

**REPORT OF AUDIT**  
**TOWNSHIP OF WANTAGE**  
**COUNTY OF SUSSEX**  
**DECEMBER 31, 2018**

TOWNSHIP OF WANTAGE, N.J.  
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**TOWNSHIP OF WANTAGE**

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**PART I**

**REPORT OF AUDIT ON FINANCIAL STATEMENTS**

**AND SUPPLEMENTARY DATA**

**YEAR ENDED DECEMBER 31, 2018**

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## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and  
Members of the Township Committee  
Township of Wantage  
Wantage, NJ 07461

### **Report on the Financial Statements**

We have audited the accompanying balance sheets - regulatory basis of the various funds and account group of the Township of Wantage in the County of Sussex, as of December 31, 2018 and 2017, the related statement of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various funds for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As described in Note 1 of the financial statements, the financial statements are prepared by the Township of Wantage on the basis of the financial reporting provisions prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of New Jersey.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the Township of Wantage as of December 31, 2018 and 2017, or changes in financial position for the years then ended.

***Basis for Qualified Opinion on Regulatory Basis Accounting Principles***

As described in Note 16 of the financial statements, the Township participates in a Length of Service Award Program (LOSAP) volunteer fire and rescue personnel. The amount reflected in the trust fund statements of \$541,299.76 and \$570,229.23 for 2018 and 2017, respectively, were not audited and, therefore we express no opinion on the LOSAP program.



***Qualified Opinion on Regulatory Basis of Accounting***

In our opinion, except for the effects of the matter described in “Basis for Qualified Opinion on Regulatory Basis Accounting Principles” paragraph, with the exception of the Length of Services Award Program, the financial statements referred to above present fairly, in all material respects, the regulatory basis balances sheets as of December 31, 2018 and 2017, the regulatory basis statements of operations for the years then ended and the regulatory basis statements of revenues and expenditures for the year ended December 31, 2018 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

***Other Matters***

***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Wantage’s basic financial statements. The supplementary information listed in the table of contents and the letter of comments and recommendations section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental information listed in the table of contents are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information listed in the table of contents are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The letter of comments and recommendations section has not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.



**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated July 16, 2019, on our consideration of the Township of Wantage's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Wantage's internal control over financial reporting and compliance.



Thomas M. Ferry, C.P.A.  
Registered Municipal Accountant  
No. 497

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*Certified Public Accountants*

Newton, New Jersey

July 16, 2019

## Comparative Balance Sheet - Regulatory Basis

## Current Fund

December 31,

	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
<u>Assets</u>			
Current Fund:			
Cash	A-4	1,801,860.82	2,770,841.55
Change Fund	A-5	100.00	100.00
		<u>1,801,960.82</u>	<u>2,770,941.55</u>
Due From State of New Jersey:			
Senior Citizen and Veteran Deductions	A-10	34,066.23	28,893.85
		<u>1,836,027.05</u>	<u>2,799,835.40</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Taxes Receivable	A-6	623,403.62	536,714.73
Tax Title Liens Receivable	A-7	555,734.03	369,848.21
Property Acquired for Taxes - Assessed Valuation	A-8	1,439,900.00	1,500,000.00
Revenue Accounts Receivable	A-9	1,360.07	3,134.34
		<u>2,620,397.72</u>	<u>2,409,697.28</u>
Deferred Charges:			
Special Emergency Authorizations	A-12	24,400.00	87,800.00
		<u>4,480,824.77</u>	<u>5,297,332.68</u>
Federal and State Grant Fund:			
Interfund - Current Fund	A-21	48,655.61	124,837.88
Grants Receivable	A-22	997,937.77	12,034.99
		<u>1,046,593.38</u>	<u>136,872.87</u>
		<u>5,527,418.15</u>	<u>5,434,205.55</u>

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

## Comparative Balance Sheet - Regulatory Basis

## Current Fund

December 31,

	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Current Fund:			
Appropriation Reserves			
Unencumbered	A-3;A-13	336,555.19	270,109.68
Encumbered	A-3;A-13	159,800.26	114,300.71
Interfunds Payable:			
Federal and State Grant Fund	A-11	48,655.61	124,837.88
General Capital	A-11	55,432.77	
Other Trust Fund	A-11	11.27	
Tax Overpayments	A-14	113,961.68	39,346.14
Reserve for:			
Master Plan Update	A-14	2,668.82	2,668.82
Revaluation of Real Property	A-14	39,325.33	39,325.33
Sale of Municipal Assets	A-14	6,325.00	
Digital Tax Maps	A-14	2,986.54	2,986.54
Due to State of N.J. - Marriage Licenses	A-14	275.00	325.00
Commitment Payable	A-15	26,657.00	24,237.00
Prepaid Taxes	A-16	260,112.17	1,050,020.06
County Taxes Payable	A-17	14,577.64	16,604.65
		<u>1,067,344.28</u>	<u>1,684,761.81</u>
Reserve for Receivables	Contra	2,620,397.72	2,409,697.28
Fund Balance	A-1	<u>793,082.77</u>	<u>1,202,873.59</u>
		<u>4,480,824.77</u>	<u>5,297,332.68</u>
Federal and State Grant Fund:			
Appropriated Reserve for Grants	A-23	1,046,593.38	129,480.72
Unappropriated Reserve for Grants	A-24	0.00	7,392.15
		<u>1,046,593.38</u>	<u>136,872.87</u>
		<u>5,527,418.15</u>	<u>5,434,205.55</u>

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

## Township of Wantage, N. J.

## Comparative Statement of Operations and Changes in Fund Balance - Regulatory Basis

## Current Fund

## Years Ended December 31,

	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
Revenues and Other Income:			
Fund Balance Utilized	A-2	660,900.00	336,850.00
Miscellaneous Revenue Anticipated	A-2	2,636,486.62	1,441,989.90
Receipts from Delinquent Taxes	A-2	513,424.47	800,430.61
Receipts from Current Taxes	A-2	30,489,130.26	30,804,039.36
Non-Budget Revenue	A-2	383,554.95	239,389.80
Other Credits to Income:			
Interfunds Returned			75,758.82
Appropriated Grants Cancelled	A-11	0.15	
Unexpended Balance of Appropriation Reserves	A-13	228,045.45	309,665.64
Schedule of Various Reserves Cancelled	A-14	7.35	0.27
Total Revenues and Other Income		<u>34,911,549.25</u>	<u>34,008,124.40</u>
Expenditures:			
Budget and Emergency Appropriations:			
Operations - Within Caps:			
Salaries and Wages	A-3	1,316,044.38	1,268,583.00
Other Expenses	A-3	1,981,409.62	1,882,325.00
Deferred Charges and Statutory Expenditures - Municipal - Within Caps	A-3	266,563.00	257,747.00
Operations - Excluded From CAPS:			
Salaries and Wages	A-3	222,975.00	172,384.00
Other Expenses	A-3	1,544,170.21	239,710.02
Capital Improvements	A-3	440,800.00	289,000.00
Municipal Debt Service	A-3	974,679.42	1,098,365.44
Deferred Charges	A-3	63,400.00	63,709.00
Appeals of Prior Year Taxes	A-14	139,130.80	81,926.17
County Taxes including Added Taxes	A-17	6,908,882.28	6,686,831.96
Local Regional School Tax	A-18	13,479,891.00	13,670,851.00
Regional High School Tax	A-19	7,262,450.00	7,467,969.00
Open Space Tax	A-20	60,044.36	
Total Expenditures		<u>34,660,440.07</u>	<u>33,179,401.59</u>
Excess (Deficit) Revenue Over Expenditures		251,109.18	828,722.81
Fund Balance, January 1,	A	<u>1,202,873.59</u>	<u>711,000.78</u>
		1,453,982.77	1,539,723.59
Decreased by:			
Fund Balance Utilized as Budget Revenue		<u>660,900.00</u>	<u>336,850.00</u>
Fund Balance, December 31,	A	<u><u>793,082.77</u></u>	<u><u>1,202,873.59</u></u>

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

## Statement of Revenues - Regulatory Basis

## Current Fund

Year Ended December 31, 2018

	Ref	Budget	Appropriated by: 40A:4-87	Realized	Excess or (Deficit)
Fund Balance Anticipated	A-1	660,900.00		660,900.00	-
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	A-9	3,420.00		4,090.00	670.00
Fines and Costs: Municipal Court	A-9	29,000.00		33,252.19	4,252.19
Interest and Costs on Taxes	A-9	160,000.00		128,024.70	(31,975.30)
Interest on Investments and Deposits	A-9	13,000.00		15,587.74	2,587.74
Interest and Costs on Assessments	A-9	1,000.00		955.78	(44.22)
Cable TV Franchise Fee	A-9	30,392.00		30,392.00	-
Consolidated Municipal Property Tax Relief Aid	A-9	65,203.00		65,203.00	-
Energy Receipts Tax	A-9	689,462.00		689,462.00	-
Garden State Trust	A-9	29,948.00		29,948.00	-
Watershed Moratorium Offset	A-9	4,559.00		4,559.00	-
Special Items of General Revenue Anticipated					
With Prior Written Consent of Director of					
Local Government Services:					
Interlocal Service Agreements:					
Animal Control Agreements	A-9	88,899.00		89,075.00	176.00
Municipal Court - Sussex Borough	A-9	42,214.00		42,214.00	-
Tax Assessor - Sussex Borough	A-9	11,236.00		11,236.00	-
Municipal Court - Stillwater Township	A-9	41,132.00		41,132.00	-
Tax Collector - Sussex Borough	A-9	9,010.00		9,010.00	-
Finance Officer - Andover Borough	A-9	24,450.00		24,450.00	-
Tax Collector - Andover Borough	A-9	12,670.00		12,670.00	-
Public and Private Programs Offset w/ Appropriations:					
Recycling Tonnage Grant	A-22	7,392.00		7,392.00	-
Municipal Alliance on Alcoholism and Drug Abuse	A-22	12,716.00		12,716.00	-
Emergency Management Performance (EMMA)	A-22	10,000.00		10,000.00	-
Alcohol Education and Rehabilitation	A-22		219.70	219.70	-
NJDOT - Municipal Aid - Newman Rd	A-22	148,000.00		148,000.00	-
NJDOT - Municipal Aid - Sherman Ridge Rd	A-22	185,000.00		185,000.00	-
Clean Communities Program	A-22		40,397.51	40,397.51	-
NJDEP - Green Acres Open Space - Berry Rd	A-22	555,000.00		555,000.00	-
NJDEP - Green Acres Open Space - Sherman Ridge Rd	A-22	344,500.00		344,500.00	-
FEMA Assistance to Firefighters - SCBA	A-22		102,000.00	102,000.00	-
Total Miscellaneous Revenues	A-1	2,518,203.00	142,617.21	2,636,486.62	(24,333.59)
Receipts from Delinquent Taxes	A-1;A-2	620,000.00		513,424.47	(106,575.53)
Subtotal General Revenues		3,799,103.00	142,617.21	3,810,811.09	(130,909.12)
Amount to be Raised by Taxes for Support of Municipal Budget-Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	A-2	3,520,355.00		3,429,895.62	(90,459.38)
Budget Totals		7,319,458.00	142,617.21	7,240,706.71	(221,368.50)
Non-Budget Revenue	A-1;A-2			383,554.95	383,554.95
		<u>7,319,458.00</u>	<u>142,617.21</u>	<u>7,624,261.66</u>	<u>162,186.45</u>
		A-3	A-3		

The accompanying "Notes to Financial Statements" are an integral part of these financial statements,

Statement of Revenues - Regulatory Basis

Current Fund

Year Ended December 31, 2018

	<u>Ref.</u>	<u>Budget</u>	Appropriated by: <u>40A:4-87</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
<u>Analysis of Realized Revenues</u>					
Revenue from Collections	A-1;A-6			30,489,130.26	
Allocated to School and County Taxes	A-6			<u>27,711,267.64</u>	
Balance for Support of Municipal Budget Appropriations				2,777,862.62	
Add : Appropriation - Reserve for Uncollected Taxes	A-3			<u>652,033.00</u>	
Amount for Support of Municipal Budget Appropriations	A-2			<u><u>3,429,895.62</u></u>	
Receipts from Delinquent Taxes:					
Delinquent Taxes					
Taxes Receivable	A-6			480,803.12	
Tax Title Liens Receivable	A-7			<u>32,621.35</u>	
	A-2			<u><u>513,424.47</u></u>	
<u>Analysis of Non-budget Revenues</u>					
	<u>Ref.</u>				
Miscellaneous Revenues Not Anticipated:					
Revenues Accounts Receivable:					
Township Clerk	A-9		15,778.12		
Planning and Zoning Board	A-9		<u>37,601.00</u>		
				53,379.12	
Senior Citizens and Veterans Admin. Fees			2,115.77		
Property Maintenance			248,874.85		
Interlocal UCC Fees			44,512.00		
Federal PILOT for Wildlife Refuge			9,398.00		
Tax Sale Premiums			16,600.00		
Miscellaneous			<u>8,675.21</u>		
	A-4			<u>330,175.83</u>	
	A-2			<u><u>383,554.95</u></u>	

**Township of Wantage, N.J.**  
**Statement of Expenditures - Regulatory Basis**  
**Current Fund**  
**Year Ending December 31, 2018**

<u>General Appropriations</u>	<u>Ref.</u>	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>
General Government:						
Administration						
Salaries and Wages		115,551.00	115,517.00	114,121.00	1,396.00	
Other Expenses		27,200.00	27,200.00	17,590.02	9,609.98	
Mayor and Committee						
Salaries and Wages		18,000.00	18,000.00	18,000.00		
Other Expenses		1,200.00	1,200.00	595.00	605.00	
Municipal Clerk						
Salaries and Wages		104,600.00	104,600.00	103,872.24	727.76	
Other Expenses		13,000.00	13,000.00	7,838.64	5,161.36	
Financial Administration						
Salaries and Wages		103,455.00	103,455.00	102,063.56	1,391.44	
Other Expenses		9,500.00	9,500.00	6,550.64	2,949.36	
Audit Services		34,374.00	34,374.00	15,500.00	18,874.00	
Computer Services						
Salaries and Wages		3,184.00	3,184.00	3,184.00		
Other Expenses		38,145.00	38,145.00	23,813.02	14,331.98	
Collection of Taxes						
Salaries and Wages		56,087.00	56,087.00	53,688.99	2,398.01	
Other Expenses		23,000.00	23,000.00	7,475.19	15,524.81	

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

**Township of Wantage, N.J.**  
**Statement of Expenditures - Regulatory Basis**  
**Current Fund**  
**Year Ending December 31, 2018**

<u>General Appropriations</u>	<u>Ref.</u>	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>
Assessment of Taxes						
Salaries and Wages		76,512.00	76,512.00	76,511.93	0.07	
Other Expenses		15,364.00	15,364.00	8,039.51	7,324.49	
Legal Services and Costs						
Other Expenses		105,000.00	105,000.00	89,012.51	15,987.49	
Engineering Services and Costs						
Other Expenses		45,000.00	45,000.00	32,759.58	12,240.42	
⌌ Municipal Land Use Law (N.J.S. 40:55 D-11)						
Salaries and Wages		14,780.00	14,780.00	14,768.07	11.93	
Other Expenses		25,000.00	25,000.00	14,194.32	10,805.68	
Code Enforcement						
Salaries and Wages		34,811.00	34,811.00	34,809.97	1.03	
Other Expenses		2,500.00	2,500.00	1,814.95	685.05	
Insurance						
Other Insurance Premiums		160,960.00	160,960.00	155,963.00	4,997.00	
Workmen's Compensation Insurance		97,630.00	97,630.00	97,177.18	452.82	
Group Insurance Plan for Employees		508,500.00	508,500.00	410,081.43	98,418.57	
Health Benefit Waiver		17,000.00	17,000.00	15,246.45	1,753.55	
Emergency Management Systems						
Salaries and Wages		4,606.00	4,606.00	4,606.00		
Other Expenses		6,000.00	6,000.00	5,073.44	926.56	

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.



