

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 2017 Audit report of the Borough of Wharton as required by N.J.S. 40A:5-7.

COMBINED COMPARATIVE BALANCE SHEET

<u>ASSETS</u>	<u>Year Ended December 31,</u>	
	<u>2017</u>	<u>2016</u>
Cash and Cash Equivalents	\$ 16,820,944.99	\$ 18,589,775.92
Taxes and Liens Receivable	316,058.50	266,450.64
Property Acquired for Taxes Assessed Valuation	71,300.00	71,300.00
Accounts Receivable	2,357,277.06	3,281,553.16
Deferred Charges to Future Taxation - General Capital Fund	104,595.14	133,165.56
Fixed Capital - Utility Funds	18,846,166.55	14,460,360.00
Fixed Capital Authorized and Uncompleted - Utility Funds	2,545,000.00	6,404,000.00
Fixed Assets (Unaudited)	<u>37,072,043.00</u>	<u>33,165,469.00</u>
TOTAL ASSETS	<u>\$ 78,133,385.24</u>	<u>\$ 76,372,074.28</u>
<u>LIABILITIES, RESERVES AND FUND BALANCES</u>		
Bonds, Notes and Loans Payable	\$ 2,925,496.49	\$ 2,540,914.03
Improvement Authorizations	3,900,009.21	5,347,591.45
Other Liabilities and Special Funds	11,032,510.12	13,261,145.08
Reserve for Amortization - Utility Funds	17,545,265.20	13,467,611.53
Deferred Reserve for Amortization - Utility Funds	365,000.00	3,551,993.25
Reserve for Certain Assets Receivable	537,001.64	537,732.78
Investment in Fixed Assets (Unaudited)	37,072,043.00	33,165,469.00
Fund Balances	<u>4,756,059.58</u>	<u>4,499,617.16</u>
TOTAL LIABILITIES, RESERVES AND FUND BALANCES	<u>\$ 78,133,385.24</u>	<u>\$ 76,372,074.28</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,	
	2017	2016
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 1,986,294.00	\$ 2,516,294.00
Miscellaneous Revenue Anticipated	2,901,025.39	2,910,059.82
Receipts from:		
Delinquent Taxes	214,459.10	226,618.24
Current Taxes	19,970,860.05	19,541,902.32
Nonbudget Revenue	780,042.62	768,374.16
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	815,219.56	748,623.26
Federal and State Grant Fund Appropriated Reserves Canceled	16,301.33	
Tax Overpayments Canceled	371.00	
Interfunds Returned	5,658.83	2,656.59
Total Income	26,690,231.88	26,714,528.39
<u>Expenditures</u>		
Budget and Emergency Appropriations:		
Municipal Purposes	8,285,757.53	8,766,080.10
County Taxes	1,738,240.56	1,693,494.12
Local School District Taxes	9,112,016.00	8,949,315.00
Regional High School Taxes	4,148,696.00	4,025,069.00
Special Garbage District Taxes	1,104,741.00	1,071,014.40
Local Open Space Taxes	99,242.75	98,515.75
Reserve for Pending Tax Appeals		129,723.27
Prior Year Senior Citizens' Deductions Disallowed	1,627.40	2,500.00
Federal and State Grant Fund Grants Receivable Canceled	13,673.75	
Interfunds Advanced		5,658.83
Total Expenditures	24,503,994.99	24,741,370.47
Excess in Revenues/Statutory Excess to Fund Balance	2,186,236.89	1,973,157.92
<u>Fund Balance</u>		
Balance January 1	2,175,528.18	2,718,664.26
	4,361,765.07	4,691,822.18
Decreased by:		
Utilized as Anticipated Revenue	1,986,294.00	2,516,294.00
Balance December 31	\$ 2,375,471.07	\$ 2,175,528.18

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,	
	2017	2016
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 525,000.00	\$ 525,000.00
Water Rents	2,059,425.30	2,030,806.79
Reserve for Payment of Debt Service	25,000.00	
Miscellaneous Revenue Anticipated	52,961.81	59,983.06
Developer's Agreement - MUA Loan Repayment	24,722.22	49,444.44
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	408,464.23	376,391.92
Total Income	3,095,573.56	3,041,626.21
<u>Expenditures</u>		
Operating	1,627,209.00	1,614,128.00
Capital Improvements	110,000.00	110,000.00
Debt Service	517,609.27	479,570.68
Deferred Charges and Statutory Expenditures	66,610.00	59,550.00
Total Expenditures	2,321,428.27	2,263,248.68
Excess in Revenues/Statutory Excess to Fund Balance	774,145.29	778,377.53
<u>Fund Balance</u>		
Balance January 1	864,320.10	739,942.57
	1,638,465.39	1,518,320.10
Decreased by:		
Utilized as Anticipated Revenue:		
Water Utility Operating Budget	525,000.00	525,000.00
Current Fund Budget	161,000.00	129,000.00
Balance December 31	\$ 952,465.39	\$ 864,320.10

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,	
	2017	2016
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 335,000.00	\$ 335,000.00
Sewer User Charges	1,681,409.78	1,638,627.43
Miscellaneous Revenue Anticipated	16,303.99	81,469.89
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	305,541.15	228,914.09
	2,338,254.92	2,284,011.41
 <u>Expenditures</u>		
Operating	1,468,835.00	1,344,772.00
Capital Improvements	56,000.00	50,000.00
Debt Service	272,390.53	279,194.43
Deferred Charges and Statutory Expenditures	64,210.00	55,400.00
	1,861,435.53	1,729,366.43
Excess in Revenues/Statutory Excess to Fund Balance	476,819.39	554,644.98
 <u>Fund Balance</u>		
Balance January 1	833,303.72	806,658.74
	1,310,123.11	1,361,303.72
Decreased by:		
Utilized as Anticipated Revenue:		
Sewer Utility Operating Budget	335,000.00	335,000.00
Current Fund Budget	161,000.00	193,000.00
	814,123.11	833,303.72
Balance December 31	\$ 814,123.11	\$ 833,303.72

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,	
	2017	2016
<u>Revenue and Other Income Realized</u>		
Fund Balance Anticipated	\$ 278,900.00	\$ 78,900.00
District Tax	1,104,741.00	1,071,014.40
Nonbudget Revenue	56,685.29	26,433.56
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	170,776.79	172,148.39
Total Income	1,611,103.08	1,348,496.35
<u>Expenditures</u>		
Budget Expenditures:		
Operating	1,117,631.40	1,087,484.40
Capital Projects	200,000.00	
Statutory Expenditures	66,010.00	62,430.00
Total Expenditures	1,383,641.40	1,149,914.40
Excess in Revenues/Statutory Excess to Fund Balance	227,461.68	198,581.95
<u>Fund Balance</u>		
Balance January 1	545,408.25	425,726.30
	772,869.93	624,308.25
Decreased by:		
Utilized as Anticipated Revenue:	278,900.00	78,900.00
Balance December 31	\$ 493,969.93	\$ 545,408.25

BOROUGH OF WHARTON
SUMMARY OR SYNOPSIS OF AUDIT REPORT FOR PUBLICATION
(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 2017. This report of audit, submitted by Raymond G. Sarinelli, Registered Municipal Accountant, of Nisivoccia LLP, is on file at the Borough Clerk's office and may be inspected by any interested person.

Clerk