

**BOROUGH OF OCEAN GATE**

**COUNTY OF OCEAN**

**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 2018 Audit Report of the Borough of Ocean Gate, County of Ocean as required by N.J.S. 40A:5-7.

**STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE**

	<u>Year 2018</u>	<u>Year 2017</u>
<b><u>Assets</u></b>		
Cash	\$ 3,736,887.92	\$ 4,395,154.59
Taxes, Liens and Utility Charges Receivable	210,827.76	327,138.60
Accounts Receivable	1,169,287.73	917,966.03
Fixed Capital Authorized and Uncompleted - Utility	3,200,000.00	3,200,000.00
Fixed Capital - Utility	4,714,621.84	4,714,621.84
General Fixed Assets	5,675,618.48	5,631,651.48
Deferred Charges to Future Taxation - General Capital	2,912,892.00	3,076,369.00
Deferred Charges to Revenue of Succeeding Year	29,340.00	608,756.42
Total Assets	<u>\$ 21,649,475.73</u>	<u>\$ 22,871,657.96</u>
<b><u>Liabilities, Reserves and Fund Balance</u></b>		
Bonds, Notes and Loans Payable	\$ 4,569,522.03	\$ 5,821,526.74
Improvement Authorizations	1,127,665.84	1,174,320.01
Other Liabilities and Special Funds	2,921,660.53	3,123,581.57
Amortization of Debt for Fixed Capital Acquired or Authorized	5,337,648.91	4,813,867.62
Investments in General Fixed Assets	5,675,618.48	5,631,651.48
Reserve for Certain Assets Receivable	617,884.25	956,714.42
Fund Balance	<u>1,399,475.69</u>	<u>1,349,996.12</u>
Total Liabilities, Reserves and Fund Balance	<u>\$ 21,649,475.73</u>	<u>\$ 22,871,657.96</u>

**STATEMENTS OF OPERATIONS AND CHANGE IN FUND BALANCE**

**CURRENT FUND - REGULATORY BASIS**

	<u>Year 2018</u>	<u>Year 2017</u>
<b><u>Revenue and Other Income Realized</u></b>		
Fund Balance January 1	\$ 785,461.87	\$ 1,103,172.97
Miscellaneous - From Other Than Local Property		
Tax Levies	1,353,351.09	1,250,089.79
Collection of Delinquent Taxes and Tax Title Liens	187,515.72	195,667.25
Collection of Current Tax Levy	5,354,552.68	5,295,095.44
Total Revenue and Fund Balance	<u>7,680,881.36</u>	<u>7,844,025.45</u>
<b><u>Expenditures</u></b>		
Budget Expenditures:		
Municipal Purposes	3,166,607.24	3,246,418.87
County Taxes	953,775.38	956,408.49
Local District School Taxes	1,824,640.00	1,757,190.00
Regional School Taxes	953,776.00	954,794.00
Due from State of New Jersey	-	7,284.39
Grant Fund Cancellations	-	73,582.50
Interfund Loans Made	174,121.95	62,620.33
Other Expenditures	3,801.80	265.00
Total Expenditures	<u>7,076,722.37</u>	<u>7,058,563.58</u>
Fund Balance December 31	<u>\$ 604,158.99</u>	<u>\$ 785,461.87</u>

**STATEMENTS OF OPERATIONS AND CHANGE IN FUND BALANCE**

**WATER UTILITY FUND - REGULATORY BASIS**

	<u>Year 2018</u>	<u>Year 2017</u>
<b><u>Revenue and Other Income Realized</u></b>		
Fund Balance January 1	\$ 381,078.49	\$ 453,803.54
Collection of Water Rents	512,851.30	492,774.33
Miscellaneous - From Other than Water Rents	31,540.40	52,506.94
Total Revenue and Fund Balance	<u>925,470.19</u>	<u>999,084.81</u>
<b><u>Expenditures</u></b>		
Budget Expenditures:		
Operating	281,700.00	238,050.00
Capital Improvements	-	273,238.48
Debt Service	105,051.13	92,167.84
Deferred Charges and Statutory Expenditures	-	14,550.00
Total Expenditures	<u>386,751.13</u>	<u>618,006.32</u>
Fund Balance December 31	<u>\$ 538,719.06</u>	<u>\$ 381,078.49</u>

**STATEMENTS OF OPERATIONS AND CHANGE IN FUND BALANCE**

**SEWER UTILITY FUND - REGULATORY BASIS**

	<u>Year 2018</u>	<u>Year 2017</u>
<b><u>Revenue and Other Income Realized</u></b>		
Fund Balance January 1	\$ 182,612.19	\$ 230,530.13
Collection of Sewer Rents	489,299.00	469,428.07
Miscellaneous - From Other than Sewer Rents	99,210.13	54,336.86
Total Revenue and Fund Balance	<u>771,121.32</u>	<u>754,295.06</u>
<b><u>Expenditures</u></b>		
Budget Expenditures:		
Operating	407,088.00	401,808.00
Capital Improvements	-	63,341.00
Debt Service	96,979.25	92,983.87
Deferred Charges and Statutory Expenditures	11,300.00	13,550.00
Total Expenditures	<u>515,367.25</u>	<u>571,682.87</u>
Fund Balance December 31	<u>\$ 255,754.07</u>	<u>\$ 182,612.19</u>

**RECOMMENDATIONS**

**Finding 2018-01:**

That the Borough develop internal control policies and procedures to properly maintain subsidiary ledgers timely and accurately.

**Finding 2018-02:**

That the Borough should implement controls to ensure employee withholding rates are properly recalculated as changes in coverage or compensation occur

**Finding 2018-03:**

That the Borough implement internal control policies and procedures to properly reconcile the quarterly Internet-Based Report of Contributions.

**Finding 2018-04:**

That the Borough review bond anticipation notes annually to calculate any required payments.

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The above synopsis was prepared from the report on examination of the financial statements and supplementary data of the Borough of Ocean Gate, County of Ocean, for the year ended December 31, 2018. This report was submitted by Holman Frenia Allison, P.C., 680 Hooper Avenue, Building B, Suite 201, Toms River, NJ 08753 and is on file at the Borough Clerk's office and may be inspected by any interested person.

  
Ileana Gallipoli, Municipal Clerk