**Township of Wantage, N.J.**  
**Statement of Expenditures - Regulatory Basis**  
**Current Fund**  
**Year Ending December 31, 2018**

<u>General Appropriations</u>	<u>Ref.</u>	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>
Public Safety:						
Fire Department		26,200.00	26,200.00	21,089.53	5,110.47	
Aid to Volunteer Fire Companies		90,000.00	90,000.00	90,000.00		
Aid to Volunteer Fire - Adjoining Municipalities (2)		57,000.00	57,000.00	57,000.00		
OSHA Standard Fire Fighter Turnout Gear		39,500.00	39,500.00	34,408.41	5,091.59	
Ambulance Squad - Contribution		32,000.00	32,000.00	32,000.00		
Uniform Fire Safety Act						
Fire Official						
Other Expenses		250.00	250.00		250.00	
Streets and Roads:						
Road Repair and Maintenance						
Salaries and Wages		544,251.00	544,251.00	544,251.00		
Other Expenses		20,000.00	20,000.00	14,607.01	5,392.99	
Road Equipment Repair & Maintenance		79,800.00	79,800.00	72,657.01	7,142.99	
Safety Equipment		6,000.00	6,000.00	4,538.71	1,461.29	
Snow Removal:						
Salaries and Wages		90,000.00	90,000.00	90,000.00		
Other Expenses		170,000.00	170,000.00	129,903.16	40,096.84	
Sanitation						
Salaries and Wages		3,055.00	3,055.00	2,361.55	693.45	
Other Expenses		14,000.00	14,000.00	9,732.95	4,267.05	

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

**Township of Wantage, N.J.**  
**Statement of Expenditures - Regulatory Basis**  
**Current Fund**  
**Year Ending December 31, 2018**

<u>General Appropriations</u>	<u>Ref.</u>	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>
Fire Hydrant Services		6,300.00	6,300.00	6,299.29	0.71	
Public Buildings and Grounds						
Salaries and Wages		12,200.00	12,200.00	10,122.00	2,078.00	
Other Expenses		40,000.00	39,774.62	14,780.34	24,994.28	
Health and Welfare:						
Board of Health						
Salaries and Wages		11,496.00	11,530.00	11,530.00		
Other Expenses		1,500.00	1,500.00	967.51	532.49	
HBV Vaccination		100.00	100.00		100.00	
Animal Regulation						
Salaries and Wages		11,101.00	11,101.00	8,515.10	2,585.90	
Other Expenses		10.00	10.00		10.00	
Aid to SCARC		500.00	500.00		500.00	
Recreation and Education:						
Board of Recreation Comm. (N.J.S. 40A:12-1)						
Salaries and Wages		7,400.00	7,400.00	7,199.92	200.08	
Other Expenses		11,500.00	11,500.00	11,322.02	177.98	
Contribution to Senior Citizen Ctr. (N.J.S. 40:48-94)		1,000.00	1,000.00	1,000.00		

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The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

**Township of Wantage, N.J.**  
**Statement of Expenditures - Regulatory Basis**  
**Current Fund**  
**Year Ending December 31, 2018**

<u>General Appropriations</u>	<u>Ref.</u>	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>
Parks and Playgrounds						
Salaries and Wages		26,019.00	26,244.38	26,244.38		
Other Expenses		40,300.00	40,300.00	28,262.71	12,037.29	
Celebration of Public Events						
Other Expenses		1,400.00	1,400.00	1,276.00	124.00	
Electricity		38,000.00	38,000.00	27,608.05	10,391.95	
Telephone		23,000.00	23,000.00	18,489.88	4,510.12	
Propane		18,000.00	18,000.00	14,348.54	3,651.46	
Fuel Oil		500.00	500.00		500.00	
Gasoline/Diesel Fuel		65,000.00	65,000.00	43,957.10	21,042.90	
Municipal Court						
Salaries and Wages		81,113.00	78,711.00	63,746.77	14,964.23	
Other Expenses		8,500.00	8,850.00	7,856.50	993.50	
Public Defender		12,000.00	12,800.00	4,294.00	8,506.00	
Prosecutor		41,500.00	42,752.00	35,834.78	6,917.22	
Unclassified:						
Accrued Sick Leave & Other Compensation		6,000.00	6,000.00	6,000.00		
Total Operations Within "CAPS"		3,297,454.00	3,297,454.00	2,886,554.86	410,899.14	
Detail:						
Salaries and Wages	A-1	1,318,221.00	1,316,044.38	1,289,596.48	26,447.90	
Other Expenses (Including Contingent)	A-1	1,979,233.00	1,981,409.62	1,596,958.38	384,451.24	

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

**Township of Wantage, N.J.**  
**Statement of Expenditures - Regulatory Basis**  
**Current Fund**  
**Year Ending December 31, 2018**

	<u>Ref.</u>	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>
<u>General Appropriations</u>						
Deferred Charges and Statutory Expenditures-						
Municipal Within "CAPS"						
Statutory Expenditures						
Contribution to:						
Public Employees Retirement System		135,613.00	135,613.00	135,613.00		
Social Security System (O.A.S.I.)		126,000.00	126,000.00	121,349.72	4,650.28	
Unemployment Compensation Insurance		800.00	800.00	272.56	527.44	
Defined Contribution Retirement Program		4,150.00	4,150.00	3,720.07	429.93	
Total Deferred Charged and Statutory		<u>4,150.00</u>	<u>4,150.00</u>	<u>3,720.07</u>	<u>429.93</u>	
Expenditures - Municipal within "CAPS"	A-1	<u>266,563.00</u>	<u>266,563.00</u>	<u>260,955.35</u>	<u>5,607.65</u>	
Total General Appropriations for Municipal		<u>3,564,017.00</u>	<u>3,564,017.00</u>	<u>3,147,510.21</u>	<u>416,506.79</u>	
Purposes within "CAPS"						
Operations - Excluded From "CAPS"						
LOSAP		<u>40,000.00</u>	<u>40,000.00</u>	<u>40,000.00</u>	<u>40,000.00</u>	
Total Other Operations - Excluded From Caps		<u>40,000.00</u>	<u>40,000.00</u>	<u>40,000.00</u>	<u>40,000.00</u>	
Interlocal Municipal Service Agreements						
"911" Communications						
Other Expenses		55,000.00	55,000.00	55,000.00		
Animal Control Officer						
Salaries & Wages		88,899.00	88,899.00	88,899.00		

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

**Township of Wantage, N.J.**  
**Statement of Expenditures - Regulatory Basis**  
**Current Fund**  
**Year Ending December 31, 2018**

<u>General Appropriations</u>	<u>Ref.</u>	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>
Assessment of Taxes- Sussex Borough						
Salaries and Wages		4,600.00	4,600.00	4,600.00		
Other Expenses		6,636.00	6,636.00	6,636.00		
Municipal Court						
Salaries and Wages		83,346.00	83,346.00	83,346.00		
Collection of Taxes						
Salaries and wages		21,680.00	21,680.00	21,680.00		
16 Uniform Construction Code - Hardyston Township						
Other Expenses		30,000.00	30,000.00	1,365.00	28,635.00	
Finance Officer - Andover Borough						
Salaries and Wages		24,450.00	24,450.00	24,450.00		
Total Interlocal Municipal Service Agreements		314,611.00	314,611.00	285,976.00	28,635.00	
Public and Private Programs Offset By Revenues						
Clean Communities Grant						
Other Expenses			40,397.51	39,441.12	956.39	
Recycling Tonnage Grant						
Other Expenses		7,392.00	7,392.00	7,142.00	250.00	
Municipal Alliance on Drug and Alcohol Abuse:						
Other Expenses		12,716.00	12,716.00	12,716.00		
Matching Funds		3,179.00	3,179.00	3,179.00		

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

**Township of Wantage, N.J.**  
**Statement of Expenditures - Regulatory Basis**  
**Current Fund**  
**Year Ending December 31, 2018**

<u>General Appropriations</u>	<u>Ref.</u>	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>
Emergency Management Performance Grant		10,000.00	10,000.00	10,000.00		
FEMA Assistance to Firefighters - SCBA:						
Other Expenses			102,000.00	102,000.00		
Matching Funds		4,130.00	4,130.00		4,130.00	
NJ DEP Green Acres Open Space Acquisition:						
Berry Rd		555,000.00	555,000.00	555,000.00		
Sherman Ridge Rd		344,500.00	344,500.00	344,500.00		
NJ DOT Municipal Aid:						
Newman Rd		148,000.00	148,000.00	148,000.00		
Sherman Ridge Rd		185,000.00	185,000.00	181,316.03	3,683.97	
Alcohol Education and Rehabilitation			219.70	219.70		
Total Public and Private Programs Offset						
By Revenues		<u>1,269,917.00</u>	<u>1,412,534.21</u>	<u>1,403,513.85</u>	<u>9,020.36</u>	
Total Operations - Excluded from "CAPS"		<u>1,624,528.00</u>	<u>1,767,145.21</u>	<u>1,689,489.85</u>	<u>77,655.36</u>	
Detail:						
Salaries and Wages	A-1	<u>222,975.00</u>	<u>222,975.00</u>	<u>222,975.00</u>		
Other Expenses	A-1	<u>1,401,553.00</u>	<u>1,544,170.21</u>	<u>1,466,514.85</u>	<u>77,655.36</u>	
Capital Improvements - Excluded From "CAPS"						
Capital Improvement Fund		61,900.00	61,900.00	61,900.00		
Improvements to Various Roads		350,000.00	350,000.00	350,000.00		

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The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

**Township of Wantage, N.J.**  
**Statement of Expenditures - Regulatory Basis**  
**Current Fund**  
**Year Ending December 31, 2018**

		<u>Ref.</u>	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>
<u>General Appropriations</u>							
Purchase of Fire Equipment			10,000.00	10,000.00	9,686.70	313.30	
Improvements to Parks			10,800.00	10,800.00	8,925.00	1,875.00	
Purchase Washer for Turnout Gear			<u>8,100.00</u>	<u>8,100.00</u>	<u>8,095.00</u>	<u>5.00</u>	
Total Capital Improvements Excluded from "CAPS"		A-1	<u>440,800.00</u>	<u>440,800.00</u>	<u>438,606.70</u>	<u>2,193.30</u>	
Municipal Debt Service -Excluded From "CAPS"							
Payment of Bond Anticipation Notes			785,949.00	785,949.00	785,949.00		
Interest on Notes			66,617.00	66,617.00	66,617.00		
18    Loan Repayments for Principal and Interest			52,603.00	52,603.00	52,602.42		0.58
Interest on Assessment Loan			1,314.00	1,314.00	1,314.00		
NJDEP Loan Principal and Interest			<u>68,197.00</u>	<u>68,197.00</u>	<u>68,197.00</u>		
Total Municipal Debt Service-Excluded from "CAPS"		A-1	<u>974,680.00</u>	<u>974,680.00</u>	<u>974,679.42</u>		<u>0.58</u>
Deferred Charges - Municipal - Excluded From "CAPS"							
Deferred Charges:							
Special Emergency Authorization- 5 Years (N.J.S. 40A:4-55)			<u>63,400.00</u>	<u>63,400.00</u>	<u>63,400.00</u>		
Total Deferred Charges-Municipal-Excluded from "CAPS"		A-1	<u>63,400.00</u>	<u>63,400.00</u>	<u>63,400.00</u>		
Total General Appropriations for Municipal Purposes Excluded from "CAPS"			<u>3,103,408.00</u>	<u>3,246,025.21</u>	<u>3,166,175.97</u>	<u>79,848.66</u>	<u>0.58</u>
Total General Appropriations for Municipal Purposes Excluded from "CAPS"			<u>3,103,408.00</u>	<u>3,246,025.21</u>	<u>3,166,175.97</u>	<u>79,848.66</u>	<u>0.58</u>

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

**Township of Wantage, N.J.**  
**Statement of Expenditures - Regulatory Basis**  
**Current Fund**  
**Year Ending December 31, 2018**

	<u>Ref.</u>	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>
<u>General Appropriations</u>						
Subtotal General Appropriations		6,667,425.00	6,810,042.21	6,313,686.18	496,355.45	0.58
Reserve for Uncollected Taxes		652,033.00	652,033.00	652,033.00		
Total General Appropriations		<u>7,319,458.00</u>	<u>7,462,075.21</u>	<u>6,965,719.18</u>	<u>496,355.45</u>	<u>0.58</u>
 <u>Analysis of Modified Budget</u>						
Adopted Budget	A-2		7,319,458.00			
Appropriated by N.J.S.A. 40A:4-87	A-2		<u>142,617.21</u>			
			<u>7,462,075.21</u>			
 <u>Analysis of Paid or Charged</u>						
Reserve for Uncollected Taxes	A-2			652,033.00		
Cash Disbursed	A-4			4,841,881.97		
Schedule of Interfunds	A-11			3,179.00		
Deferred Charge - Special Emergency Authorization	A-12			63,400.00		
Interfund - Federal and State Grant Fund	A-23			<u>1,405,225.21</u>		
				<u>6,965,719.18</u>		
 <u>Analysis of Appropriation Reserve</u>						
Unencumbered	A				336,555.19	
Encumbered	A				<u>159,800.26</u>	
					<u>496,355.45</u>	

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The accompanying "Notes to Financial Statements" are an integral part of these financial statements.



**Township of Wantage, N.J.**

**Comparative Balance Sheet - Regulatory Basis**

**Trust Funds**

**December 31,**

<u>Assets</u>	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
Animal Control Trust Fund:			
Cash- Treasurer	B-1	16,782.00	25,403.45
Cash - Change Fund	B-2	100.00	100.00
		<u>16,882.00</u>	<u>25,503.45</u>
Other Trust Funds:			
Cash	B-1	1,698,230.77	1,752,543.47
Interfund - Current Fund	B-7	11.27	
		<u>1,698,242.04</u>	<u>1,752,543.47</u>
Emergency Services Volunteer Length of Service Award Program (Unaudited):			
Cash in Plan	B-1	514,449.76	546,380.23
Contributions Receivable	B-9	26,850.00	23,849.00
		<u>541,299.76</u>	<u>570,229.23</u>
Assessment Trust Fund:			
Interfund - Other Trusts	B-11	12,594.10	14,868.55
Assessments Receivable	B-12	83,644.82	94,100.37
		<u>96,238.92</u>	<u>108,968.92</u>
		<u>2,352,662.72</u>	<u>2,457,245.07</u>

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

**Township of Wantage, N.J.**

**Comparative Balance Sheet - Regulatory Basis**

**Trust Funds**

**December 31,**

<u>Liabilities, Reserves &amp; Fund Balance</u>	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
<b>Animal Control Trust Fund:</b>			
Encumbrances Payable	B-3	11,236.85	885.44
Reserve for Animal Control			
Trust Fund Expenditures	B-4	1,626.95	21,626.01
Pre-Paid Licenses	B-5	3,073.80	2,549.80
Due to State Department of Health	B-6	944.40	442.20
		<u>16,882.00</u>	<u>25,503.45</u>
<b>Other Trust Fund:</b>			
Interfunds Payable			
Assessment Trust Fund	B-7	12,594.10	14,868.55
Various Reserves	B-8	1,685,647.94	1,737,674.92
		<u>1,698,242.04</u>	<u>1,752,543.47</u>
<b>Emergency Services Volunteer Length of Service Award Program (Unaudited):</b>			
Net Assets Available for Benefits	B-10	541,299.76	570,229.23
<b>Assessment Trust Fund:</b>			
Bond Anticipation Notes	B-13	89,110.00	101,840.00
Reserve for Assessments and Liens	B-14	7,128.92	7,128.92
		<u>96,238.92</u>	<u>108,968.92</u>
		<u>2,352,662.72</u>	<u>2,457,245.07</u>

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

## Township of Wantage, N.J.

## Comparative Balance Sheet - Regulatory Basis

## General Capital Fund

December 31,

	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
<u>Assets</u>			
Cash	C-2;C-3	428,133.33	648,418.68
Interfund - Current Fund	C-4	55,432.77	
Deferred Charges to Future Taxation			
Funded	C-5	1,022,540.24	1,121,403.99
Unfunded	C-6	6,433,250.00	6,356,090.80
		<u>7,939,356.34</u>	<u>8,125,913.47</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Capital Improvement Fund	C-7	34,326.98	22,551.98
Encumbrances Payable	C-8	492,448.49	795,224.47
Improvement Authorizations:			
Funded	C-9	13,086.88	12,926.88
Unfunded	C-9	705,501.48	714,792.25
Various Reserves	C-10	291,721.06	294,874.66
Bond Anticipation Notes Payable	C-11	5,324,246.00	5,164,090.00
Green Acres Trust Loan Payable	C-12	271,584.78	318,057.92
DEP Loan Payable	C-13	750,955.46	803,346.07
Fund Balance	C-1	55,485.21	49.24
		<u>7,939,356.34</u>	<u>8,125,913.47</u>

Footnote C: There were Bonds and Notes Authorized But Not Issued in the Amount of \$1,109,004.00 and \$1,192,000.80 on December 31, 2018 and 2017 Per Exhibit C-14.

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

**Township of Wantage, N.J.**

**Comparative Schedule of Fund Balance - Regulatory Basis**

**General Capital Fund**

**Year Ended December 31,**

	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
Balance - January 1,	C	<u>49.24</u>	<u>49.24</u>
Increased by:			
Cash Receipt	C-2	3.20	
Premium on Bond Anticipation Note Sale	C-4	<u>55,432.77</u>	
		<u>55,435.97</u>	
Balance - December 31,	C	<u>55,485.21</u>	<u>49.24</u>

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

**Township of Wantage, N.J.**  
**Comparative Balance Sheet - Regulatory Basis**

**Public Assistance Fund**

**December 31,**

	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
<u>Assets</u>			
Cash	D-1	<u>10,000.00</u>	<u>10,000.00</u>
<u>Liabilities and Reserves</u>			
Reserve for Public Assistance	D-4	<u>10,000.00</u>	<u>10,000.00</u>

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

**Township of Wantage, N.J.**

**Comparative Statement of General Fixed Assets - Regulatory Basis**

**December 31,**

	<u>2018</u>	<u>2017</u>
<u>General Fixed Assets:</u>		
Land	1,131,236.77	1,108,236.77
Buildings	3,339,791.63	3,324,266.63
Machinery and Equipment	4,266,410.69	4,926,692.97
	<u>8,737,439.09</u>	<u>9,359,196.37</u>
 Investment in Fixed Assets	 <u>8,737,439.09</u>	 <u>9,359,196.37</u>

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

**TOWNSHIP OF WANTAGE, N. J.**

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2018 AND 2017**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB Codification establishes seven fund types and two account groups to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America (GAAP).

