SUMMARY OF AUDIT REPORT FOR PUBLICATION

Summary of 2025 Audit Report of the
Borough of Atlantic Highlands
As Required by N.J.S.A. 40A:5-7

Combined Comparative Balance Sheet - Regulatory Basis

	Dec. 31, 2025	Dec. 31, 2024
ASSETS		
Cash, cash equivalents and investments	$18,663,202.46	$16,276,838.88
Taxes, liens and utility charges receivable	1,831,181.29	1,551,305.39
Obligations under capital lease	622,876.36	682,631.84
Other receivables and assets	4,424,963.30	4,423,564.36
Fixed assets	19,482,493.20	18,474,924.56
Fixed utility capital	41,012,345.80	40,798,408.80
Fixed utility capital authorized and uncompleted	23,900,000.00	23,900,000.00
Deferred charges - other	0.00	208,228.20
Deferred charges to future taxation - funded	2,860,000.00	3,330,000.00
Deferred charges to future taxation - unfunded	950,000.00	950,000.00
	$113,747,062.41	$110,595,902.03
LIABILITIES, RESERVES AND FUND BALANCE		
Bonds, notes and loans payable	$8,838,508.58	$7,455,297.13
Lease obligations payable	622,876.36	682,631.84
Improvement authorizations	4,341,872.27	4,544,640.18
Other liabilities and reserves	13,453,435.46	13,812,919.27
Reserve for amortization	38,343,837.22	37,423,111.67
Deferred reserve for amortization	19,400,000.00	19,400,000.00
Investment in fixed assets	19,482,493.20	18,474,924.56
Reserve for receivables	2,003,709.76	1,869,494.69
Fund balance	7,260,329.56	6,932,882.69
	$113,747,062.41	$110,595,902.03

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE - CURRENT FUND - REGULATORY BASIS

	2025	2024
REVENUE REALIZED		
Fund balance	$920,100.00	$1,070,000.00
Miscellaneous from other than local property tax levies	3,019,796.21	3,463,059.30
Collection of delinquent taxes	195,068.87	159,135.15
Collection of current tax levy	19,516,455.22	19,158,981.50
Total Income	23,651,420.30	23,851,175.95
EXPENDITURES		
Municipal purposes	9,397,854.20	9,437,525.39
County taxes	2,881,253.28	2,737,361.15
School taxes	10,168,453.00	10,428,781.00
Municipal open space taxes	258,239.37	116,622.21
Other	78,649.41	226,641.50
Total Expenditures	22,784,449.26	22,946,931.25
Excess in revenue	866,971.04	904,244.70
Adjustments to income before fund balance:		
Expenditures included above which are by statute deferred charges to budget of succeeding year	-	-
	866,971.04	904,244.70
Fund Balance, January 1	1,251,681.85	1,417,437.15
	2,118,652.89	2,321,681.85
Less, utilized as anticipated revenue	920,100.00	1,070,000.00
Fund balance, December 31	$1,198,552.89	$1,251,681.85

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE
WATER/SEWER UTILITY OPERATING FUND - REGULATORY BASIS

	2025	2024
REVENUE REALIZED		
Fund balance	$450,000.00	$255,000.00
Collection of rents	2,498,415.05	2,368,526.60
Capital fund balance	-	-
Miscellaneous	132,999.81	59,886.80
Other	70,728.86	81,767.18
Total Income	3,152,143.72	2,765,180.58
EXPENDITURES		
Operating	2,014,305.16	1,966,564.78
Capital Improvements	160,000.00	175,000.00
Debt service	488,829.97	494,415.42
Statutory expenditures	131,071.53	94,019.80
Other	-	-
Total Expenditures	2,794,206.66	2,730,000.00
Excess in revenue	357,937.06	35,180.58
Adjustments to income before fund balance:		
Expenditures included above which are by statute deferred charges to budget of succeeding year	-	-
	357,937.06	35,180.58
Fund Balance, January 1	496,231.91	716,051.33
	854,168.97	751,231.91
Less, utilized as anticipated revenue	450,000.00	255,000.00
Fund balance, December 31	$404,168.97	$496,231.91

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE
HARBOR COMMISSION UTILITY OPERATING FUND - REGULATORY BASIS

	2025	2024
REVENUE REALIZED		
Fund balance	$100,000.00	$100,000.00
Harbor operations	4,772,020.18	4,634,241.70
Gas station operations	1,964,732.83	2,299,820.11
Miscellaneous	72,365.68	331,241.58
Other	252,250.38	82,682.95
Total Income	7,161,369.07	7,447,986.34
EXPENDITURES		
Operating	4,958,004.71	4,691,291.73
Capital improvements	150,000.00	150,000.00
Debt service	362,923.34	307,615.03
Deferred charges	100,000.00	95,173.97
Statutory expenditures	337,268.62	354,940.73
Surplus (general budget)	700,000.00	700,000.00
Total Expenditures	6,608,196.67	6,299,021.46
Excess in revenue	553,172.40	1,148,964.88
Fund Balance, January 1	5,111,598.43	4,062,633.55
	5,664,770.83	5,211,598.43
Less, utilized as anticipated revenue	100,000.00	100,000.00
Fund balance, December 31	$5,564,770.83	$5,111,598.43

RECOMMENDATIONS

It is recommended that:

* -where practicable, interfund balances be liquidated prior to year-end or subsequently liquidated on a timely basis in the following year.

*A similar recommendation was made in the prior year.

A corrective action plan, which will outline actions the Borough of Atlantic Highlands will take to implement the audit recommendations listed above, will be prepared in accordance with applicable requirements.

The accompanying summary was prepared from the 2025 audit report of the Borough of Atlantic Highlands, County of Monmouth. The 2025 audit report, submitted by Robert S. Oliwa, CPA, RMA #414, of Oliwa & Company, is on file at the Borough Clerk's office, and may be inspected by any interested person.

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Borough Clerk