

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 2020 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,	
	2020	2019
Cash and Cash Equivalents	\$ 14,132,961.95	\$ 13,556,104.81
Taxes, Liens and Utilities Receivable	1,183,629.61	1,065,656.98
Property Acquired for Taxes - Assessed Value	961,500.00	961,500.00
Accounts Receivable	943,980.60	665,494.79
Deferred Charges to Future Taxation - General Capital	6,917,622.00	6,768,157.00
Fixed Capital - Water Utility	7,813,935.08	7,539,586.24
Fixed Capital Authorized and Uncomplete - Water Utility	6,726,287.57	5,096,287.57
General Fixed Assets	21,390,068.54	20,964,072.22
 <u>TOTAL ASSETS</u>	 <u>\$ 60,069,985.35</u>	 <u>\$ 56,616,859.61</u>

LIABILITIES, RESERVES AND FUND BALANCES

Appropriation Reserves	\$ 1,907,441.67	\$ 1,526,427.66
Bonds, Notes and Loans Payable	11,507,739.00	11,160,885.00
Improvement Authorizations	7,854,212.24	6,621,829.48
Other Liabilities and Special Funds	4,094,278.45	3,519,257.86
Deferred Reserve for Amortization	329,241.15	329,241.15
Capital Improvement Fund	345,176.54	291,926.54
Reserve for Amortization	7,568,441.50	7,147,676.66
Investment in General Fixed Assets	21,390,068.54	20,964,072.22
Reserve for Receivables	2,554,455.56	2,378,562.77
Fund Balances	2,518,930.70	2,676,980.27

<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCES</u>	<u>\$ 60,069,985.35</u>	<u>\$ 56,616,859.61</u>
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BOROUGH OF ROCKAWAY
CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE

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

	<u>Year Ended December 31,</u>	
	<u>2020</u>	<u>2019</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$775,000.00	\$730,363.00
Miscellaneous Revenue Anticipated	1,731,283.68	1,804,257.18
Receipts from:		
Delinquent Taxes	238,969.35	286,485.87
Current Taxes	24,502,020.79	23,914,613.94
Nonbudget Revenue	169,972.97	465,947.10
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	504,693.51	546,353.89
Interfunds Returned	555.19	744.99
Cancellation of Appropriated Grant Reserves		75.43
Decrease in Grants Receivable		55,243.65
	<u>\$27,922,495.49</u>	<u>\$27,804,085.05</u>
<u>Expenditures</u>		
Budget and Emergency Appropriations	9,173,708.18	9,060,967.31
Local School District Taxes	9,155,878.00	8,539,307.00
County Taxes	2,148,686.04	2,147,161.22
County Share of Added Taxes	1,988.82	5,565.17
Regional School District Taxes	6,542,544.00	6,752,960.00
Refund of Prior Year Tax Revenue		922.76
Refund of Prior Year Revenue		100.02
Increase in Grants Receivable	176.52	
Reserve for Tax Appeals		208,043.05
Interfunds Advanced	85,000.00	555.19
	<u>27,107,981.56</u>	<u>26,715,581.72</u>
Statutory Excess to Fund Balance	814,513.93	1,088,503.33
<u>Fund Balance</u>		
Balance January 1	<u>1,965,184.67</u>	<u>1,607,044.34</u>
	2,779,698.60	2,695,547.67
Decreased by:		
Utilized as Anticipated Revenue	775,000.00	\$730,363.00

Balance December 31

	<u>\$ 2,004,698.60</u>	<u>\$ 1,965,184.67</u>
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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>2020</u>	<u>2019</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 464,000.00	\$ 464,000.00
Water Rents	1,634,916.79	1,707,202.28
Miscellaneous Revenue	54,743.40	24,826.10
Nonbudget Revenue	32,900.04	33,965.87
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	235,829.20	246,549.32
Total Income	<u>2,422,389.43</u>	<u>2,476,543.57</u>
<u>Expenditures</u>		
Budget Expenditures:		
Operating	1,610,655.65	1,614,750.00
Capital Improvements	214,000.00	269,000.00
Debt Service	252,212.28	196,161.76
Deferred Charges and Statutory Expenditures	79,085.00	78,720.00
Total Expenditures	<u>2,155,952.93</u>	<u>2,158,631.76</u>
Excess in Revenue	266,436.50	317,911.81
<u>Fund Balance</u>		
Balance January 1	<u>592,028.13</u>	<u>738,116.32</u>
	858,464.63	1,056,028.13
Decreased by:		
Utilized as Anticipated Revenue	<u>464,000.00</u>	<u>464,000.00</u>
Balance December 31	<u>\$ 394,464.63</u>	<u>\$ 592,028.13</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 2020. This report of audit, submitted by Kathryn L. Mantell, Registered Municipal Accountant, of Nisivoccia, is on file at the Borough Clerk's office and may be inspected by any interested person.

Kimberly Cuspilich, Borough Clerk