The financial statements of the Township of Wantage have been prepared in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township accounts for its financial transactions through the following separate funds which differ from the fund structure required by GAAP.

**A. Reporting Entity**

The Township of Wantage (the "Township") operates under a Township Committee form of government. The Township's major operations include public safety, road repair and maintenance, sanitation, fire protection, recreation and parks, health services, and general administrative services.

GASB has issued Statement No. 14 which requires the financial reporting entity to include both the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

However, the municipalities in the State of New Jersey do not prepare financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements. The financial statements contained herein include only those boards, bodies, officers or commissions as required by NJS 40A:5-5. Accordingly, the financial statements of the Township do not include the volunteer fire department and first aid squad which is considered a component unit under GAAP. Complete financial statements of the above components can be obtained by contacting the Treasurer of the respective entity.

**TOWNSHIP OF WANTAGE, N.J.**

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2018 AND 2017  
(CONTINUED)**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

B. Basis of Accounting

The Township uses funds, as required by the Division, to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial administration by segregating transactions related to certain Township functions or activities. An account group, on the other hand, is designed to provide accountability for certain assets and liabilities that are not recorded in those Funds.

The Township has the following funds and account groups:

Current Fund - This fund accounts for resources and expenditures for governmental operations of a general nature, including Federal and State grants.

Trust Funds - Trust Funds are used to account for assets held by the government in a trustee capacity. Funds held by the Township as an agent for individual, private organizations, or other governments are recorded in the Trust Funds.

Other Trust Fund - This fund is established to account for the assets and resources which are also held by the Township as a trustee or agent for individuals, private organizations, other governments and/or other funds.

Animal Control Fund - This fund is used to account for fees collected from dog licenses and expenditures which are regulated by NJS 4:19-15.11.

General Capital Fund - This fund is used to account for the receipt and disbursement of funds used for acquisition or improvement of general capital facilities, other than those acquired in the Current Fund.

Public Assistance Fund - This fund is used to account for the receipt and disbursement of funds that provide assistance to certain residents of the Township pursuant to Title 44 of New Jersey Statutes. The Township transferred administration of the General Assistance Program to the Sussex County Board of Social Services. The funds remaining in the Public Assistance Fund are used to assist certain residents who do not qualify for the General Assistance Program.



**TOWNSHIP OF WANTAGE, N.J.**

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2018 AND 2017  
(CONTINUED)**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

B. Basis of Accounting (Continued)

General Fixed Assets Account Group - To account for all fixed assets of the Township. The Township's infrastructure is not reported in the group.

A modified accrual basis of accounting is followed by the Township of Wantage. Under this method of accounting revenues, except State/Federal Aid, are recognized when received and expenditures are recorded, when incurred. The accounting principles and practices prescribed for municipalities by the Division differ in certain respects from accounting principles generally accepted in the United States of America (GAAP) applicable to local governmental units. The more significant differences are as follows:

Property Tax Revenues - Real property taxes are assessed locally, based upon the assessed value of the property. The tax bill includes a levy for Municipal, County and School purposes. The bills are mailed annually in June for that calendar year's levy. Taxes are payable in four quarterly installments on February 1, May 1, August 1, and November 1. The amounts of the first and second installments are determined as one quarter of the total tax levied against the property for the preceding year. The installment due the third and fourth quarters is determined by taking the current year levy less the amount previously charged for the first and second installments, with the remainder being divided equally. If unpaid on these dates, the amount due becomes delinquent and subject to interest at 8% per annum, or 18% on any delinquency amount in excess of \$1,500. The school levy is turned over to the Board of Education as expenditures are incurred, and the balance, if any, must be transferred as of June 30, of each fiscal year. County taxes are paid quarterly on February 15, May 15, August 15 and November 15, to the County by the Township. When unpaid taxes or any municipal lien, or part thereof, on real property, remain in arrears on the 11<sup>th</sup> day of the 11<sup>th</sup> month of the fiscal year levied, the collector in the municipality shall subject to the provisions of the New Jersey Statutes enforce the lien by placing the property on a tax sale. Annual in rem tax foreclosure proceedings are instituted to enforce the tax collection or acquisition of title to the property by the Township. In accordance with the accounting principles prescribed by the State of New Jersey, current and delinquent taxes are realized as revenue when collected. Since delinquent taxes and liens are fully reserved, no provision has been made to estimate that portion of the taxes receivable and tax title liens that are uncollectible. GAAP requires tax revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

Miscellaneous Revenues - Miscellaneous revenues are recognized on a cash basis. Receivables for the miscellaneous items that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the Township's Current Fund. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

**TOWNSHIP OF WANTAGE, N.J.**

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2018 AND 2017  
(CONTINUED)**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Basis of Accounting (continued)**

Grant Revenues - Federal and State grants, entitlements or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the Township's budget. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

Budgets and Budgetary Accounting

An annual budget is required to be adopted and integrated into the accounting system to provide budgetary control over revenues and expenditures for the current fund. Budget amounts presented in the accompanying financial statements represent amounts adopted by the Township and approved by the State Division of Local Government Services per N.J.S.A. 40-A:4 et seq.

The Township is not required to adopt budgets for the following funds:

- Animal Control Trust Fund
- General Capital Fund
- Public Assistance Fund
- Trust Fund

The governing body shall introduce and approve the annual budget not later than February 10, of the fiscal year. The budget shall be adopted not later than March 20, and prior to adoption must be certified by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The Director of the Division of Local Government Services, with the approval of the Local Finance Board may extend the introduction and approval and adoption dates of the municipal budget. The budget is prepared by fund, function, activity and line item (salary or other expense) and includes information on the previous year. The legal level of control for appropriations is exercised at the individual line item level for all operating budgets adopted. Emergency appropriations, those made after the adoption of the budget and determination of the tax rate, may be authorized by the governing body of the municipality. During the last two months of the fiscal year, the governing body may, by a 2/3 vote, amend the budget through line item transfers. Management has no authority to amend the budget without the approval of the Governing Body. Expenditures may not legally exceed budgeted appropriations at the line item level. During 2018, the Governing Body did increase the original Current Fund budget by \$142,617.21 for additional grants and aid allotted to the Township, and several budget transfers were approved by the Governing Body.

**TOWNSHIP OF WANTAGE, N.J.**

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2018 AND 2017  
(CONTINUED)**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Basis of Accounting (continued)**

Expenditures - Are recorded on the “budgetary” basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with an encumbrance accounting system. Outstanding encumbrances at December 31, are reported as a cash liability in the financial statements. Unexpended or uncommitted appropriations, at December 31, are reported as expenditures through the establishment of appropriations reserves unless canceled by the governing body. GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.

Encumbrances - Contractual orders outstanding at December 31, are reported as expenditures through the establishment of an encumbrance payable. Encumbrances do not constitute expenditures under GAAP.

Appropriation Reserves - Are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding year. Lapsed appropriation reserves are recorded as additions to income. Appropriation reserves do not exist under GAAP.

Compensated Absences - Expenditures relating to obligations for unused vested accumulated vacation and sick pay are not recorded until paid. GAAP requires that the amount that would normally be liquidated with expendable available financial resources be recorded as an expenditure in the operating funds and the remaining obligations be recorded as a long-term obligation.

Property Acquired for Taxes - Is recorded in the Current Fund at the assessed valuation when such property was acquired and fully reserved. GAAP requires such property to be recorded in the General Fixed Assets Account Group at market value on the date of acquisition.

Interfunds - Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves. GAAP does not require the establishment of an offsetting reserve.

Inventories - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various balance sheets.

Cash and Investments - Cash includes amounts in demand deposits as well as short-term investments with a maturity date within one year of the date acquired by the government. Investments are stated at fair value and are limited by NJSA 40A:5-15.1(a).

**TOWNSHIP OF WANTAGE, N.J.**

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2018 AND 2017  
(CONTINUED)**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Basis of Accounting (continued)**

Deferred Charges to Future Taxation Funded and Unfunded - Upon the authorization of capital projects, the Township establishes deferred charges for the costs of the capital projects to be raised by future taxation. Funded deferred charges relate to permanent debt issued, whereas unfunded deferred charges relate to temporary or non-funding of the authorized cost of capital projects. According to N.J.S.A. 40A:2-4, the Township may levy taxes on all taxable property within the local unit to repay the debt. Annually, the Township raises the debt requirements for that particular year in the current budget. As the funds are raised by taxation, the deferred charges are reduced.

Comparative Data - Comparative data for the prior year has been presented in the accompanying balance sheets and statements of operations in order to provide an understanding of changes in the Township's financial position and operations. However, comparative data have not been presented in all statements and notes to financial statements because their inclusion would make certain statements and notes to financial statements unduly complex and difficult to understand.

Use of Estimates - The preparation of financial statements requires management of the Township to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

General Fixed Assets - The Township of Wantage has developed a fixed asset accounting and reporting system, as promulgated by the Division of Local Government Services, which differs from generally accepted accounting principles.

Fixed Assets used in Governmental operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain (infrastructure) general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets sidewalks and drainage systems are not capitalized.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available.

No depreciation has been provided for in the financial statements.

Expenditures for construction in progress are recorded in the Capital funds until such time as the construction is completed and put into operation.

Fixed assets acquired through grants in aid or contributed capital have not been accounted for separately.

**TOWNSHIP OF WANTAGE, N.J.**

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2018 AND 2017  
(CONTINUED)**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Basis of Accounting (continued)**

GAAP requires that fixed assets be capitalized at historical or estimated historical cost if actual historical cost is not available.

**Impact of Recently Issued Accounting Principles**

**Recently Issued and Adopted Accounting Pronouncements**

For the year ended December 31, 2018, the Township adopted Government Accounting Standards Board GASB Statement No. 75, Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions. This Statement applies to government employers who provided OPEB plans to their employees and basically parallels GASB Statement 68 and replaces GASB Statement 45. The Statement is effective for periods beginning after June 15, 2017. As a result of adopting this Statement, the Township was required to measure and disclose liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures related to their post-employment benefits other than pensions. As a result of the regulatory basis of accounting previously described in note 1, the implementation of this Statement only required financial statement disclosure. There exists no impact on the financial statements of the Township.

**C. Basic Financial Statements**

The GASB Codification also defines the financial statements of a governmental unit to be presented in the general purpose financial statements to be in accordance with GAAP. The Township presents the financial statements listed in the table of contents which are required by the Division and which differ from the financial statements required by GAAP. In addition, the Division requires the financial statements listed in the table of contents to be referenced to the supplementary schedules. This practice differs from GAAP.

**NOTE 2: BUDGETARY INFORMATION**

Under New Jersey State Statutes, the annual budget is required to be a balanced cash basis document. To accomplish this, the municipality is required to establish a reserve for uncollected taxes. The 2018 statutory budget included a reserve for uncollected taxes in the amount of \$652,033.00. To balance the budget, the municipality is required to show a budgeted fund balance. The amount of fund balance budgeted to balance the 2018 statutory budget was \$660,900.00.

Interdepartment budget transfers are not permitted prior to November 1. After November 1, budget transfers can be made in the form of a resolution and approved by the Township Committee.

**TOWNSHIP OF WANTAGE, N.J.**

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2018 AND 2017  
(CONTINUED)**

**NOTE 2: BUDGETARY INFORMATION (CONTINUED)**

N.J.S.A. 40A:4-87 permits special items of revenue and appropriations to be inserted into the annual budget when the item has been made available by any public or private funding source and the item was not determined at the time of budget adoption. During 2018, there were three special items of revenue and appropriations; Clean Communities Grant, \$40,397.51; Municipal Court Alcohol Education and Rehabilitation, \$219.70; and FEMA Assistance to Firefighters, \$102,000.00.

The municipality may make emergency appropriations, after the adoption of the budget, for a purpose which was not foreseen at the time the budget was adopted or for which adequate provision was not made therein. This type of appropriation shall be made to meet a pressing need for public expenditure to protect or promote the public health, safety, morals or welfare or to provide temporary housing or public assistance prior to the next succeeding fiscal year.

Emergency appropriations, except those classified as a special emergency, must be raised in the budgets of the succeeding year. Special emergency appropriations are permitted to be raised in the budgets of the succeeding three or five years. During 2018, there were no Special Emergency appropriations.

**NOTE 3: CASH, CASH EQUIVALENTS AND INVESTMENTS**

**Cash**

**Custodial Credit Risk - Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Township's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A:5-15.1(a) that are treated as cash equivalents. As of December 31, 2018, \$514,449.76 of the Township's bank balance of \$5,641,481.13 was exposed to custodial credit risk. In comparison, as of December 31, 2017, \$546,380.23 of the Township's bank balance of \$5,771,696.38 was exposed to custodial credit risk.

**Investments**

**Investment Rate Risk**

The Township does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 40A:5-15.1(a) limits the length of time for most investments to 397 days.

**TOWNSHIP OF WANTAGE, N.J.**

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2018 AND 2017  
(CONTINUED)**

**NOTE 3: CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)**

**Credit Risk**

New Jersey Statutes 40A:5-15.1(a) limits municipal investments to those specified in the Statutes. The type of allowance investments are Bonds of the United States of America, bonds or other obligations of the Townships or bonds or other obligations of the local unit or units within which the Township is located: obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

**Concentration of Credit Risk**

The Township places no limit on the amount the Township may invest in any one issuer.

**Unaudited Investments**

As more fully described in Note 16, the Township has created a Length of Service Award Program (LOSAP) for emergency service volunteers. The LOSAP investments are similar to those allowed in a deferred compensation program as specified in NJSA 43:15B-1 et. seq. except that all investments are retained in the name of the Township. All investments are valued at fair value. In accordance with NJAC 5:30-14.37, the investments are maintained by Lincoln Benefit Life, which is an authorized provider approved by the Division of Local \$514,449.76 and \$546,380.23, respectively.

The following investments represent 5% or more of the total invested with Lincoln Benefit Life on December 31, 2018:

	<u>2018</u>	<u>2017</u>
Fixed	\$166,104.34	\$166,319.85
LVIP SSGA S&P 500 Index Fund	250,894.52	278,547.70
Investments under 5%	<u>97,450.90</u>	<u>101,512.68</u>
Total	<u>\$514,449.76</u>	<u>\$546,380.23</u>

**TOWNSHIP OF WANTAGE, N.J.**

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2018 AND 2017  
(CONTINUED)**

**NOTE 4: MUNICIPAL DEBT**

Long-term debt as of December 31, 2018 consisted of the following:

	<u>Balance</u> <u>Dec. 31, 2017</u>	<u>Issued</u>	<u>Reductions</u>	<u>Balance</u> <u>Dec. 31, 2018</u>	<u>Amount Due</u> <u>Within One Year</u>
New Jersey Green Acres Loan	\$ 318,057.92	\$ -	\$46,473.14	\$271,584.78	\$38,033.09
DEP Dam Rehab. Loan	803,346.07	-	52,390.61	750,955.46	53,433.67
Other Liabilities -					
Compensated Absences Payable	<u>166,361.41</u>	<u>25,698.74</u> (1)	<u>-</u>	<u>192,060.15</u>	<u>-</u>
	<u>\$1,287,765.40</u>	<u>\$25,698.74</u>	<u>\$98,863.75</u>	<u>\$1,214,600.39</u>	<u>\$91,466.76</u>

(1) Increases represent additions net of days used.

The Local Bond law governs the issuance of bonds and notes to finance capital expenditures. General obligation bonds have been issued for the general capital fund. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Township are general obligations bonds, backed by the full faith and credit of the Township. Bond anticipation notes, which are issued to temporarily finance capital projects, must be paid off within ten years and five months or retired by the issuance of bonds.

The Township's debt is summarized as follows:

	<u>Year 2018</u>	<u>Year 2017</u>	<u>Year 2016</u>
<u>Issued:</u>			
General:			
Bonds, Notes and Loans	\$6,346,786.24	\$6,285,493.99	\$6,506,766.10
Assessment	<u>89,110.00</u>	<u>101,840.00</u>	<u>-</u>
Total Issued	<u>6,435,896.24</u>	<u>6,387,333.99</u>	<u>6,506,766.10</u>
<u>Authorized But Not Issued:</u>			
General:			
Bonds and Notes	<u>1,109,004.00</u>	<u>1,192,000.80</u>	<u>140,004.00</u>
Total Authorized But Not Issued	<u>1,109,004.00</u>	<u>1,192,000.80</u>	<u>140,004.00</u>
Net Bonds, Notes and Loans Issued and Authorized but Not Issued	<u>\$7,544,900.24</u>	<u>\$7,579,334.79</u>	<u>\$6,646,770.10</u>



**TOWNSHIP OF WANTAGE, N.J.**

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2018 AND 2017  
(CONTINUED)**

**NOTE 4: MUNICIPAL DEBT (CONTINUED)**

**SUMMARY OF STATUTORY DEBT CONDITION - ANNUAL DEBT STATEMENT**

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statement net debt of 0.621%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
General	<u>\$7,544,900.24</u>	<u>\$33,587.55</u>	<u>\$7,511,312.69</u>

Net debt \$7,511,312.69 divided by average equalized valuation basis per N.J.S. 40A:2-2 as amended, 1,209,578,977.33 = 0.621%.

