

BOROUGH OF WHARTON
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 Wharton as required by N.J.S. 40A:5-7.

COMBINED COMPARATIVE BALANCE SHEET

<u>ASSETS</u>	Year Ended December 31,	
	2018	2017
Cash and Cash Equivalents	\$ 15,409,064.34	\$ 16,820,944.99
Taxes and Liens Receivable	327,664.29	316,058.50
Property Acquired for Taxes Assessed Valuation	71,300.00	71,300.00
Accounts Receivable	2,153,373.18	2,357,277.06
Deferred Charges to Future Taxation - General Capital Fund	75,450.45	104,595.14
Fixed Capital - Utility Funds	20,811,684.30	18,846,166.55
Fixed Capital Authorized and Uncompleted - Utility Funds	1,200,000.00	2,545,000.00
Fixed Assets	<u>24,432,038.00</u>	<u>23,878,034.00</u>
TOTAL ASSETS	<u>\$ 64,480,574.56</u>	<u>\$ 64,939,376.24</u>

LIABILITIES, RESERVES AND FUND BALANCES

Bonds, Notes and Loans Payable	\$ 260,265.60	\$ 2,925,496.49
Improvement Authorizations	4,568,586.36	3,900,009.21
Other Liabilities and Special Funds	7,358,274.79	11,032,510.12
Reserve for Amortization - Utility Funds	20,626,869.15	17,545,265.20
Deferred Reserve for Amortization - Utility Funds	1,200,000.00	365,000.00
Reserve for Certain Assets Receivable	546,404.04	537,001.64
Investment in Fixed Assets	24,432,038.00	23,878,034.00
Fund Balances	<u>5,488,136.62</u>	<u>4,756,059.58</u>
TOTAL LIABILITIES, RESERVES AND FUND BALANCES	<u>\$ 64,480,574.56</u>	<u>\$ 64,939,376.24</u>

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

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

	Year Ended December 31,	
	2018	2017
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 2,127,294.00	\$ 1,986,294.00
Miscellaneous Revenue Anticipated	3,432,528.36	2,901,025.39
Receipts from:		
Delinquent Taxes	262,499.48	214,459.10
Current Taxes	20,335,948.64	19,970,860.05
Nonbudget Revenue	803,028.91	780,042.62
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	887,748.36	815,219.56
Federal and State Grant Fund Appropriated Reserves Canceled	301.07	16,301.33
Tax Overpayments Canceled	97.99	371.00
Interfunds Returned		5,658.83
Total Income	27,849,446.81	26,690,231.88
<u>Expenditures</u>		
Budget and Emergency Appropriations:		
Municipal Purposes	8,902,783.39	8,285,757.53
County Taxes	1,758,014.30	1,738,240.56
Local School District Taxes	9,278,978.00	9,112,016.00
Regional High School Taxes	4,239,467.00	4,148,696.00
Special Garbage District Taxes	1,126,511.00	1,104,741.00
Local Open Space Taxes	102,216.83	99,242.75
Prior Year Senior Citizens' Deductions Disallowed	2,096.58	1,627.40
Federal and State Grant Fund Grants Receivable Canceled	215.51	13,673.75
Interfunds Advanced	2,814.89	
Total Expenditures	25,413,097.50	24,503,994.99
Excess in Revenues/Statutory Excess to Fund Balance	2,436,349.31	2,186,236.89
<u>Fund Balance</u>		
Balance January 1	2,375,471.07	2,175,528.18
Decreased by:	4,811,820.38	4,361,765.07
Utilized as Anticipated Revenue	2,127,294.00	1,986,294.00
Balance December 31	\$ 2,684,526.38	\$ 2,375,471.07

BOROUGH OF WHARTON
SUMMARY OR SYNOPSIS OF AUDIT REPORT FOR PUBLICATION

(Continued)

Comparative Statement of Operations and Change in
Fund Balance - Water Utility Operating Fund

