

BOROUGH OF ATLANTIC HIGHLANDS

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 2010 Audit Report of the Borough of Atlantic Highlands, County of Monmouth as required by N.J.S. 40A:5-7.

COMBINED COMPARATIVE BALANCE SHEET

REGULATORY BASIS

	<u>December 31,</u> <u>2010</u>	<u>December 31,</u> <u>2009</u>
<u>ASSETS</u>		
Cash, Cash Equivalents and Investments	\$ 9,917,944.08	\$ 6,494,404.69
Taxes, Assessments, Liens and Utility Charges Receivable	797,083.74	471,264.85
Property Acquired for Taxes - Assessed Value	92,600.00	92,600.00
Other Accounts Receivable	1,393,308.13	987,358.63
Fixed Capital - Utility	33,082,916.94	35,593,652.44
General Fixed Assets	16,686,112.00	32,530,956.05
Deferred Charges to Revenue of Succeeding Years	306,284.53	46,315.23
Deferred Charges to Future Taxation - General Capital	<u>17,717,385.75</u>	<u>18,718,834.19</u>
Total Assets	<u>\$ 79,993,635.17</u>	<u>\$ 94,935,386.08</u>

LIABILITIES, RESERVES AND FUND BALANCE

Bonds, Notes and Loans Payable	\$ 27,415,692.89	\$ 22,562,928.85
Improvement Authorizations	2,604,600.72	5,761,790.55
Other Liabilities and Special Funds	7,425,749.26	9,921,181.26
Amortization of Debt for Fixed Capital	22,317,522.39	21,532,167.30
Investment in General Fixed Assets	16,686,112.00	32,530,956.05
Reserve for Certain Assets Receivable	1,426,168.18	652,935.52
Fund Balance	<u>2,117,789.73</u>	<u>1,973,426.55</u>
Total Liabilities, Reserves and Fund Balance	<u>\$ 79,993,635.17</u>	<u>\$ 94,935,386.08</u>

BOROUGH OF ATLANTIC HIGHLANDS
COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGES IN FUND BALANCE - CURRENT FUND

REGULATORY BASIS

<u>REVENUE AND OTHER INCOME REALIZED</u>	<u>Year 2010</u>	<u>Year 2009</u>
Fund Balance Utilized	\$ 950,000.00	\$ 400,000.00
Miscellaneous, From Other Than Local		
Property Tax Levies	2,169,084.20	2,724,176.65
Collection of Delinquent Taxes and Tax Title Liens	290,576.75	367,056.18
Collection of Current Tax Levy	<u>14,214,964.95</u>	<u>14,012,611.89</u>
 Total Revenues	 <u>17,624,625.90</u>	 <u>17,503,844.72</u>
 <u>EXPENDITURES</u>		
Budget Expenditures:		
Municipal Purpose	6,668,804.51	6,645,235.69
County Taxes	2,291,863.84	2,347,989.83
Local and Regional School Taxes	7,857,701.66	7,560,285.98
Municipal Open Space Tax	63,440.00	63,512.00
Other Expenditures	<u>8,992.45</u>	<u>18,936.83</u>
 Total Expenditures	 16,890,802.46	 16,635,960.33
 Excess in Revenue	 733,823.44	 867,884.39
 Fund Balance January 1	 <u>987,819.72</u>	 <u>519,935.33</u>
	1,721,643.16	1,387,819.72
 Less: Utilization as Anticipated Revenue	 <u>950,000.00</u>	 <u>400,000.00</u>
 Fund Balance December 31	 <u>\$ 771,643.16</u>	 <u>\$ 987,819.72</u>

BOROUGH OF ATLANTIC HIGHLANDS
COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGES IN FUND BALANCE - WATER/SEWER UTILITY FUND

REGULATORY BASIS

<u>REVENUE AND OTHER INCOME REALIZED</u>	<u>Year 2010</u>	<u>Year 2009</u>
Fund Balance Utilized	\$	\$ 40,000.00
Collection of Water/Sewer Rents	2,065,395.65	2,136,272.15
Miscellaneous: From Other than Water/Sewer Rents	<u>333,468.18</u>	<u>74,537.97</u>
Total Revenues	<u>2,398,863.83</u>	<u>2,250,810.12</u>
 <u>EXPENDITURES</u>		
Budget Expenditures:		
Operating	1,829,600.00	1,739,588.00
Capital Improvements	40,594.73	20,000.00
Debt Service	477,638.40	466,721.34
Deferred Charges and Statutory Expenditures	107,315.23	70,457.53
Other Expenditures		<u>358.48</u>
Total Expenditures	<u>2,455,148.36</u>	<u>2,297,125.35</u>
Excess / (Deficit) in Revenue	(56,284.53)	(46,315.23)
Adjustments to Income Before Fund Balance	<u>56,284.53</u>	<u>46,315.23</u>
Statutory Excess to Fund Balance		
Fund Balance January 1	<u>34,302.55</u>	<u>74,302.55</u>
	34,302.55	74,302.55
Less: Utilization as Anticipated Revenue		<u>40,000.00</u>
Fund Balance December 31	<u>\$ 34,302.55</u>	<u>\$ 34,302.55</u>

BOROUGH OF ATLANTIC HIGHLANDS

COMPARATIVE STATEMENT OF OPERATIONS AND

CHANGES IN FUND BALANCE - HARBOR COMMISSION UTILITY FUND

REGULATORY BASIS

	<u>Year 2010</u>	<u>Year 2009</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>		
Fund Balance Utilized	\$ 400,000.00	\$ 775,925.00
Harbor Operations	3,506,008.69	3,363,815.06
Gas Station Operations	1,808,343.59	1,501,698.92
Miscellaneous - Other	134,143.29	112,258.73
Other Credits	80,404.88	59,643.17
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Total Revenues	5,928,900.45	5,813,340.88
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<u>EXPENDITURES</u>		
Budget Expenditures:		
Operating	3,776,200.00	3,622,909.03
Capital Improvements	399,577.00	285,790.00
Debt Service	669,405.80	629,013.18
Deferred Charges and Statutory Expenditures	262,555.00	520,311.95
Surplus (General Budget)	600,000.00	600,000.00
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Total Expenditures	5,707,737.80	5,658,024.16
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Excess in Revenue	221,162.65	155,316.72
Adjustment to Income Before Fund Balance:		
Expenditures Included Above Which are by Statute		
Deferred Charges to Budgets of Succeeding Years	250,000.00	<hr/>
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Statutory Excess to Fund Balance	471,162.65	155,316.72
Fund Balance January 1	411,898.56	1,032,506.84
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	883,061.21	1,187,823.56
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Less: Utilization as Anticipated Revenue	400,000.00	775,925.00
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Fund Balance December 31	\$ 483,061.21	\$ 411,898.56
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RECOMMENDATIONS

It is recommended:

10-1. That adequate cash funding be in place prior to commitments being placed against an ordinance.

Of the above recommendations, number 10-1 is similar to that reported in the 2009 audit.

A Corrective Action Plan, which will outline actions the Borough of Atlantic Highlands 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 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 Borough of Atlantic Highlands, County of Monmouth for the calendar year 2010. This report of audit, submitted by Thomas P. Fallon, Registered Municipal Accountant, of Fallon & Larsen LLP, is on file at the Borough Clerk's office and may be inspected by any interested persons.



Dwayne M. Harris
Borough Clerk