Long-term debt as of December 31, 2018 consisted of the following:

Outstanding debt whose principal and interest are paid from the Current Fund Budget of the Township:

\$445,936.69 General Obligation Loan - Improvements to Parks - dated 12/16/03 with the State of New Jersey, Department of Environmental Protection, Green Acres Loan. This loan is payable in semi-annual installments of \$6,932.44 through 8/12/23. Interest is calculated at 2.00% and is included in the semi-annual installments. This method of calculating interest is not in conformance with New Jersey Statutes. The Township has received approval from the Local Finance Board to use this method of interest calculation for this issue. The remaining balance as of December 31, 2018 was \$131,318.54.

\$250,000.00 General Obligation Loan - Improvements to Parks - dated 6/6/09 with the State of New Jersey, Department of Environmental Protection, Green Acres Loan. This loan is payable in semi-annual installments of \$7,772.90 through 12/6/28. Interest is calculated at 2.00% and is included in the semi-annual installments. This method of calculating interest is not in conformance with New Jersey Statutes. The Township has received approval from the Local Finance Board to use this method of interest calculation for this issue. The remaining balance as of December 31, 2018 was \$140,266.24.

\$978,716.39 General Obligation Loan - Lake Neepaulin Dam Restoration - dated 12/19/13 with the State of New Jersey, Department of Environmental Protection. This loan is payable in semi-annual installments of \$34,098.45 through 3/31/31. Interest is calculated at 2.00% and is included in the semi-annual installments. This method of calculating interest is not in conformance with New Jersey Statutes. The remaining balance as of December 31, 2018 was \$750,955.46.

General Obligation Bonds and Loans - Listed above \$1,022,540.24

**TOWNSHIP OF WANTAGE, N.J.**

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2018 AND 2017  
(CONTINUED)**

**NOTE 4: MUNICIPAL DEBT (CONTINUED)**

**BORROWING POWER UNDER N.J.S. 40A:2-6 AS AMENDED**

3 ½% of Equalized Valuation Basis (Municipal)	\$42,335,264.20
Net Debt	<u>7,511,312.69</u>
Remaining Borrowing Power	<u>\$34,823,951.51</u>

The foregoing debt information is not in agreement with the Annual Debt Statement filed by the Chief Financial Officer.

**ANALYSIS OF AVERAGE EQUALIZED VALUATION - SUMMARY**

2018	1,209,578,977.33		
2017		1,179,925,028.33	
2016			1,181,313,410.67

The Township issues Bond Anticipation Notes to temporarily fund various capital projects prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. Generally, such notes must be paid no later than the fifth day of the fifth month following the close of the tenth fiscal year next following the date of the original notes. The State of New Jersey also prescribes that on or before the third anniversary date of the original note a payment of an amount at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid or retired. A second and third legal installment must be paid if the notes are to be renewed beyond the fourth and fifth anniversary date of the original issuance.

On December 31, 2018, the Township had \$5,324,246.00 in outstanding General Capital Bond Anticipation Notes at an interest rate of 3.50%, payable to TD Bank, NA. This note will mature on October 30, 2019.

On December 31, 2018, the Township had \$89,110.00 in outstanding Assessment Bond Anticipation Notes at an interest rate of 3.50%, payable to TD Bank, NA. This note will mature on October 30, 2019.

The following activity related to Bond Anticipation Notes occurred during the calendar year ended December 31, 2018:

	<u>Balance</u> <u>12/31/2017</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/30/2018</u>
TD Securities	<u>\$5,265,930.00</u>	<u>\$5,413,356.00</u>	<u>\$5,265,930.00</u>	<u>\$5,413,356.00</u>

**TOWNSHIP OF WANTAGE, N.J.**

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2018 AND 2017  
(CONTINUED)**

**NOTE 4: MUNICIPAL DEBT (CONTINUED)**

**SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST FOR LOANS ISSUED  
AND OUTSTANDING**

<u>Calendar Year</u>	<u>General Capital Loans</u>		<u>Total Debt Service</u>
	<u>Principal</u>	<u>Interest</u>	
2019	91,476.76	19,995.70	111,472.46
2020	93,315.45	18,157.02	111,472.47
2021	95,191.09	16,281.38	111,472.47
2022	97,104.43	14,368.02	111,472.45
2023	99,056.23	12,416.22	111,472.45
2024 - 2028	380,901.80	37,811.70	418,713.50
2029 - 2031	<u>165,494.48</u>	<u>4,997.76</u>	<u>170,492.24</u>
Total	<u>1,022,540.24</u>	<u>124,027.80</u>	<u>1,146,568.04</u>

**NOTE 5: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2018 the following deferred charges are shown on the balance sheets of the various funds.

	<u>Balance Dec. 31, 2018</u>	<u>2019 Budget Appropriation</u>	<u>Balance To Succeeding Budgets</u>
Current Fund:			
Revision of Tax Maps	\$14,400.00	\$14,400.00	\$ -
Master Plan	<u>10,000.00</u>	<u>5,000.00</u>	<u>5,000.00</u>
	<u>\$24,400.00</u>	<u>\$19,400.00</u>	<u>\$5,000.00</u>

The appropriations in the 2019 Budget are not less than required by Statute.

**NOTE 6: REGIONAL AND REGIONAL HIGH SCHOOL DISTRICT TAXES**

Regulations provide for the deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the School District. The Township of Wantage has not elected to defer school taxes.

**TOWNSHIP OF WANTAGE, N.J.**

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2018 AND 2017  
(CONTINUED)**

**NOTE 7: PENSION PLAN**

Township employees participate in one of the two contributory, defined benefit public employee retirement systems: the State of New Jersey Public Employees' Retirement System (PERS); or the Defined Contribution Retirement Program (DCRP), a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) 401(a).

*Public Employees' Retirement System (PERS)*

Plan Description

The State of New Jersey Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the "Division"). For additional information about the PERS, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at [www.state.nj.us/treasury/pensions/annrpts.shtml](http://www.state.nj.us/treasury/pensions/annrpts.shtml).

Benefits Provided

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS. The following represents the membership tiers for PERS:

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 before age 62 with 25

**TOWNSHIP OF WANTAGE, N.J.**

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2018 AND 2017  
(CONTINUED)**

**NOTE 7: PENSION PLAN (CONTINUED)**

*Public Employees' Retirement System (PERS), (continued)*

Benefits Provided (continued)

or more years of service credit and Tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Defined Contribution Retirement Program

Prudential Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. If an employee is ineligible to enroll in the PERS or PFRS, the employee may be eligible to enroll in the DCRP. DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the DCRP. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625-0295.

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

Contribution Requirements

The contribution policy is set by laws of the State of New Jersey and, in most retirement systems, contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The pension funds provide for employee contributions based on 5.5% for PERS. This amount will increase to 6.5% plus an additional 1% phased in over 7 years beginning 2012 and 8.5% for PFRS, which increased to 10% in October 2011, of the employee's annual compensation, as defined by law. Employers are required to contribute at an actuarially determined rate in all Funds. The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits in the PERS and PFRS. In the PERS and PFRS, the employer contribution includes funding for post-retirement medical premiums.

**TOWNSHIP OF WANTAGE, N.J.**

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2018 AND 2017  
(CONTINUED)**

**NOTE 7. PENSION PLAN (CONTINUED)**

Contribution Requirements (continued)

The Township's contribution to the various plans, equal to the required contributions for each year, were as follows:

<u>Year</u>	<u>PERS</u>	<u>DCRP</u>
2018	\$135,613.00	\$3,720.07
2017	128,006.00	2,870.38
2016	155,347.65	3,020.04

Statement No's 68 and 71 require a state or local government employer to recognize a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. However, since the financial statements are prepared on another comprehensive basis of accounting, the net pension liability of the various pension systems is not recorded in the financial statements and is only required to be disclosed in the notes to the financial statements.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

**Public Employees Retirement System (PERS)**

At December 31, 2018, the Township had a liability of \$3,535,522.00 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2017, the Township's proportion was 0.0179563800 percent, which was a decrease of 0.0033741270 percent from its proportion measured as of June 30, 2017.

For the year ended December 31, 2018, the Township recognized pension expense of \$135,613.00. At December 31, 2018, deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

**TOWNSHIP OF WANTAGE, N.J.**

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2018 AND 2017  
(CONTINUED)**

**NOTE 7: PENSION PLANS, (CONTINUED)**

**Public Employees Retirement System (PERS), (continued)**

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$67,423.00	\$18,230.00
Changes of assumptions	582,596.00	1,130,472.00
Net difference between projected and actual earnings on pension plan investments	-	33,163.00
Changes in proportion and differences between the Township's contributions and proportionate share of contributions	<u>680,314.00</u>	<u>367,807.00</u>
Total	<u>\$1,330,333.00</u>	<u>\$1,549,672.00</u>

Amounts reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date (June 30, 2018) will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

Year ended June 30:	
2019	\$24,538.00
2020	(33,974.00)
2021	(243,619.00)
2022	(211,173.00)
2023	(67,620.00)

**Changes in Proportion**

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.63, 5.48, 5.57, 5.72 and 6.44 years for 2018, 2017, 2016, 2015 and 2014 amounts respectively.

**TOWNSHIP OF WANTAGE, N.J.**

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2018 AND 2017  
(CONTINUED)**

**NOTE 7: PENSION PLANS, (CONTINUED)**

**Additional Information**

Local Group Collective balances at June 30, 2018 and June 30, 2017 are as follows:

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Collective deferred outflows of resources	\$4,684,852,302	\$6,424,455,842
Collective deferred inflows of resources	7,646,736,226	5,700,625,981
Collective net pension liability	19,689,501,539	23,278,401,588
Township's Proportion	0.0179563800%	0.0145822530%

**Actuarial Assumptions**

The total pension liability for the June 30, 2018 measurement date was determined by an actuarial valuation as of July 1, 2017, which rolled forward to June 30, 2018. This actuarial valuation used the following assumptions, applied to all periods in the measurement.

Inflation	2.25 Percent
Salary Increases:	
Through 2026	1.65-4.15 Percent (based on age)
Thereafter	2.65-5.15 Percent (based on age)
Investment Rate of Return	7.00 Percent

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.



**TOWNSHIP OF WANTAGE, N.J.**

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2018 AND 2017  
(CONTINUED)**

**NOTE 7: PENSION PLANS, (CONTINUED)**

**Public Employees Retirement System (PERS), (continued)**

**Mortality Rates**

Pre-retirement mortality rates were based on the RP-2000 Employee Pre-retirement Mortality Table for male and female active participants. For State employees, mortality tables are set back 4 years for males and females. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the Conduent modified 2014 projection scale. Post-retirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for males and females) for service retirements and beneficiaries of former members. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from 2012 to 2013 using projection scale AA and using a generational approach based on Conduent 2014 projection scale thereafter. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

**Long-Term Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2018) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2018 are summarized in the following table:

**TOWNSHIP OF WANTAGE, N.J.**

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2018 AND 2017  
(CONTINUED)**

**NOTE 7: PENSION PLANS, (CONTINUED)**

**Public Employees Retirement System (PERS), (continued)**

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Absolute Mitigation Strategies	5.00%	5.51%
Cash equivalents	5.50%	1.00%
U. S. Treasuries	3.00%	1.87%
Investment grade credit	10.00%	3.78%
High yield	2.50%	6.82%
Global diversified credit	5.00%	7.10%
Credit oriented hedge funds	1.00%	6.60%
Debt related private equity	2.00%	10.63%
Debt related real estate	1.00%	6.61%
Private real estate	2.50%	11.83%
Equity related real estate	6.25%	9.23%
U. S. Equity	30.00%	8.19%
Non-U. S. Developed markets equity	11.50%	9.00%
Emerging markets equity	6.50%	11.64%
Buyouts/venture capital	8.25%	13.08%

**Discount Rate**

The discount rate used to measure the total pension liability was 5.66% as of June 30, 2018. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.87% as of June 30, 2018 based on the Bond Buyer GO 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 50% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2046. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2046 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**TOWNSHIP OF WANTAGE, N.J.**

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2018 AND 2017  
(CONTINUED)**

**NOTE 7: PENSION PLANS, (CONTINUED)**

**Public Employees Retirement System (PERS), (continued)**

**Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate**

The following presents the collective net pension liability of the participating employers as of June 30, 2018, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 - percentage point lower or 1 - percentage-point higher than the current rate:

	June 30, 2018		
	1% Decrease <u>4.66%</u>	At Current Discount Rate <u>5.66%</u>	1% Increase <u>6.66%</u>
Township's proportionate share of the pension liability	\$4,445,511	\$3,535,522	\$2,772,099

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The financial report may be accessed at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

**NOTE 8: FUND BALANCES APPROPRIATED**

Fund balances at December 31, 2018 and 2017 which were appropriated and included as anticipated revenue in their own respective funds for the years ending December 31, 2019 and 2018 were as follows:

	<u>2019</u>	<u>2018</u>
Current Fund	<u>\$523,500.00</u>	<u>\$660,900.00</u>

**TOWNSHIP OF WANTAGE, N.J.**

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2018 AND 2017  
(CONTINUED)**

**NOTE 9: ACCRUED SICK BENEFITS**

The Township of Wantage has permitted employees to accrue unused sick pay, which may be taken as time off or paid upon retirement or separation at the employee's current rate at such termination. The current cost of such unpaid compensation is not reported either as an expenditure or liability. It is expected that the cost of such unpaid compensation would be included in the Township's budget operating expenditures in the year in which it is used. It is estimated that the current cost of such unpaid compensation would approximate \$192,060.15.

This amount is not reported either as an expenditure or a liability. The Township has reserved \$18,069.87 from previous budgets to be used to offset this liability and is reflected on the Trust Fund balance sheet. See Exhibit B-8 for an analysis. It is expected that any remaining cost of such unpaid compensation would be included in the Township's budget operating expenditures in the year in which it is used.

**NOTE 10: DUE TO/FROM OTHER FUNDS**

Balances due to/from other funds at December 31, 2018 consist of the following:

\$48,655.61	Due to Federal and State Grant Fund from Current Fund for cash receipts and cash disbursed from the Current Fund for Federal and State Grants.
55,432.77	Due to General Capital Fund from Current Fund for premium received on Bond Anticipation Note issued in 2018.
11.27	Due to Other Trust Fund from Current Fund for Open Space Taxes Added and Omitted.
<u>12,594.10</u>	Due to Assessment Trust from Other Trust Fund for cash received in Other trust Fund for confirmed assessments.
<u>\$116,693.75</u>	

It is anticipated that all interfunds will be liquidated during the calendar year.

**TOWNSHIP OF WANTAGE, N.J.**

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2018 AND 2017  
(CONTINUED)**

**NOTE 11: FIXED ASSETS**

The following schedule is a summarization of changes in general fixed assets account group for the year ended December 31, 2018.

	<u>Balance as of Dec. 31, 2017</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance as of Dec. 31, 2018</u>
Land	\$1,108,236.77	\$ 23,000.00	\$ -	\$1,131,236.77
Buildings	3,324,266.63	15,525.00	-	3,339,791.63
Equipment (Including Vehicles)	<u>4,926,692.97</u>	<u>462,853.00</u>	<u>1,123,135.28</u>	<u>4,266,410.69</u>
	<u>\$9,359,196.37</u>	<u>\$501,378.00</u>	<u>\$1,123,135.28</u>	<u>\$8,737,439.09</u>

**NOTE 12: RISK MANAGEMENT**

The Township is exposed to various risks of loss related to general liability, automobile coverage, damage and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Township has obtained insurance coverage to guard against these events which will provide minimum exposure to the Township should they occur. During the 2018 calendar year, the Township did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

**NOTE 13: PUBLIC ASSISTANCE**

The Township of Wantage has elected to have the County of Sussex process all public assistance granted to the residents. Therefore, the Township of Wantage no longer has a public assistance director.

**NOTE 14: HEALTH INSPECTIONS**

The Township of Wantage has elected to have the County of Sussex, Department of Health perform all inspections. Therefore, the Township does not have a health inspector.

**TOWNSHIP OF WANTAGE, N.J.**

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2018 AND 2017  
(CONTINUED)**

**NOTE 15: TAXES COLLECTED IN ADVANCE**

Taxes collected in advance are recorded as cash liabilities in the financial statements. Following is a comparison of the liability for the previous two years:

	Balance <u>Dec. 31, 2018</u>	Balance <u>Dec. 31, 2017</u>
Prepaid Taxes	<u>\$260,112.17</u>	<u>\$1,050,020.06</u>
Cash Liability for Taxes Collected in Advance	<u>\$260,112.17</u>	<u>\$1,050,020.06</u>

**NOTE 16. EMERGENCY SERVICES VOLUNTEER LENGTH OF SERVICE AWARD PLAN (LOSAP)**

On 3/11/04, the Division of Local Government Services approved the Township's LOSAP plan, provided by Lincoln Financial. The purpose of this plan is to enhance the Township's ability to retain and recruit volunteer firefighters and volunteer members of emergency service squads.

Lincoln Financial will provide for the benefit of participants, a multi-fund variable annuity contract as its funding vehicle. The plans contribution requirements are as follows: the contribution for each participating active volunteer member shall be between the minimum contributions of \$115.00 and the maximum contribution of \$1,150.00 commencing 2004. The Township's contribution shall be included in the current year's budget.

All amounts awarded under a length of service award plan shall remain the asset of the sponsoring agency; the obligation of the sponsoring agency to participating volunteers shall be contractual only; and no preferred or special interest in the awards made shall accrue to such participants. Such money shall be subject to the claims of the sponsoring agency's general creditors until distributed to any or all participants.