	Year Ended December 31,	
	2018	2017
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 525,000.00	\$ 525,000.00
Water Rents	2,086,016.60	2,059,425.30
Reserve for Payment of Debt Service	50,000.00	25,000.00
Miscellaneous Revenue Anticipated	72,543.72	52,961.81
Developer's Agreement - MUA Loan Repayment		24,722.22
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	387,819.58	408,464.23
Total Income	3,121,379.90	3,095,573.56
<u>Expenditures</u>		
Operating	1,644,192.00	1,627,209.00
Capital Improvements	110,000.00	110,000.00
Debt Service	561,884.54	517,609.27
Deferred Charges and Statutory Expenditures	69,660.00	66,610.00
Total Expenditures	2,385,736.54	2,321,428.27
Excess in Revenues/Statutory Excess to Fund Balance	735,643.36	774,145.29
<u>Fund Balance</u>		
Balance January 1	952,465.39	864,320.10
	1,688,108.75	1,638,465.39
Decreased by:		
Utilized as Anticipated Revenue:		
Water Utility Operating Budget	525,000.00	525,000.00
Current Fund Budget	161,000.00	161,000.00
Balance December 31	\$ 1,002,108.75	\$ 952,465.39

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

Comparative Statement of Operations and Change in
Fund Balance - Sewer Utility Operating Fund

	Year Ended December 31,	
	2018	2017
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 335,000.00	\$ 335,000.00
Sewer User Charges	1,689,052.16	1,681,409.78
Miscellaneous Revenue Anticipated	48,645.41	16,303.99
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	267,179.72	305,541.15
Total Income	2,459,209.54	2,338,254.92
<u>Expenditures</u>		
Operating	1,576,718.00	1,468,835.00
Capital Improvements	93,000.00	56,000.00
Debt Service	263,468.90	272,390.53
Deferred Charges and Statutory Expenditures	66,160.00	64,210.00
Total Expenditures	1,999,346.90	1,861,435.53
Excess in Revenues/Statutory Excess to Fund Balance	459,862.64	476,819.39
<u>Fund Balance</u>		
Balance January 1	814,123.11	833,303.72
	1,273,985.75	1,310,123.11
Decreased by:		
Utilized as Anticipated Revenue:		
Sewer Utility Operating Budget	335,000.00	335,000.00
Current Fund Budget	161,000.00	161,000.00
Balance December 31	\$ 777,985.75	\$ 814,123.11

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

Comparative Statement of Operations and Change in
Fund Balance - Special Garbage District Fund

	Year Ended December 31,	
	2018	2017
<u>Revenue and Other Income Realized</u>		
Fund Balance Anticipated	\$ 78,900.00	\$ 278,900.00
District Tax	1,126,511.00	1,104,741.00
Nonbudget Revenue	14,520.39	56,685.29
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	129,437.06	170,776.79
Total Income	1,349,368.45	1,611,103.08
<u>Expenditures</u>		
Budget Expenditures:		
Operating	1,137,251.00	1,117,631.40
Capital Projects		200,000.00
Statutory Expenditures	68,160.00	66,010.00
Total Expenditures	1,205,411.00	1,383,641.40
Excess in Revenues/Statutory Excess to Fund Balance	143,957.45	227,461.68
<u>Fund Balance</u>		
Balance January 1	493,969.93	545,408.25
	637,927.38	772,869.93
Decreased by:		
Utilized as Anticipated Revenue	78,900.00	278,900.00
Balance December 31	\$ 559,027.38	\$ 493,969.93

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(Continued)

RECOMMENDATIONS

None.

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The above summary or synopsis was prepared from the report of audit of the Borough of Wharton, County of Morris, for the calendar year 2018. This report of audit, submitted by Raymond Sarinelli, Registered Municipal Accountant, of Nisivoccia LLP, is on file at the Borough Clerk's office and may be inspected by any interested person.

Gabrielle Evangelista
Borough Clerk