

BOROUGH OF ROCKAWAY
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 2019 Audit report of the Borough of Rockaway as required by N.J.S. 40A:5-7.

COMBINED COMPARATIVE BALANCE SHEET

<u>ASSETS</u>	December 31,	
	2019	2018
Cash and Cash Equivalents	\$ 13,556,104.81	\$ 12,601,505.59
Taxes, Liens and Utilities Receivable	1,065,656.98	983,118.72
Property Acquired for Taxes - Assessed Value	961,500.00	961,500.00
Accounts Receivable	665,494.79	1,139,297.69
Deferred Charges to Future Taxation - General Capital	6,768,157.00	6,939,159.00
Fixed Capital - Water Utility	7,539,586.24	7,426,425.74
Fixed Capital Authorized and Uncomplete - Water Utility	5,096,287.57	3,943,287.57
General Fixed Assets	20,964,072.22	20,648,722.30
 <u>TOTAL ASSETS</u>	 <u>\$ 56,616,859.61</u>	 <u>\$ 54,643,016.61</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCES</u>		
Appropriation Reserves	\$ 1,526,427.66	\$ 1,569,890.48
Bonds, Notes and Loans Payable	11,160,885.00	9,690,851.00
Improvement Authorizations	6,621,829.48	6,473,446.41
Other Liabilities and Special Funds	3,519,257.86	4,057,406.45
Deferred Reserve for Amortization	329,241.15	247,241.15
Capital Improvement Fund	291,926.54	235,416.54
Reserve for Amortization	7,147,676.66	6,910,844.16
Investment in General Fixed Assets	20,964,072.22	20,648,722.30
Reserve for Receivables	2,378,562.77	2,344,270.30
Fund Balances	2,676,980.27	2,464,927.82
 <u>TOTAL LIABILITIES, RESERVES AND FUND BALANCES</u>	 <u>\$ 56,616,859.61</u>	 <u>\$ 54,643,016.61</u>

CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE

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

	Year Ended December 31,	
	2019	2018
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$730,363.00	\$541,500.00
Miscellaneous Revenue Anticipated	1,804,257.18	1,921,711.66
Receipts from:		
Delinquent Taxes	286,485.87	330,790.58
Current Taxes	23,914,613.94	23,581,503.41
Nonbudget Revenue	465,947.10	238,352.67
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	546,353.89	237,940.39
Interfunds Returned	744.99	41,916.09
Cancellation of Appropriated Grant Reserves	75.43	50,927.55
Cancellation of Unappropriated Grant Reserves		23,472.35
Decrease in Grants Receivable	55,243.65	
Total Income	\$27,804,085.05	\$26,968,114.70
<u>Expenditures</u>		
Budget and Emergency Appropriations	9,060,967.31	8,528,157.56
Local School District Taxes	8,539,307.00	8,273,487.00
County Taxes	2,147,161.22	2,207,808.94
County Share of Added Taxes	5,565.17	6,837.71
Regional School District Taxes	6,752,960.00	6,722,499.00
Refund of Prior Year Tax Revenue	922.76	
Refund of Prior Year Revenue	100.02	2,406.25
Increase in Grants Receivable		61,872.76
Reserve for Tax Appeals	208,043.05	266,506.34
Interfunds Advanced	555.19	744.99
Total Expenditures	26,715,581.72	26,070,320.55
Statutory Excess to Fund Balance	1,088,503.33	897,794.15
<u>Fund Balance</u>		
Balance January 1	1,607,044.34	1,250,750.19
	2,695,547.67	2,148,544.34
Decreased by:		
Utilized as Anticipated Revenue	730,363.00	\$541,500.00
Balance December 31	\$ 1,965,184.67	\$ 1,607,044.34

BOROUGH OF ROCKAWAY
WATER UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE

Comparative Schedule of Operations and Change in Fund Balance - Water Utility

	<u>Year Ended December 31</u>	
	<u>2019</u>	<u>2018</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 464,000.00	\$ 301,000.00
Water Rents	1,707,202.28	1,706,740.78
Miscellaneous Revenue	24,826.10	50,442.23
Nonbudget Revenue	33,965.87	101,066.86
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	246,549.32	281,548.61
 Total Income	 <u>2,476,543.57</u>	 <u>2,440,798.48</u>
 <u>Expenditures</u>		
Budget Expenditures:		
Operating	1,614,750.00	1,503,965.00
Capital Improvements	269,000.00	250,700.00
Debt Service	196,161.76	156,244.42
Deferred Charges and Statutory Expenditures	78,720.00	82,838.00
 Total Expenditures	 <u>2,158,631.76</u>	 <u>1,993,747.42</u>
 Excess in Revenue	 317,911.81	 447,051.06
 <u>Fund Balance</u>		
Balance January 1	<u>738,116.32</u>	<u>592,065.26</u>
	1,056,028.13	1,039,116.32
Decreased by:		
Utilized as Anticipated Revenue	<u>464,000.00</u>	<u>301,000.00</u>
 Balance December 31	 <u>\$ 592,028.13</u>	 <u>\$ 738,116.32</u>

BOROUGH OF ROCKAWAY
SUMMARY OR SYNOPSIS OF AUDIT REPORT FOR PUBLICATION
(Continued)

RECOMMENDATIONS

It is recommended that:

1. An adequate segregation of duties be maintained with respect to the recording and treasury functions.

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A Corrective Action Plan, which outlines actions the Borough of Rockaway will take to correct the findings listed above, will be prepared in accordance with federal and state guidelines. A copy of the plan will be on file and available for public inspection in the office of the Municipal Clerk in the Borough of Rockaway within 45 days of this notice.

The above summary or synopsis was prepared from the report of audit of the Borough of Rockaway, County of Morris, for the calendar year 2019. This report of audit, submitted by Kathryn L. Mantell, Registered Municipal Accountant, of Nisivoccia LLP, is on file at the Borough Clerk's office and may be inspected by any interested person.

Kimberly Cuspilich, Acting Borough Clerk