We have reviewed the plan for the year ended December 31, 2018 in accordance with the American Institute of Certified Public Accountants (AICPA) Statement on Standards for Accounting and Review Services.

**TOWNSHIP OF WANTAGE, N.J.**

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2018 AND 2017  
(CONTINUED)**

**NOTE 17: CONTINGENT LIABILITIES**

Township Counsel has advised us of the following:

There is a matter in which there is a potential loss, however Township Counsel anticipates that the trial courts prior decision in dismissing the complaint will be upheld on appeal.

Counsel is also authorized to defend the Township's interest on tax appeals and at this time the financial expense and costs of litigations is unknown.

**NOTE 18: SUBSEQUENT EVENT**

The Township has evaluated subsequent events through July 16, 2019, the date which the financial statements were available to be issued and no other items were noted for disclosure.

## **SUPPLEMENTARY DATA**



**TOWNSHIP OF WANTAGE**  
**OFFICIALS IN OFFICE AND SURETY BONDS**

**YEAR ENDED DECEMBER 31, 2018**

<u>Name</u>	<u>Title</u>
William Gaechter	Mayor
Ronald Bassani	Deputy Mayor
Jonathan Morris	Committeeman
Debra Millikin	Administrator/Acting Municipal Clerk; QPA
Melissa Caton	Tax Collector; Tax Search Officer
Michelle LaStarza	Chief Financial Officer/Treasurer
Kristy Lockburner	Assessor
Glenn Gavan	Court Judge
Donna Chernov	Municipal Court Administrator
Jeanne McBride	Sec. Board of Health
Glenn Kienz	Attorney
Harold E. Pellow	Engineer
William Haggerty	Prosecutor
James P. Sloan	Public Defender
Christine Von Oesen	Assistant Municipal Clerk; Registrar
Patrick Stefanelli	Zoning Officer; Housing Inspector
Township of Hardyston	Fire Prevention; Fire Subcode Official; Plumbing Subcode Inspector; Electrical Subcode Official; Building Subcode Official; Construction Official
John Abate	Animal Control Officer
Thomas M. Ferry, C.P.A., R.M.A.	Township Auditor

Blanket Bond coverage is provided for all Officials and Employees in the amount of \$1,000,000, provided by Statewide Insurance Fund. The type of coverage provided by Blanket Bond is for employee forgery and alteration.

All of the bonds were examined and were properly executed.

Township of Wantage  
 Schedule of Expenditures of Federal Awards  
 For the Year Ended December 31, 2018

State Grantor/Program Title	Federal C.F.D.A. Number	Program or Award Amount	Grant Period From/To	12/31/2017		Receipts	Expended	12/31/2018		MEMO Cumulative Total Expenditures
				(Receivable)	Reserve Balance			(Receivable)	Reserve Balance	
<b>FEDERAL AND STATE GRANT FUND</b>										
United States Department of Homeland Security (Passed through NJ Office of Emergency Management)										
Emergency Management Performance Grants	97.042	9,400.00	1/1/17-12/31/17	(9,400.00)	9,400.00	9,400.00	9,400.00			9,400.00
Emergency Management Performance Grants	97.042	10,000.00	1/1/18-12/31/18				300.00	(10,000.00)	9,700.00	300.00
				(9,400.00)	9,400.00	9,400.00	9,700.00	(10,000.00)	9,700.00	9,700.00
Assistance to Firefighters	97.044	102,000.00	1/1/16-12/31/16				102,000.00	(102,000.00)		102,000.00
<b>TOTAL FEDERAL AND STATE GRANT FUND</b>				(9,400.00)	9,400.00	9,400.00	111,700.00	(112,000.00)	9,700.00	111,700.00
<b>TOTAL FEDERAL AID:</b>				(9,400.00)	9,400.00	9,400.00	111,700.00	(112,000.00)	9,700.00	111,700.00

Note: This schedule was not subject to an audit in accordance with The Uniform Guidance.

**Township of Wantage**  
**Schedule of Expenditures of State Financial Assistance**  
**For the Year Ended December 31, 2018**

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From/To	12/31/2017		Receipts	Expended	Adjustments	12/31/2018		MEMO Cumulative Total Expenditures
				(Receivable)	Reserve Balance				(Receivable)	Reserve Balance	
<b><u>FEDERAL AND STATE GRANT FUND</u></b>											
NJ Department of Solid Waste Administration:											
Recycling Tonnage	100-042-4910-224-V42Y-6020	11,755.26	1/1/15-12/31/15		9,644.21		3,459.43			6,184.78	5,570.48
Recycling Tonnage	100-042-4910-224-V42Y-6020	9,502.58	1/1/16-12/31/16		9,502.00					9,502.00	0.58
Recycling Tonnage	100-042-4910-224-V42Y-6020	7,272.00	1/1/17-12/31/17		7,272.00					7,272.00	-
Recycling Tonnage	100-042-4910-224-V42Y-6020	7,392.15	1/1/18-12/31/18		7,392.15			0.15		7,392.00	-
				-	33,810.36	-	3,459.43	0.15	-	30,350.78	5,571.06
Clean Communities	765-042-4900-004-V42Y-6020	49,586.70	1/1/16-12/31/16		37,680.66		30,604.21			7,076.45	42,510.25
Clean Communities	765-042-4900-004-V42Y-6020	42,127.02	1/1/17-12/31/17		42,127.02					42,127.02	-
Clean Communities	765-042-4900-004-V42Y-6020	40,397.51	1/1/18-12/31/18			40,397.51				40,397.51	-
				-	79,807.68	40,397.51	30,604.21	-	-	89,600.98	42,510.25
<b>Total NJ Department of Solid Waste Administration</b>				-	113,618.04	40,397.51	34,063.64	0.15	-	119,951.76	48,081.31
NJ Department of Environmental Protection:											
Green Acres - Open Space Acquisition - Berry Rd		555,000.00	1/1/17-12/31/17						(555,000.00)	555,000.00	-
Green Acres - Open Space Acquisition - Sherman Ridge		344,500.00	1/1/17-12/31/17						(344,500.00)	344,500.00	-
<b>Total NJ Department of Environmental Protection</b>				-	-	-	-	-	(899,500.00)	899,500.00	-
NJ Department of Community Affairs:											
Alcohol Education Rehabilitation	760-098-Y900-001-X100-6020	11,150.00	1/1/03-12/31/03		41.58		41.58			-	11,150.00
Alcohol Education Rehabilitation	760-098-Y900-001-X100-6020	251.37	1/1/10-12/31/10		251.00		251.00			-	251.37
Alcohol Education Rehabilitation	760-098-Y900-001-X100-6020	161.00	1/1/11-12/31/11		161.00		57.42			103.58	57.42
Alcohol Education Rehabilitation	760-098-Y900-001-X100-6020	377.74	1/1/12-12/31/12		377.00					377.00	-
Alcohol Education Rehabilitation	760-098-Y900-001-X100-6020	422.20	1/1/13-12/31/13		422.00					422.00	-
Alcohol Education Rehabilitation	760-098-Y900-001-X100-6020	219.70	1/1/18-12/31/18			219.70				219.70	-
<b>Total NJ Department of Community Affairs</b>				-	1,252.58	219.70	350.00	-	-	1,122.28	11,458.79
NJ Department of Transportation:											
Local Municipal Aid - Newman Rd	480-078-6320-480-AMQ	148,000.00	1/1/17-12/31/17			111,000.00	148,000.00		(37,000.00)		148,000.00
Local Municipal Aid - Sherman Ridge Rd	480-078-6320-480-AM2	185,000.00	1/1/18-12/31/18			138,750.00	185,000.00		(46,250.00)		185,000.00
<b>Total NJ Department of Transportation</b>				-	-	249,750.00	333,000.00	-	(83,250.00)	-	333,000.00
Council on Alcoholism and Drug Abuse:											
Pass Through County of Sussex:											
Municipal Alliance on Drug and Alcohol Abuse		12,716.00	1/1/17-12/31/17	(2,634.99)	10,081.01	2,634.99	9,743.35			337.66	12,378.34
Municipal Alliance on Drug and Alcohol Abuse		12,716.00	1/1/18-12/31/18			7,528.23			(5,187.77)	12,716.00	-
<b>Total Council on Alcoholism and Drug Abuse</b>				(2,634.99)	10,081.01	10,163.22	9,743.35	-	(5,187.77)	13,053.66	12,378.34
<b>Total Federal and State Grant Fund</b>				(2,634.99)	124,951.63	300,530.43	377,156.99	0.15	(987,937.77)	1,033,627.70	404,918.44
<b>Total State Aid</b>				(2,634.99)	124,951.63	300,530.43	377,156.99	0.15	(987,937.77)	1,033,627.70	404,918.44

Note: This schedule was not subject to an audit in accordance with N.J.OMB Circular 15-08.

**COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE**

**CURRENT FUND**

	<u>Year 2018</u>		<u>Year 2017</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
<b><u>Revenue and Other Income Realized</u></b>				
Fund Balance Utilized	660,900.00	1.89%	336,850.00	0.99%
Miscellaneous - From Other Than				
Local Property Tax Levies	2,636,486.62	7.55%	1,441,989.90	4.24%
Collection of Delinquent Taxes				
and Tax Title Liens	513,424.47	1.47%	800,430.61	2.35%
Collection of Current				
Tax Levy	30,489,130.26	87.33%	30,804,039.36	90.58%
Other Credits to Income	611,607.90	1.75%	624,814.53	1.84%
	<hr/>		<hr/>	
<b><u>Total Revenue and Other Income Realized</u></b>	<b>34,911,549.25</b>	<b>100.00%</b>	<b>34,008,124.40</b>	<b>100.00%</b>
<b><u>Expenditures</u></b>				
Budget Expenditures:				
Municipal Purposes	6,810,041.63	19.65%	5,271,823.46	15.89%
Local and Regional School Taxes	20,742,341.00	59.84%	21,138,820.00	63.71%
County Taxes	6,908,882.28	19.93%	6,686,831.96	20.15%
Municipal Open Space Taxes	60,044.36	0.17%	-	0.00%
Other Expenditures	139,130.80	0.40%	81,926.17	0.25%
	<hr/>		<hr/>	
<b><u>Total Expenditures</u></b>	<b>34,660,440.07</b>	<b>100.00%</b>	<b>33,179,401.59</b>	<b>100.00%</b>
Statutory Excess to Fund Balance	251,109.18		828,722.81	
Fund Balance, January 1,	<hr/>		<hr/>	
	1,202,873.59		711,000.78	
	<hr/>		<hr/>	
	1,453,982.77		1,539,723.59	
Less:				
Utilized as Anticipated Revenue	<hr/>		<hr/>	
	660,900.00		336,850.00	
Fund Balance, December 31,	<hr/>		<hr/>	
	<u>793,082.77</u>		<u>1,202,873.59</u>	

**COMPARATIVE SCHEDULE OF TAX RATE INFORMATION**

	<u>2018</u>	<u>2017</u>	<u>2016</u>
<u>Tax Rate</u>	<u>2.604</u>	<u>2.615</u>	<u>2.674</u>
<u>Apportionment of Tax Rate:</u>			
Municipal	.293	.294	.294
County	.577	.557	.548
Regional School	1.730	1.764	1.827
Municipal Open Space	.004	.000	.005

Assessed Valuation

2018	1,198,925,512		
2017		1,198,176,442	
2016			1,200,037,936

**COMPARISON OF TAX LEVIES AND COLLECTIONS CURRENTLY**

A study of this tabulation could indicate a possible trend in future tax levies. A decrease in the percentage of current collection could be an indication of a probable increase in future tax levy.

<u>Year</u>	<u>Tax Levy</u>	<u>Currently</u>	
		<u>Cash Collections</u>	<u>Percentage of Collection</u>
2018	31,286,323.06	30,489,130.26	97.45%
2017	31,410,296.12	30,804,039.36	98.07%
2016	32,221,679.05	31,344,482.64	97.28%

**DELINQUENT TAXES AND TAX TITLE LIENS**

This tabulation includes a comparison, expressed in percentage, of the total of delinquent taxes and tax title liens, in relation to the tax levies of the last three years.

<u>Year</u>	<u>Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Amount of Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2018	555,734.03	623,403.62	1,179,137.65	3.77%
2017	369,848.21	536,714.73	906,562.94	2.89%
2016	322,840.34	785,309.40	1,108,149.74	3.44%

**PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION**

The value of property acquired by liquidation of tax title liens on December 31, on the basis of the last assessed valuation of such properties, was as follows:

<u>Year</u>	<u>Amount</u>
2018	1,439,900.00
2017	1,500,000.00
2016	1,500,000.00
2015	1,530,800.00
2014	1,669,500.00

**COMPARATIVE SCHEDULE OF FUND BALANCES**

<u>Year</u>	<u>Balance Dec. 31</u>	<u>Utilized In Budget of Succeeding Year</u>
2018	793,082.77	523,500.00
2017	1,202,873.59	660,900.00
2016	711,000.78	336,850.00
2015	941,364.26	575,000.00
2014	669,925.17	329,000.00

**Township of Wantage, N. J.**

**Schedule of Cash**

**Current Fund**

**Year Ended December 31, 2018**

Balance - December 31, 2017	<u>Ref.</u> A		2,770,841.55
Increased by Receipts:			
Miscellaneous Revenue Not Anticipated	A-2	330,175.83	
Taxes Receivable	A-6	29,632,209.70	
Tax Title Liens Receivable	A-7	32,621.35	
Revenue Accounts Receivable	A-9	1,283,171.17	
Due From State - Senior Citizen and Veteran Deductions	A-10	103,424.20	
Interfunds	A-11	468,832.56	
Various Cash Liabilities and Reserves	A-14	141,964.25	
Prepaid Taxes	A-16	<u>260,112.17</u>	
			<u>32,252,511.23</u>
			35,023,352.78
Decreased by Disbursements:			
Current Year Budget Appropriations	A-3	4,841,881.97	
Interfunds	A-11	491,291.55	
Appropriation Reserves	A-13	153,944.94	
Various Cash Liabilities and Reserves	A-14	21,090.12	
County Taxes Payable	A-17	6,910,909.29	
Local Regional School Taxes Payable	A-18	13,479,891.00	
Regional High School Taxes Payable	A-19	7,262,450.00	
Open Space Tax Payable	A-20	<u>60,033.09</u>	
			<u>33,221,491.96</u>
Balance - December 31, 2018	A		<u><u>1,801,860.82</u></u>

**Township of Wantage, N. J.**  
**Schedule of Change Fund**  
**Current Fund**  
**Year Ended December 31, 2018**

	<u>Ref.</u>	
Balance - December 31, 2017	A	<u><u>100.00</u></u>
Balance - December 31, 2018	A	<u><u>100.00</u></u>

<u>Analysis of Balance</u>	
Tax Collector	<u><u>100.00</u></u>



Township of Wantage, N. J.

Schedule of Taxes Receivable and Analysis of Property Tax Levy

Current Fund

Year Ended December 31, 2018

Year	Balance, Dec. 31,	Levy	Added Taxes	Collected		Senior Citizen and Veteran Deductions	Overpayments Applied	Transferred to Tax Title Liens	Canceled	Balance, Dec. 31,
	2017			2018	2017					2018
2017	536,714.73		7,266.37		480,956.54	(153.42)		63,086.45		91.53
2018		31,220,020.13	66,302.93	1,050,020.06	29,151,253.16	108,750.00	179,107.04	129,585.44	44,295.27	623,312.09
	<u>536,714.73</u>	<u>31,220,020.13</u>	<u>73,569.30</u>	<u>1,050,020.06</u>	<u>29,632,209.70</u>	<u>108,596.58</u>	<u>179,107.04</u>	<u>192,671.89</u>	<u>44,295.27</u>	<u>623,403.62</u>
	A			A-2;A-16	A-2;A-4	A-2;A-10	A-2;A-14	A-7		A

Analysis of Tax Levy

Tax yield:	Ref.	
General Purpose Tax		31,220,020.13
Added Tax (R.S. 54:4-63.1 et seq.)		66,302.93
		<u>31,286,323.06</u>
Tax Levy:		
County Tax	A-17	6,894,304.64
Added County Taxes	A-17	<u>14,577.64</u>
		6,908,882.28
Regional School Tax	A-18	13,479,891.00
Regional High School Tax	A-19	7,262,450.00
Open Space Tax	A-20	60,044.36
	A-2	<u>27,711,267.64</u>
Local Tax for Municipal Purposes		3,520,355.00
Additional Taxes		<u>54,700.42</u>
		3,575,055.42
		<u>31,286,323.06</u>

**Township of Wantage, N. J.**  
**Schedule of Tax Title Liens Receivable**

**Current Fund**

**Year Ended December 31, 2018**

	<u>Ref.</u>	
Balance - December 31, 2017	A	369,848.21
Increased by:		
Transferred from 2018 Taxes Receivable	129,585.44	
Transferred from 2017 Taxes Receivable	<u>63,086.45</u>	
	A-6	192,671.89
Added Tax Title Liens		11,824.75
6% Penalty		1,707.92
Interests and Costs		<u>12,302.61</u>
		<u>218,507.17</u>
		588,355.38
Decreased by:		
Collections	A-2;A-4	<u>32,621.35</u>
Balance - December 31, 2018	A	<u><u>555,734.03</u></u>

A-8

**Township of Wantage, N. J.**  
**Schedule of Property Acquired for**  
**Taxes Assessed Valuation**

**Current Fund**

**Year Ended December 31, 2018**

	<u>Ref.</u>	
Balance - December 31, 2017	A	1,500,000.00
Decreased by:		
Adjustment		<u>60,100.00</u>
Balance - December 31, 2018	A	<u><u>1,439,900.00</u></u>

Township of Wantage, N. J.

