,141.82</u>
Adjustments to Income Before Fund Balance		
Expenditures Included Above Which Are By		
Statute Deferred Charges to Budget of Succeeding Year	<u>                    </u>	<u>32,000.00</u>
Statutory Excess to Fund Balance	354,605.77	165,769.97
Fund Balance January 1	<u>662,028.47</u>	<u>624,758.50</u>
	1,016,634.24	790,528.47
Decreased by:		
Utilized as Anticipated Revenue	<u>170,000.00</u>	<u>128,500.00</u>
 Fund Balance December 31	 <u>\$ 846,634.24</u>	 <u>\$ 662,028.47</u>

## **RECOMMENDATIONS**

### **Financial Administration**

#### **Comment 2021-001:**

We noted various reserve whereby a dedication rider resolution approval was not obtained by from the State of New Jersey.

#### **Recommendation:**

That the Township obtain dedication by rider resolution approvals from the State of New Jersey for all trust fund reserves.

### **Expenditures**

#### **Comment 2021-002:**

Our examination of expenditures revealed deficiencies in the application of the Township's internal control policies and procedures over expenditures. We noted the following deficiencies: (a) the invoice date for 10 out of 25 items tested was prior to the purchase order date; (b) there was no "Claimant's Certification & Declaration" signature for 17 out of 25 purchase orders tested; and (c) emergency purchases did not have authorizing resolution of the governing body.

#### **Recommendation:**

That the Township adhere to its internal control policies and procedures over expenditures.

A Corrective Action Plan, which will outline actions the Township of Shrewsbury 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 Municipal Clerk within sixty (60) days of receipt of the audit report by the governing body.

The above summary or synopsis was prepared from the report of audit of the Township of Shrewsbury, County of Monmouth for the calendar year 2021. This report of audit, submitted by Charles J. Fallon, Registered Municipal Accountant, of Fallon & Company LLP, is on file at the Municipal Clerk's office and may be inspected by any interested persons.

*Katrina Thornton*

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Katrina Thornton  
Acting Municipal Clerk