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 2025 Audit report of the Borough of Wharton as required by N.J.S. 40A:5-7.

COMBINED COMPARATIVE BALANCE SHEET

	Year Ended December 31, 2025	2024
ASSETS		
Cash and Cash Equivalents	$ 25,832,643.15	$ 20,496,929.41
Taxes and Liens Receivable	600,369.80	633,745.61
Property Acquired for Taxes Assessed Valuation	71,300.00	71,300.00
Accounts Receivable	1,902,132.14	4,089,991.02
Fixed Capital - Utility Funds	23,203,219.29	23,203,219.29
Fixed Capital Authorized and Uncompleted - Utility Funds	7,486,634.01	5,280,000.00
Fixed Assets	26,923,081.00	26,480,633.00
TOTAL ASSETS	$ 86,019,379.39	$ 80,255,818.33
LIABILITIES, RESERVES AND FUND BALANCES		
Bonds, Notes and Loans Payable		$ 25,127.15
Improvement Authorizations	$ 10,627,430.72	8,997,419.48
Other Liabilities and Special Funds	9,342,354.14	7,923,344.20
Reserve for Amortization - Utility Funds	23,203,219.29	23,178,092.14
Deferred Reserve for Amortization - Utility Funds	7,486,634.01	5,280,000.00
Reserve for Certain Assets Receivable	889,690.13	865,460.28
Investment in Fixed Assets	26,923,081.00	26,480,633.00
Fund Balances	7,546,970.10	7,505,742.08
TOTAL LIABILITIES, RESERVES AND FUND BALANCES	$ 86,019,379.39	$ 80,255,818.33

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, 2025	Year Ended December 31, 2024
Revenue and Other Income Realized		
Fund Balance Utilized	$ 2,934,030.00	$ 3,554,950.00
Miscellaneous Revenue Anticipated	4,734,129.52	5,865,499.84
Receipts from:		
Delinquent Taxes	430,851.21	345,530.51
Current Taxes	27,393,861.78	26,601,596.63
Nonbudget Revenue	1,348,918.81	1,106,334.57
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	750,409.18	805,624.60
Total Income	37,592,200.50	38,279,536.15
Expenditures		
Budget Appropriations:		
Municipal Purposes	12,707,756.73	14,291,039.24
County Taxes	2,531,531.04	2,244,285.42
Local School District Taxes	10,474,239.00	10,287,633.00
Regional High School Taxes	6,788,028.00	6,711,756.00
Special Garbage District Taxes	1,419,629.70	1,420,283.20
Local Open Space Taxes	149,153.55	136,211.10
Reserve for Pending Tax Appeals		37,000.00
Prior Year Senior Citizens' Deductions Disallowed	2,750.00	2,250.00
Total Expenditures	34,073,088.02	35,130,457.96
Excess in Revenues/Statutory Excess to Fund Balance	3,519,112.48	3,149,078.19
Fund Balance		
Balance January 1	3,450,925.71	3,856,797.52
	6,970,038.19	7,005,875.71
Decreased by:		
Utilized as Anticipated Revenue	2,934,030.00	3,554,950.00
Balance December 31	$ 4,036,008.19	$ 3,450,925.71

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, 2025	2024
Revenue and Other Income Realized		
Fund Balance Utilized	$ 663,000.00	$ 550,000.00
Water Rents	2,951,248.01	2,833,903.65
Water Fund Capital Balance	225,000.00	
Miscellaneous Revenue Not Anticipated	196,195.35	227,403.07
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	448,084.95	397,579.23
Total Income	4,483,528.31	4,008,885.95
Expenditures		
Budget Expenditures:		
Operating	2,104,919.75	1,994,627.00
Capital Improvements	1,150,000.00	835,000.00
Debt Service	25,401.31	26,374.94
Deferred Charges and Statutory Expenditures	98,147.20	89,900.00
Total Expenditures	3,378,468.26	2,945,901.94
Excess in Revenues/Statutory Excess to Fund Balance	1,105,060.05	1,062,984.01
Fund Balance		
Balance January 1	1,648,667.16	1,520,683.15
	2,753,727.21	2,583,667.16
Decreased by:		
Utilized as Anticipated Revenue:		
Water Utility Operating Budget	663,000.00	550,000.00
Current Fund Budget	612,000.00	385,000.00
Balance December 31	$ 1,478,727.21	$ 1,648,667.16

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

	Ref.	Year Ended December 31, 2025	Year Ended December 31, 2024
Revenue and Other Income Realized			
Fund Balance Utilized		$ 634,000.00	$ 550,000.00
Sewer User Charges		2,531,144.62	2,312,486.66
Miscellaneous Revenue Not Anticipated		149,111.07	129,680.06
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		446,321.68	575,677.75
Total Income		3,760,577.37	3,567,844.47
Expenditures			
Budget Expenditures:			
Operating		2,135,400.00	1,910,392.25
Capital Improvements		390,000.00	465,000.00
Deferred Charges and Statutory Expenditures		98,242.89	88,038.75
Total Expenditures		2,623,642.89	2,463,431.00
Excess in Revenues/Statutory Excess to Fund Balance		1,136,934.48	1,104,413.47
Fund Balance			
Balance January 1		1,227,754.59	910,341.12
		2,364,689.07	2,014,754.59
Decreased by:			
Utilized as Anticipated Revenue:			
Sewer Utility Operating Budget		634,000.00	550,000.00
Current Fund Budget		432,000.00	237,000.00
Balance December 31	E	$ 1,298,689.07	$ 1,227,754.59

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, 2025	2024
Revenue and Other Income Realized		
Fund Balance Anticipated	$ 178,000.00	$ 150,000.00
District Tax	1,419,629.70	1,420,283.20
Interlocal Service Agreements	85,000.00	
Nonbudget Revenue	79,592.38	64,740.62
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	128,558.63	90,437.75
Total Income	1,890,780.71	1,725,461.57
Expenditures		
Budget Expenditures:		
Operating	1,506,123.25	1,333,898.20
Capital Projects	80,000.00	150,000.00
Statutory Expenditures	96,506.45	86,385.00
Total Expenditures	1,682,629.70	1,570,283.20
Excess in Revenues/Statutory Excess to Fund Balance	208,151.01	155,178.37
Fund Balance		
Balance January 1	798,855.10	793,676.73
	1,007,006.11	948,855.10
Decreased by:		
Utilized as Anticipated Revenue	178,000.00	150,000.00
Balance December 31	$ 829,006.11	$ 798,855.10

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

RECOMMENDATIONS

It is recommended that:

1. An adequate segregation of duties be maintained with respect to the recording and treasury functions.

2. The Borough should ensure the billings and collections activity for police salaries for special outside duty occurs prior to the performance of services to ensure compliance with Local Finance Notice 2000-14.

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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 2025. This report of audit, submitted by Raymond A. Sarinelli, Registered Municipal Accountant, of Nisivoccia LLP, is on file at the Borough Clerk's office and may be inspected by any interested person.

CHERYL MUZZILLO, BOROUGH CLERK