Schedule of Revenue Accounts Receivable

Current Fund

Year Ended December 31, 2018

	<u>Ref.</u>	<u>Balance Dec. 31, 2017</u>	<u>Accrued</u>	<u>Collected</u>	<u>Balance Dec. 31, 2018</u>
Clerk:					
Licenses:					
Alcoholic Beverages	A-2		4,090.00	4,090.00	
Miscellaneous Revenue not Anticipated	A-2		15,778.12	15,778.12	
Municipal Court :					
Fines and Costs	A-2	3,134.34	31,477.92	33,252.19	1,360.07
Tax Collector:					
Interest and Costs on Taxes	A-2		128,024.70	128,024.70	
Interest on Investments and Deposits	A-2		15,587.74	15,587.74	
Interest and Costs on Assessments	A-2		955.78	955.78	
Planning and Zoning Board					
Miscellaneous Revenue not Anticipated	A-2		37,601.00	37,601.00	
Cable TV Franchise Fee	A-2		30,392.00	30,392.00	
Consolidated Municipal Property Tax	A-2		65,203.00	65,203.00	
Energy Receipts Tax	A-2		689,462.00	689,462.00	
Garden State Trust	A-2		29,948.00	29,948.00	
Watershed Moratorium Offset	A-2		4,559.00	4,559.00	
Interlocal Service Agreements:					
Stillwater Agreement	A-2		41,132.00	41,132.00	
Animal Control Agreement	A-2		89,075.00	89,075.00	
Municipal Court - Sussex Borough	A-2		42,214.00	42,214.00	
Tax Assessor - Sussex Borough	A-2		11,236.00	11,236.00	
Tax Collector - Sussex Borough	A-2		9,010.00	9,010.00	
Finance Officer - Andover Borough	A-2		24,450.00	24,450.00	
Tax Collector - Andover Borough	A-2		12,670.00	12,670.00	
		<u>3,134.34</u>	<u>1,282,866.26</u>	<u>1,284,640.53</u>	<u>1,360.07</u>
		A			A
			<u>Ref.</u>		
			Cash Receipts	A-4	1,283,171.17
			Interfund	A-11	1,469.36
					<u>1,284,640.53</u>

**Township of Wantage, N. J.**

**Schedule of Amount Due From State of New Jersey  
for Senior Citizens' and Veterans' Deductions - CH. 73 P.L. 1976**

**Current Fund**

**Year Ended December 31, 2018**

	<u>Ref.</u>	
Balance - December 31, 2017	A	28,893.85
Increased by:		
Senior Citizens' and Veterans' Per Tax Billing		105,000.00
Add: Deductions Allowed - Current Year		4,250.00
Less: Deductions Disallowed - Current Year		<u>(500.00)</u>
		108,750.00
Less: Deductions Disallowed - Prior Year		<u>(153.42)</u>
	A-6	<u>108,596.58</u>
		137,490.43
Decreased by:		
State Share of Senior Citizens and Veteran Deductions Received in Cash	A-4	<u>103,424.20</u>
Balance - December 31, 2018	A	<u><u>34,066.23</u></u>

## Township of Wantage, N. J.

## Schedule of Interfunds Receivables/(Payables)

## Current Fund

## Year Ended December 31, 2018

<u>Fund</u>	<u>Ref.</u>	Due From/(To) Balance			Due From/(To)
		<u>Dec. 31, 2017</u>	<u>Increased</u>	<u>Decreased</u>	<u>Dec. 31, 2018</u>
Federal and State Grants	A	(124,837.88)	415,109.43	491,291.70	(48,655.61)
Other Trust	A		11.27		(11.27)
General Capital Fund	A	-	56,902.13	1,469.36	(55,432.77)
		<u>(124,837.88)</u>	<u>472,022.83</u>	<u>492,761.06</u>	<u>(104,099.65)</u>
 <u>Analysis</u>					
Due From Current Fund		<u>(124,837.88)</u>			<u>(48,655.61)</u>
Unappropriated Grants Cancelled	A-1			0.15	
Appropriation Payable	A-3		3,179.00	-	
Received	A-4		468,832.56		
Disbursed	A-4			491,291.55	
Revenue Accounts Receivable	A-9			1,469.36	
Open Space Tax	A-20		11.27	-	
			<u>472,022.83</u>	<u>492,761.06</u>	

**Township of Wantage, N. J.**

**Schedule of Deferred Charges**

**N.J.S 40A:4-55 Special Emergency Authorizations**

**Current Fund**

**Year Ended December 31, 2018**

<u>Purpose</u>	<u>Date</u>	<u>Amount Authorized</u>	<u>1/5 of Amount Authorized</u>	<u>Balance Dec. 31, 2017</u>	<u>Reduced by 2015 Budget</u>	<u>Balance Dec. 31, 2018</u>
Reassessment of Taxes	03/28/13	220,000.00	44,000.00	44,000.00	44,000.00	
Revision of Tax Maps	06/12/14	72,000.00	14,400.00	28,800.00	14,400.00	14,400.00
Master Plan Update	09/10/15	25,000.00	5,000.00	15,000.00	5,000.00	10,000.00
				<u>87,800.00</u>	<u>63,400.00</u>	<u>24,400.00</u>
				A	A-3	A

**Township of Wantage, N. J.**  
**Schedule of Appropriation Reserves**  
**Current Fund**

**Year Ended December 31, 2018**

	Balance, Dec. 31, <u>2017</u>	Balance after <u>Transfers</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
<b>Salaries and Wages Within "CAPS"</b>				
Administration	0.20	0.20		0.20
Municipal Clerk	0.51	0.51		0.51
Financial Administration	0.26	0.26		0.26
Collection of Taxes	1.01	1.01		1.01
Assessment of Taxes	6,416.10	6,416.10		6,416.10
Code Enforcement	0.90	0.90		0.90
<b>Health and Welfare:</b>				
Animal Control	691.35	691.35		691.35
Board of Recreation Comm.	0.04	0.04		0.04
Parks and Playgrounds	385.87	385.87		385.87
Municipal Court	<u>10,140.56</u>	<u>10,140.56</u>		<u>10,140.56</u>
<b>Total Salaries and Wages Within "CAPS"</b>	<u><u>17,636.80</u></u>	<u><u>17,636.80</u></u>		<u><u>17,636.80</u></u>
 <b>Other Expenses Within "CAPS":</b>				
Administration	7,271.03	7,271.03	6,187.50	1,083.53
Mayor and Committee	340.00	340.00		340.00
Municipal Clerk	4,238.29	3,838.29	2,737.08	1,101.21
Financial Administration	2,142.66	2,142.66	1,216.75	925.91
Audit Services	19,350.00	19,350.00	14,350.00	5,000.00
Computer Services	8,236.66	8,236.66	1,542.00	6,694.66
Collection of Taxes	15,351.79	15,351.79	399.00	14,952.79
Assessment of Taxes	7,252.09	7,252.09	2,241.75	5,010.34
Legal Services and Costs	11,970.37	12,370.37	12,286.02	84.35
Engineering Services and Costs	26,768.64	26,768.64	19,992.13	6,776.51
Municipal Land Use Law (N.J.S. 40:55 D-1):	7,561.29	7,561.29	4,121.98	3,439.31
Code Enforcement	861.86	861.86		861.86
<b>Insurance:</b>				
Other Insurance Premiums	77.00	77.00		77.00
Workmen's Compensation Insurance	5,969.50	5,969.50		5,969.50
Group Insurance for Employees	27,110.17	27,110.17		27,110.17
Health Benefit Waiver	4,000.00	4,000.00		4,000.00
Emergency Management Services	2,760.30	2,760.30	2,036.55	723.75
<b>Public Safety:</b>				
Fire Department	1,778.48	1,778.48	1,778.48	
Aid to Volunteer Fire Companies:				
Adjoining Municipalities (2)	2,000.00	2,000.00		2,000.00
OSHA Standard Fire Fighter Turnout Gear	2,790.95	2,790.95	2,790.95	
Uniform Fire Safety Act (Ch. 383, P.L. 1983):	250.00	250.00		250.00

**Township of Wantage, N. J.**  
**Schedule of Appropriation Reserves**  
**Current Fund**

**Year Ended December 31, 2018**

	Balance, Dec. 31, <u>2017</u>	Balance after <u>Transfers</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
Streets and Roads:				
Road Repair and Maintenance:				
Other Expenses	1,460.44	1,460.44	1,450.44	10.00
Road Equipment Repair & Maintenance	9,437.32	9,437.32	7,707.75	1,729.57
Safety Equipment	1,500.88	1,500.88	1,489.85	11.03
Snow Removal	17,358.02	17,358.02	17,258.42	99.60
Sanitation:				
Garbage Collection/Recycling	782.45	782.45		782.45
Fire Hydrant Service	1.58	1.58		1.58
Public Buildings and Grounds	9,830.52	9,830.52	3,108.77	6,721.75
Health and Welfare:				
Board of Health:				
Other Expenses	659.78	659.78	202.00	457.78
HBV Vaccination	100.00	100.00		100.00
PEOSHA Respiratory Program	2,204.38	2,204.38	2,204.38	
Animal Control	10.00	10.00		10.00
Aid to SCARC	500.00	500.00		500.00
Recreation and Education	236.27	236.27		236.27
Parks and Playgrounds	18,004.53	18,004.53	7,518.60	10,485.93
Celebration of Public Events	407.76	407.76		407.76
Electricity	14,507.09	14,507.09	3,430.60	11,076.49
Telephone	9,086.35	9,086.35	1,285.31	7,801.04
Propane	14,424.12	14,424.12	2,544.79	11,879.33
Fuel Oil	500.00	500.00		500.00
Gasoline/Diesel Fuel	14,741.88	14,741.88	2,871.65	11,870.23
Municipal Court	10,111.23	10,111.23	8,263.19	1,848.04
Total Other Expenses Within "CAPS"	<u>283,945.68</u>	<u>283,945.68</u>	<u>131,015.94</u>	<u>152,929.74</u>
Deferred Charges and Statutory Expenditures				
Within "CAPS":				
Statutory Expenditures:				
Contribution To:				
Social Security System (O.A.S.I.)	7,017.11	7,017.11		7,017.11
Unemployment Compensation Insurance	513.41	513.41		513.41
Defined Contribution Program	379.62	379.62		379.62
Total Deferred Charges and Statutory				
Expenditures Within "CAPS"	<u>7,910.14</u>	<u>7,910.14</u>		<u>7,910.14</u>
Total General Appropriation within "CAPS"	<u>309,492.62</u>	<u>309,492.62</u>	<u>131,015.94</u>	<u>178,476.68</u>



**Township of Wantage, N. J.**  
**Schedule of Appropriation Reserves**  
**Current Fund**

**Year Ended December 31, 2018**

	<u>Balance,</u> Dec. 31, <u>2017</u>	<u>Balance</u> after <u>Transfers</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Other Expenses Excluded From "CAPS":				
LOSAP	<u>40,000.00</u>	<u>40,000.00</u>	<u>25,349.00</u>	<u>14,651.00</u>
Interlocal Municipal Service Agreement				
Uniform Construction Code - Hardyston Township:				
Other Expenses	<u>28,675.00</u>	<u>28,675.00</u>		<u>28,675.00</u>
Total Interlocal Municipal Service Agreements	<u>28,675.00</u>	<u>28,675.00</u>		<u>28,675.00</u>
Public and Private Programs Offset by Revenue				
Clean Communities Grant:				
Other Expense	6,172.57	6,172.57		6,172.57
Recycling Tonnage Grant:				
Other Expense	<u>2.00</u>	<u>2.00</u>		<u>2.00</u>
Total Public and Private Programs Offset by Revenue	<u>6,174.57</u>	<u>6,174.57</u>		<u>6,174.57</u>
Capital Improvements				
Improvements to Various Roads	<u>68.20</u>	<u>68.20</u>		<u>68.20</u>
Total General Appropriations Excluded				
From "CAPS"	<u>74,917.77</u>	<u>74,917.77</u>	<u>25,349.00</u>	<u>49,568.77</u>
Total General Appropriation Reserves	<u>384,410.39</u>	<u>384,410.39</u>	<u>156,364.94</u>	<u>228,045.45</u>

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<u>Analysis of Appropriation Reserve</u>	<u>Ref</u>		
Unencumbered	A	270,109.68	
Encumbered	A	<u>114,300.71</u>	
		<u>384,410.39</u>	
<u>Analysis of Paid or Charged</u>			
Cash Disbursed	A-4		153,944.94
Transferred to Commitments Payable	A-15		<u>2,420.00</u>
			<u>156,364.94</u>

**Township of Wantage, N. J.**

**Schedule of Various Liabilities and Reserves**

**Current Fund**

**Year Ended December 31, 2018**

<u>Liabilities and Reserves</u>	<u>Balance</u> <u>Dec. 31, 2017</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance</u> <u>Dec. 31, 2018</u>
<u>Liabilities:</u>				
Due State of NJ-Marriage License Fees	325.00	1,525.00	1,575.00	275.00
Tax Overpayments	39,346.14	273,245.05	198,629.51	113,961.68
<u>Reserves for:</u>				
Revaluation of Real Property	39,325.33			39,325.33
Sale of Municipal Assets		6,325.00		6,325.00
Digital Tax Maps	2,986.54			2,986.54
Master Plan Update	2,668.82			2,668.82
	<u>84,651.83</u>	<u>281,095.05</u>	<u>200,204.51</u>	<u>165,542.37</u>
	A			A
	<u>Ref.</u>			
Canceled	A-1		7.35	
Appeals of Prior Year Taxes	A-1	139,130.80		
Cash Disbursed	A-4		21,090.12	
Cash Receipts	A-4	141,964.25		
Applied to Taxes Receivable	A-6		179,107.04	
		<u>281,095.05</u>	<u>200,204.51</u>	

**Township of Wantage, N. J.**  
**Schedule of Commitment Payable**  
**Current Fund**  
**Year Ended December 31, 2018**

Balance - December 31, 2017	<u>Ref.</u> A	24,237.00
Increased by:		
Transfer from Appropriation Reserves	A-13	<u>2,420.00</u>
Balance - December 31, 2018	A	<u><u>26,657.00</u></u>

**Schedule of Prepaid Taxes**  
**Current Fund**  
**Year Ended December 31, 2018**

Balance - December 31, 2017	<u>Ref.</u> A	1,050,020.06
Increased by:		
Receipts - Prepaid 2018 Taxes	A-4	<u>260,112.17</u>
		1,310,132.23
Decreased by:		
Applied to 2018 Taxes	A-6	<u>1,050,020.06</u>
Balance - December 31, 2018	A	<u><u>260,112.17</u></u>

**Township of Wantage, N. J.**  
**Schedule of County Taxes Payable**

**Current Fund**

**Year Ended December 31, 2018**

	<u>Ref.</u>		
Balance - December 31, 2017	A		16,604.65
Increased by:			
Levy- 2018	A-6	6,894,304.64	
Added and Omitted Taxes	A-6	<u>14,577.64</u>	
	A-1		<u>6,908,882.28</u>
			<u>6,925,486.93</u>
Decreased by:			
Payments	A-4		<u>6,910,909.29</u>
Balance - December 31, 2018	A		<u><u>14,577.64</u></u>

**Schedule of Local Regional School Taxes Payable**

**Current Fund**

**Year Ended December 31, 2018**

	<u>Ref.</u>		
Increased by:			
Levy- 2018	A-1;A-6		<u><u>13,479,891.00</u></u>
Decreased by:			
Payments	A-4		<u><u>13,479,891.00</u></u>

**Township of Wantage, N. J.**  
**Schedule of Regional High School Taxes Payable**

**Current Fund**

**Year Ended December 31, 2018**

	<u>Ref.</u>	
Increased by:		
Levy- 2018	A-1;A-6	7,262,450.00
Decreased by:		
Payments	A-4	7,262,450.00

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**Schedule of Open Space Tax**

**Current Fund**

**Year Ended December 31, 2018**

	<u>Ref.</u>	
Increased by:		
Levy- 2018		59,946.00
Added and Omitted		98.36
	A-1;A-6	60,044.36
Decreased by:		
Cash Disbursed	A-4	60,033.09
Interfund - Other Trust Fund	A-11	11.27
		60,044.36

**Township of Wantage, N. J.**

**Schedule of Interfunds**

**Federal and State Grant Fund**

**Year Ended December 31, 2018**

<u>Fund</u>	<u>Ref.</u>	Due From/(To)			Due From/(To)
		<u>Balance</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance</u>
		<u>Dec. 31, 2017</u>			<u>Dec. 31, 2018</u>
Current Fund	A	<u>124,837.88</u>	<u>415,109.43</u>	<u>491,291.70</u>	<u>48,655.61</u>
Grants Receivable	A-22		411,930.43		
Appropriated Grants	A-23			491,291.55	
Appropriated Grants - Matching Fund	A-23		3,179.00		
Unappropriated Grants	A-24			0.15	
			<u>415,109.43</u>	<u>491,291.70</u>	

**Township of Wantage, N. J.**  
**Schedule of Grants Receivable**  
**Federal and State Grant Fund**  
**Year Ended December 31, 2018**

<u>Grant</u>	<u>Balance</u> <u>Dec. 31, 2017</u>	<u>Budget</u> <u>Revenue</u>	<u>Received</u>	<u>Transfer from</u> <u>Unappropriated</u> <u>Reserves</u>	<u>Balance</u> <u>Dec. 31, 2018</u>
Recycling Tonnage Grant		7,392.00		7,392.00	
Municipal Court Alcohol Rehabilitation		219.70	219.70		
Municipal Alliance on Alcohol and Drug Abuse	2,634.99	12,716.00	10,163.22		5,187.77
N.J. Transportation Trust Fund Auth.:					
Newman Road		148,000.00	111,000.00		37,000.00
Sherman Ridge Road		185,000.00	138,750.00		46,250.00
EMMA Performance	9,400.00	10,000.00	9,400.00		10,000.00
SCBA Firefighter Grant		102,000.00	102,000.00		
Clean Communities		40,397.51	40,397.51		
N.J. D.E.P. Green Acres Trust:					
Berry Road		555,000.00			555,000.00
Sherman Ridge Road		344,500.00			344,500.00
	<u>12,034.99</u>	<u>1,405,225.21</u>	<u>411,930.43</u>	<u>7,392.00</u>	<u>997,937.77</u>
	A	A-2	A-21	A-24	A

**Township of Wantage, N. J.**

**Schedule of Appropriated Reserves for Grants**

**Federal and State Grant Fund**

**Year Ended December 31, 2018**

<u>Grant</u>	<u>Balance</u> <u>Dec. 31, 2017</u>	Transfer From 2018 <u>Budget</u>	<u>Expended</u>	<u>Balance</u> <u>Dec. 31, 2018</u>
Clean Communities Program	79,807.68	40,397.51	30,604.21	89,600.98
Recycling Tonnage	26,418.21	7,392.00	3,459.43	30,350.78
Municipal Court Alcohol Rehabilitation	1,252.58	219.70	350.00	1,122.28
Municipal Alliance:				
Local Share	2,521.24	3,179.00	2,434.56	3,265.68
State Share	10,081.01	12,716.00	9,743.35	13,053.66
N.J. D.E.P. Green Acres Trust:				
Berry Road		555,000.00		555,000.00
Sherman Ridge Road		344,500.00		344,500.00
N.J. Transportation Trust Fund Auth.:				
Newman Road		148,000.00	148,000.00	
Sherman Ridge Road		185,000.00	185,000.00	
FEMA - Hazard Mitigation Grant				
Performance Grant	9,400.00	10,000.00	9,700.00	9,700.00
SCBA Firefighter Grant		102,000.00	102,000.00	
	<u>129,480.72</u>	<u>1,408,404.21</u>	<u>491,291.55</u>	<u>1,046,593.38</u>
	A		A-21	A
	<u>Ref.</u>			
State Grant Fund	A-3	1,405,225.21		
Matching Funds for Grants	A-21	3,179.00		
		<u>1,408,404.21</u>		



**Township of Wantage, N. J.**

**Schedule of Unappropriated Reserves for Grants**

**Federal and State Grant Fund**

**Year Ended December 31, 2018**

<u>Grant</u>	<u>Balance Dec. 31, 2017</u>	<u>Transfer To Appropriated Reserves</u>	<u>Cancel to Surplus</u>
Recycling Tonnage Grant	<u>7,392.15</u>	<u>7,392.00</u>	<u>0.15</u>
	A	A-22	A-21

## Township of Wantage, N.J.

## Schedule of Cash - Treasurer

## Trust Funds

Year Ended December 31, 2018

	<u>Ref.</u>	<u>Animal Control Trust Fund</u>	<u>Other Trust Funds</u>	<u>Emergency Services Volunteer Length of Service Award Program</u>
Balance - December 31, 2017	B	<u>25,403.45</u>	<u>1,752,543.47</u>	<u>546,380.23</u>
Increased by Receipts:				
Dog License Fees	B-4	10,870.80		
Pound/Kennel/Late Fees	B-4	6,719.80		
Pre-Paid Licenses	B-5	3,073.80		
Dog License Fees - State Share	B-6	2,597.40		
Schedule of Interfunds	B-7		10,455.55	
Other Trust Funds	B-8		2,300,232.48	
Township Contributions	B-9			23,585.00
Total Receipts		<u>23,261.80</u>	<u>2,310,688.03</u>	<u>23,585.00</u>
		<u>48,665.25</u>	<u>4,063,231.50</u>	<u>569,965.23</u>
Decreased by Disbursements:				
Encumbrances Payable	B-3	885.44		
Reserve for Dog Expenditures	B-4	28,902.61		
Dog License Fees - State Share	B-6	2,095.20		
Schedule of Interfunds	B-7		12,730.00	
Other Trust Funds	B-8		2,352,270.73	
Distributions	B-10			36,753.94
Decrease in Investment Value	B-10			16,011.53
Accounting Charges	B-10			2,750.00
Total Disbursements		<u>31,883.25</u>	<u>2,365,000.73</u>	<u>55,515.47</u>
Balance - December 31, 2018	B	<u><u>16,782.00</u></u>	<u><u>1,698,230.77</u></u>	<u><u>514,449.76</u></u>

**Township of Wantage, N.J.**  
**Schedule of Cash - Change Fund**  
**Animal Control Trust Fund**  
**Year Ended December 31, 2018**

	<u>Ref.</u>	
Balance - December 31, 2017	B	<u>100.00</u>
Balance - December 31, 2018	B	<u>100.00</u>

**Schedule of Encumbrances Payable**  
**Animal Control Trust Fund**  
**Year Ended December 31, 2018**

	<u>Ref.</u>	
Balance - December 31, 2017	B	885.44
Increased by:		
Reserve for Animal Control Expenditures	B-4	<u>11,236.85</u>
		12,122.29
Decreased by:		
Cash Disbursements	B-1	<u>885.44</u>
Balance - December 31, 2018	B	<u>11,236.85</u>

## Township of Wantage, N.J.

## Schedule of Reserve/(Deficit) for Animal Control Trust Fund Expenditures

## Animal Control Trust Fund

## Year Ended December 31, 2018

	<u>Ref.</u>		
Balance - December 31, 2017	B		21,626.01
Increased by:			
Dog License Fees	B-1	10,870.80	
Pre-paid Licenses Applied	B-5	2,549.80	
		<u>13,420.60</u>	
Pound/Kennel/Late Fees	B-1	<u>6,719.80</u>	20,140.40
			<u>41,766.41</u>
Decreased by:			
Cash Disbursements	B-1	28,902.61	
Encumbrances Payable	B-3	<u>11,236.85</u>	
			<u>40,139.46</u>
Balance - December 31, 2018	B		<u><u>1,626.95</u></u>
		<u>License Fees Collected</u>	
2016			13,173.40
2017			13,200.40
			<u><u>26,373.80</u></u>

B-5

## Schedule of Pre-Paid Dog Licenses

## Animal Control Trust Fund

## Year Ended December 31, 2018

	<u>Ref.</u>		
Balance - December 31, 2017	B		2,549.80
Increased by:			
Cash Received in 2018	B-1	<u>3,073.80</u>	
			5,623.60
Decreased by:			
Prepaid Realized	B-4	<u>2,549.80</u>	
Balance - December 31, 2018	B		<u><u>3,073.80</u></u>

**Township of Wantage, N.J.**

**Schedule of Due To (From) State Department of Health**

**Animal Control Trust Fund**

**Year Ended December 31, 2018**

	<u>Ref.</u>	
Balance - December 31, 2017	B	442.20
Increased by:		
State Fees Collected	B-1	2,597.40
		<u>3,039.60</u>
Decreased by:		
Paid to State	B-1	2,095.20
		<u>2,095.20</u>
Balance - December 31, 2018	B	<u><u>944.40</u></u>

**Schedule of Interfund Accounts Receivable/(Payable)**

**Other Trust Funds**

**Year Ended December 31, 2018**

	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2017</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance</u> <u>Dec. 31, 2018</u>
Assessment Trust	B	(14,868.55)	10,455.55	12,730.00	(12,594.10)
Current Fund	B			11.27	11.27
		<u>(14,868.55)</u>	<u>10,455.55</u>	<u>12,741.27</u>	<u>(12,582.83)</u>
Cash Receipts	B-1		10,455.55		
Cash Disbursements	B-1			12,730.00	
Various Reserves	B-8			11.27	
			<u>10,455.55</u>	<u>12,741.27</u>	

## Township of Wantage, N.J.

## Schedule of Other Trust Funds

## Trust Funds

## Year Ended December 31, 2018

	<u>Balance</u> <u>Dec. 31, 2017</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance</u> <u>Dec. 31, 2018</u>
Reserve for:				
Municipal Court P.O.A.A. Fees	190.00			190.00
Affordable Housing	340,836.93			340,836.93
Public Defender		8,106.00	8,106.00	
Tax Sale Premiums	72,600.00	200.00	72,600.00	200.00
Outside Lien Holder		250,525.59	250,525.59	
Open Space	693,327.98	60,147.36	83,053.05	670,422.29
Accumulated Sick	12,069.87	6,000.00		18,069.87
Snow Removal/Storm Recovery	107,068.51	100,017.58	89,917.37	117,168.72
Escrow Deposits	124,081.02	37,081.95	33,123.60	128,039.37
Recreation	33,136.99	6,956.64	2,435.79	37,657.84
COAH	252,663.68	8,435.16		261,098.84
Prepaid Allocations		20,240.24		20,240.24
Payroll	10,994.71	1,793,895.82	1,804,390.10	500.43
Flexible Spending Account	3,411.78	8,637.41	8,119.23	3,929.96
Planning and Zoning Deposits	87,293.45			87,293.45
	<u>1,737,674.92</u>	<u>2,300,243.75</u>	<u>2,352,270.73</u>	<u>1,685,647.94</u>
	B			B
	<u>Ref.</u>			
Schedule of Interfunds	B-7	11.27		
Cash Receipts	B-1	2,300,232.48		
Cash Disbursements	B-1		2,352,270.73	
		<u>2,300,243.75</u>	<u>2,352,270.73</u>	

**Township of Wantage, N.J.**  
**Schedule of Contributions Receivable**  
**Emergency Services Volunteer Length of Services Award Program**  
**Year Ended December 31, 2018**

	<u>Ref.</u>	
Balance - December 31, 2017	B	23,849.00
Increased by:		
Township Contributions - 2018	B-10	26,850.00
		<u>50,699.00</u>
Decreased by:		
Adjustment to 2017 Contribution	B-10	264.00
Receipts	B-1	23,585.00
		<u>23,849.00</u>
Balance - December 31, 2018	B	<u><u>26,850.00</u></u>

## Township of Wantage, N.J.

## Schedule of Net Assets Available for Benefits

## Emergency Services Volunteer Length of Services Award Program

Year Ended December 31, 2018

	<u>Ref.</u>		
Balance - December 31, 2017	B		570,229.23
Increased by:			
Township Contributions - 2018	B-9		26,850.00
			<u>597,079.23</u>
Decreased by:			
Withdrawals	B-1	36,753.94	
Decrease in Investment Value	B-1	16,011.53	
Accounting Charges	B-1	2,750.00	
Adjustment to 2017 Contributions	B-9	264.00	
		<u>55,779.47</u>	<u>55,779.47</u>
Balance - December 31, 2018	B		<u><u>541,299.76</u></u>



Township of Wantage, N.J.

Schedule of Interfund Accounts Receivable/(Payable)

Assessment Trust Fund

Year Ended December 31, 2018

	Due (to)/from Balance <u>Dec. 31, 2017</u>	<u>Increased</u>	<u>Decreased</u>	Due (to)/from Balance <u>Dec. 31, 2018</u>
Other Trusts	<u>14,868.55</u>	<u>10,455.55</u>	<u>12,730.00</u>	<u>12,594.10</u>
	B	B-12	B-13	B

Township of Wantage, N.J.  
 Schedule of Assessments Receivable  
 Assessment Trust Fund  
 Year Ended December 31, 2018

Ord. Number	Description	Date of Confirmation	Annual Installments	Balance Dec. 31, 2017	Collected	Balance Dec. 31, 2018	Balance Pledged To		
							Bond Anticipation Notes	Interfund Other Trust Funds	Reserve
15-04	Improvements to Volcanic Hill Rd	5/14/2015	10	94,100.37	10,455.55	83,644.82	63,921.80	12,594.10	7,128.92
				B	B-11	B		B-11	B-14

**Township of Wantage, N.J.**  
**Schedule of Bond Anticipation Notes**  
**Assessment Trust Fund**  
**Year Ended December 31, 2018**

<u>Ord. Number</u>	<u>Description</u>	<u>Date of Issue of Original Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2017</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2018</u>
15-04	Improvements to Volcanic Hill Rd	11/25/2015	11/22/2017 11/8/2018	11/21/2018 10/30/2019	1.29% 3.50%	101,840.00		101,840.00	
						<u>101,840.00</u>	<u>89,110.00</u>	<u>101,840.00</u>	<u>89,110.00</u>
						B			B
					<u>Ref.</u>				
				Renewals			89,110.00	89,110.00	
				Paid by Budget Appropriation	B-11			12,730.00	
							<u>89,110.00</u>	<u>101,840.00</u>	

**Township of Wantage, N.J.**

**Schedule of Reserve of Assessments and Liens**

**Assessment Trust Fund**

**Year Ended December 31, 2018**

<u>Ord. Number</u>	<u>Description</u>	Balance Dec. 31, <u>2017</u>	Balance Dec. 31, <u>2018</u>
15-04	Improvements to Volcanic Hill Rd	<u>7,128.92</u> B	<u>7,128.92</u> B

## Township of Wantage, N.J.

## General Capital Fund

## Schedule of Cash

## Year Ended December 31, 2018

	<u>Ref.</u>		
Balance - December 31, 2017	C;C-3		648,418.68
Increased by Receipts:			
Fund Balance	C-1	3.20	
Deferred Charge to Future			
Taxation - Unfunded	C-6	101,996.80	
Capital Improvement Fund	C-7	61,900.00	
Various Reserves	C-10	37,792.52	
Bond Anticipation Notes	C-11	933,375.00	
		<u>1,135,067.52</u>	
			<u>1,783,486.20</u>
Decreased by Disbursements:			
Reserve for Encumbrances	C-8	342,148.07	
Improvement Authorizations	C-9	1,008,880.66	
Various Reserves	C-10	4,324.14	
		<u>1,355,352.87</u>	
Balance - December 31, 2018	C;C-3		<u><u>428,133.33</u></u>

**Township of Wantage, N.J.**  
**Analysis of Cash**  
**General Capital Fund**  
**Year Ended December 31, 2018**

	Balance Dec. 31, 2017	Receipts			Disbursements		Transfers		Balance Dec. 31, 2018
		Budget Appropriation	BAN's	Miscellaneous	Improvement Authorizations	Miscellaneous	To	From	
Fund Balance	49.24			3.20			55,432.77		55,485.21
Capital Improvement Fund	22,551.98	61,900.00						50,125.00	34,326.98
Encumbrances Payable	795,224.47				342,148.07		45,198.49	5,826.40	492,448.49
Various Reserves	294,874.66	24,565.72		13,226.80		4,324.14		36,621.98	291,721.06
Interfund - Current Fund	-							55,432.77	(55,432.77)
<u>Ordinance</u>									
05-22 Various Capital Improvements	(140,004.00)								(140,004.00)
16-05 Various Capital Improvements	88,098.68				11,413.25			521.54	76,163.89
17-06 Various Capital Improvements	123,943.57				25,000.74		5,826.40	7,516.54	97,252.69
17-11 Improvements to Various Roads	12,926.88								12,926.88
17-14 Acquisition of Open Space	(447,250.00)								(447,250.00)
17-15 Acquisition of SCBA for Fire Dept.	(101,996.80)			101,996.80					-
18-08 Various Capital Improvements	-		933,375.00		936,626.67		50,125.00	36,538.43	10,334.90
18-09 Drainage Improvements	-				24,000.00		24,000.00		-
18-12 Install of Fuel Management System	-				11,840.00		12,000.00		160.00
	<u>648,418.68</u>	<u>86,465.72</u>	<u>933,375.00</u>	<u>115,226.80</u>	<u>1,351,028.73</u>	<u>4,324.14</u>	<u>192,582.66</u>	<u>192,582.66</u>	<u>428,133.33</u>
	C;C-2								C;C-2

**Township of Wantage, N.J.**  
**Schedule of Due From Current Fund**  
**General Capital Fund**  
**Year Ended December 31, 2018**

	<u>Ref.</u>	
Increased by:		
Premium on Bond Sale	C-1	55,432.77
Balance - December 31, 2018	C	55,432.77

**Schedule of Deferred Charges to Future**  
**Taxation - Funded**  
**General Capital Fund**  
**Year Ended December 31, 2018**

	<u>Ref.</u>	
Balance - December 31, 2017	C	1,121,403.99
Decreased by:		
Funded by Budget Appropriation:		
Green Acres Trust Loan	C-12	46,473.14
DEP Loan Payable	C-13	52,390.61
		98,863.75
Balance - December 31, 2018	C	1,022,540.24

Township of Wantage, N.J.

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2018

06

Ord. No.	Ordinance Date	Improvement Description	Balance Dec. 31, 2017	2018 Authorizations	Notes Paid By Budget Appropriation	Grants Received	Balance Dec. 31, 2018	Analysis of Balance Dec. 31, 2018		
								Financed by Bond Anticipation Notes	Expended	Unexpended Improvement Authorizations
05-22	12/08/05	Various Capital Improvements	140,004.00				140,004.00		140,004.00	
08-06	05/29/08	Various Capital Improvements	123,500.00		61,750.00		61,750.00	61,750.00		
09-13	06/25/09	Various Capital Improvements	363,375.00		121,125.00		242,250.00	242,250.00		
11-10	10/20/11	Acquisition of a Fire Engine and Associated Fire Equipment	-				-			
			285,000.00		57,000.00		228,000.00	228,000.00		
12-03	04/26/12	Various Capital Improvements	313,500.00		52,250.00		261,250.00	261,250.00		
13-07	05/23/13	Various Capital Improvements	565,827.00		81,301.00		484,526.00	484,526.00		
14-07	03/20/14	Various Capital Improvements	828,200.00		114,912.00		713,288.00	713,288.00		
15-04	05/26/15	Various Capital Improvements	496,280.00		62,035.00		434,245.00	434,245.00		
16-05	05/26/16	Various Capital Improvements	1,134,148.00		117,420.00		1,016,728.00	1,016,728.00		
17-06	05/11/17	Various Capital Improvements	1,054,260.00		105,426.00		948,834.00	948,834.00		
17-14	10/26/17	Acquisition of Open Space	950,000.00				950,000.00		447,250.00	502,750.00
17-15	10/26/17	Acq. of SCBA for Fire Dept.	101,996.80			101,996.80	-			
18-08	05/24/18	Various Capital Improvements		952,375.00			952,375.00	933,375.00		19,000.00
			<u>6,356,090.80</u>	<u>952,375.00</u>	<u>773,219.00</u>	<u>101,996.80</u>	<u>6,433,250.00</u>	<u>5,324,246.00</u>	<u>587,254.00</u>	<u>521,750.00</u>
			C	C-9	C-11	C-2; C-14	C	C-11		
								<u>Ref.</u>		
								Improvement Authorizations - Unfunded	C-9	705,501.48
								Less: Unexpended Proceeds of Bond Anticipation Notes:		
								Ord. # 16-05		76,163.89
								Ord. # 17-06		97,252.69
								Ord. # 18-08		10,334.90
										<u>183,751.48</u>
										<u>521,750.00</u>



**Township of Wantage, N.J.**  
**Schedule of Capital Improvement Fund**  
**General Capital Fund**  
**Year Ended December 31, 2018**

	<u>Ref.</u>	
Balance - December 31, 2017	C	22,551.98
Increased by:		
Budget Appropriation	C-2	<u>61,900.00</u>
		84,451.98
Decreased by:		
Appropriated to Finance Improvement Authorizations	C-9	<u>50,125.00</u>
Balance - December 31, 2018	C	<u><u>34,326.98</u></u>

**Township of Wantage, N.J.**  
**Schedule of Encumbrances Payable**  
**General Capital Fund**  
**Year Ended December 31, 2018**

	<u>Ref.</u>		
Balance - December 31, 2017	C		795,224.47
Increased by:			
Improvement Authorizations	C-9	44,576.51	
Various Reserves	C-10	<u>621.98</u>	
			<u>45,198.49</u>
			840,422.96
Decreased by:			
Cash Disbursements	C-2	342,148.07	
Purchase Order Adjusted	C-9	<u>5,826.40</u>	
			<u>347,974.47</u>
Balance - December 31, 2018	C		<u><u>492,448.49</u></u>

Township of Wantage, N.J.

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2018

Ord. No.	Improvement Description	Ordinance Date	Amount	Balance Dec. 31, 2017		2018 Authorizations	Expended	Purchase order Adjustment	Balance Dec. 31, 2018	
				Funded	Unfunded				Funded	Unfunded
<u>General Improvements:</u>										
16-05	Various Capital Improvements	05/26/16	1,236,000.00		88,098.68		11,934.79			76,163.89
17-06	Various Capital Improvements	05/11/17	1,109,747.00		123,943.57		32,517.28	5,826.40		97,252.69
17-11	Improvements to Various Roads	08/10/17	23,000.00	12,926.88					12,926.88	
17-14	Acquisition of Open Space	10/26/17	950,000.00		502,750.00					502,750.00
18-08	Various Capital Improvements	05/24/18	983,500.00			1,002,500.00	973,165.10			29,334.90
18-09	Drainage Improvements	05/24/18	24,000.00			24,000.00	24,000.00			
18-12	Install of Fuel Management System	10/25/18	12,000.00			12,000.00	11,840.00		160.00	
				<u>12,926.88</u>	<u>714,792.25</u>	<u>1,038,500.00</u>	<u>1,053,457.17</u>	<u>5,826.40</u>	<u>160.00</u>	<u>705,501.48</u>
				C	C			C-8	C	C;C-6
		<u>Ref.</u>								
	Cash Disbursements	C-2					1,008,880.66			
	Encumbrances Payable	C-8					44,576.51			
	Deferred Charges to Future Taxation - Unfunded	C-6;C-14				952,375.00				
	Capital Improvement Fund	C-7				50,125.00				
	Various Reserves	C-10				36,000.00				
						<u>1,038,500.00</u>	<u>1,053,457.17</u>			

**Township of Wantage, N.J.**

**Schedule of Various Reserves**

**General Capital Fund**

**Year Ended December 31, 2018**

<u>Description</u>	<u>Balance</u> <u>Dec. 31, 2017</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance</u> <u>Dec. 31, 2018</u>
Debt Service	20,857.55	12,730.00		33,587.55
Fire Equipment	16,327.95	940.86	4,946.12	12,322.69
Improvement to Various Roads	225,733.31	13,759.00	24,000.00	215,492.31
Office Equipment	600.00			600.00
Vehicle Maintenance	19,166.25		12,000.00	7,166.25
Pound Expansion	7,989.60	1,437.66		9,427.26
Recreation Fields	4,200.00	8,925.00		13,125.00
	<u>294,874.66</u>	<u>37,792.52</u>	<u>40,946.12</u>	<u>291,721.06</u>
	C			C
	<u>Ref.</u>			
Cash Disbursements	C-2		4,324.14	
Cash Receipts	C-2	37,792.52		
Encumbrances Payable	C-8		621.98	
Improvement Authorizations	C-9		36,000.00	
		<u>37,792.52</u>	<u>40,946.12</u>	

Township of Wantage, N.J.

Schedule of Bond Anticipation Notes Payable

General Capital Fund

Year Ended December 31, 2018

Ord. Number	Improvement Description	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2017	Increased	Decreased	Balance Dec. 31, 2018
2008-06	Various Capital Improvements	08/07/09	11/22/17 11/08/18	11/21/18 10/30/19	1.29% 3.50%	123,500.00	61,750.00	123,500.00	61,750.00
2009-13	Various Capital Improvements	08/07/09	11/22/17 11/08/18	11/21/18 10/30/19	1.29% 3.50%	363,375.00	242,250.00	363,375.00	242,250.00
2011-11	Acquisition Of Fire Engine	01/12/12	11/22/17 11/08/18	11/21/18 10/30/19	1.29% 3.50%	285,000.00	228,000.00	285,000.00	228,000.00
2012-03	Various Capital Improvements	01/10/13	11/22/17 11/08/18	11/21/18 10/30/19	1.29% 3.50%	313,500.00	261,250.00	313,500.00	261,250.00
2013-07	Various Capital Improvements	01/09/14	11/22/17 11/08/18	11/21/18 10/30/19	1.29% 3.50%	565,827.00	484,526.00	565,827.00	484,526.00
2014-07	Various Capital Improvements	12/30/14	11/22/17 11/08/18	11/21/18 10/30/19	1.29% 3.50%	828,200.00	713,288.00	828,200.00	713,288.00
2015-04	Various Capital Improvements	11/25/15	11/22/17 11/08/18	11/21/18 10/30/19	1.29% 3.50%	496,280.00	434,245.00	496,280.00	434,245.00
2016-05	Various Capital Improvements	11/22/16	11/22/17 11/08/18	11/21/18 10/30/19	1.29% 3.50%	1,134,148.00	1,016,728.00	1,134,148.00	1,016,728.00
2017-06	Various Capital Improvements	11/22/17	11/22/17 11/08/18	11/21/18 10/30/19	1.29% 3.50%	1,054,260.00	948,834.00	1,054,260.00	948,834.00
2018-08	Various Capital Improvements	11/08/18	11/08/18	10/30/19	3.50%		933,375.00		933,375.00
						<u>5,164,090.00</u>	<u>5,324,246.00</u>	<u>5,164,090.00</u>	<u>5,324,246.00</u>
						C			C;C-6
					Renewals		4,390,871.00	4,390,871.00	
					Issued For Cash	C-2;C-14	933,375.00		
					Funded by Budget Appropriation	C-6		773,219.00	
							<u>5,324,246.00</u>	<u>5,164,090.00</u>	

**Township of Wantage, N.J.**  
**Schedule of Green Acres Trust Loan Payable**  
**General Capital Fund**  
**Year Ended December 31, 2018**

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding, December 31, 2018</u>		<u>Interest Rate</u>	<u>Balance</u>	<u>Decreased</u>	<u>Balance</u>
			<u>Date</u>	<u>Amount</u>		<u>Dec. 31, 2017</u>		<u>Dec. 31, 2018</u>
Green Acres Loan	12/21/1998	150,000.00		See Notes	2.00%	9,189.43	9,189.43	
Green Acres Loan	12/16/2003	445,936.69	2/12/2019 - 2/12/2023 8/12/2019 - 8/12/2023	See Notes	2.00%	156,050.35	24,731.81	131,318.54
Green Acres Loan	06/06/2009	250,000.00	6/6/2019 - 6/6/2028 12/6/2019 - 12/6/2028	See Notes	2.00%	152,818.14	12,551.90	140,266.24
						<u>318,057.92</u>	<u>46,473.14</u>	<u>271,584.78</u>
						C	C-5	C

**Township of Wantage, NJ**

**Schedule of NJDEP Dam Restoration Loan**

**General Capital Fund**

**Year Ended December 31, 2018**

	<u>Ref.</u>	
Balance - December 31, 2017	C	803,346.07
Decreased by:		
Principal Matured	C-5	<u>52,390.61</u>
Balance - December 31, 2018	C	<u><u>750,955.46</u></u>

**Schedule of Principal and Interest Payments Outstanding December 31, 2018**

<u>Payment Number</u>	<u>Maturity Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Loan Balance</u>
10	03/31/19	26,588.89	7,509.55	724,366.57
11	09/30/19	26,854.78	7,243.67	697,511.79
12	03/31/20	27,123.33	6,975.12	670,388.46
13	09/30/20	27,394.56	6,703.88	642,993.90
14	03/31/21	27,668.51	6,429.94	615,325.39
15	09/30/21	27,945.20	6,153.25	587,380.19
16	03/31/22	28,224.65	5,873.80	559,155.54
17	09/30/22	28,506.89	5,591.56	530,648.65
18	03/31/23	28,791.96	5,306.49	501,856.69
19	09/30/23	29,079.88	5,018.57	472,776.81
20	03/31/24	29,370.68	4,727.77	443,406.13
21	09/30/24	29,664.39	4,434.06	413,741.74
22	03/31/25	29,961.03	4,137.42	383,780.71
23	09/30/25	30,260.64	3,837.81	353,520.07
24	03/31/26	30,563.25	3,535.20	322,956.82
25	09/30/26	30,868.88	3,229.57	292,087.94
26	03/31/27	31,177.57	2,920.88	260,910.37
27	09/30/27	31,489.35	2,609.10	229,421.02

**Township of Wantage, NJ**

**Schedule of NJDEP Dam Restoration Loan**

**General Capital Fund**

**Year Ended December 31, 2018**

**Schedule of Principal and Interest Payments Outstanding December 31, 2018**

<b><u>Payment Number</u></b>	<b><u>Maturity Date</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Loan Balance</u></b>
28	03/31/28	31,804.24	2,294.21	197,616.78
29	09/30/28	32,122.28	1,976.17	165,494.50
30	03/31/29	32,443.50	1,654.94	133,051.00
31	09/30/29	32,767.94	1,330.51	100,283.06
32	03/31/30	33,095.62	1,002.83	67,187.44
33	09/30/30	33,426.57	671.87	33,760.87
34	03/31/31	33,760.87	337.61	0.00
		<u>750,955.46</u>	<u>101,505.78</u>	



**Township of Wantage, N.J.**

**Schedule of Bond And Notes Authorized But Not Issued**

**General Capital Fund**

**Year Ended December 31, 2018**

Ord. No.	<u>Improvement Description</u>	<u>Balance Dec. 31, 2017</u>	<u>2018 Authorizations</u>	<u>Grants Received</u>	<u>Bond Anticipation Notes Issued</u>	<u>Balance Dec. 31, 2018</u>
05-22	Various Capital Improvements	140,004.00				140,004.00
17-14	Acquisition of Open Space	950,000.00				950,000.00
17-15	Acquisition of SCBA for Fire Dept.	101,996.80		101,996.80		-
18-08	Various Capital Improvements		952,375.00		933,375.00	19,000.00
		<u>1,192,000.80</u>	<u>952,375.00</u>	<u>101,996.80</u>	<u>933,375.00</u>	<u>1,109,004.00</u>
		Footnote C	C-9	C-6	C-11	Footnote C

**Township of Wantage, N.J.**  
**Schedule of Cash-Treasurer**  
**Public Assistance Fund**  
**Year Ended December 31, 2018**

	<u>Ref.</u>	<u>P.A.T.F.</u> <u>Account #1</u>
Balance - December 31, 2017	D;D-2	10,000.00
Increased by Receipts:		
Interest	D-3	25.17
		<u>10,025.17</u>
Decreased by Disbursements:		
Disbursed to Current Fund	D-4	25.17
		<u>25.17</u>
Balance - December 31, 2018	D;D-2	<u><u>10,000.00</u></u>

**Township of Wantage, N.J.**  
**Schedule of Cash and Reconciliation**  
**Public Assistance Fund**  
**Year Ended December 31, 2018**

	<u>Ref.</u>	
Balance - December 31, 2017	D	10,000.00
Increased by Receipts:		
Cash Receipts Record	D-3	25.17
		10,025.17
Decreased by Disbursements:		
Cash Disbursements Record	D-4	25.17
		25.17
Balance - December 31, 2018	D	10,000.00
		P.A.T.F.
<u>Reconciliation - December 31, 2018</u>		<u>Account #1</u>
Balance on Deposit per Statement of:		
Lakeland Bank		
Checking		10,025.17
Less: Outstanding Checks		25.17
Balance - December 31, 2018		10,000.00

**Township of Wantage, N.J.**  
**Schedule of Revenues**  
**Public Assistance Fund**  
**Year Ended December 31, 2018**

	<u>Ref.</u>	<u>P.A.T.F.</u> <u>Account #1</u>
Interest Earned	D-4	<u>25.17</u>
Total Revenues (P.A.T.F.)		<u>25.17</u>
Total Receipts		<u><u>25.17</u></u>
		D-1;D-2

## Township of Wantage, N.J.

## Schedule of Reserve for Public Assistance

## Public Assistance Fund

## Year Ended December 31, 2018

	<u>Ref.</u>	
Balance - December 31, 2017	D	10,000.00
Increased by:		
Interest Earned	D-3	<u>25.17</u> 10,025.17
Decreased by:		
Disbursed to Current Fund	D-2	<u>25.17</u>
Balance - December 31, 2018	D	<u><u>10,000.00</u></u>

**TOWNSHIP OF WANTAGE**

**PART II**

---

**LETTER ON INTERNAL CONTROL AND  
ON COMPLIANCE AND OTHER MATTERS**

**COMMENTS AND RECOMMENDATIONS**

**YEAR ENDED DECEMBER 31, 2018**

# Ferraioli, Wielkotz, Cerullo & Cuva, P.A.

Charles J. Ferraioli, Jr., MBA, CPA, RMA  
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James J. Cerullo, CPA, RMA  
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## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Mayor and  
Members of the Township Committee  
Township of Wantage  
Wantage, NJ 07461

We have audited, in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements-regulatory basis of the Township of Wantage in the County of Sussex as of and for the year ended December 31, 2018 and the related notes to the financial statements, and have issued our report thereon dated July 16, 2019, which was adverse due to being presented in accordance with New Jersey regulatory basis of accounting. The regulatory basis opinion was qualified for Length of Services Award Program not being audited.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements-regulatory basis, we considered the Township of Wantage's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements-regulatory basis, but not for the purpose of expressing an opinion on the effectiveness of the Township of Wantage's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township of Wantage's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.



Honorable Mayor and  
Members of the Township Committee  
Page 2

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Township of Wantage's financial statements-regulatory basis are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township of Wantage internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Wantage internal controls and compliance. Accordingly, this communication is not suitable for any other purpose.



Thomas M. Ferry, C.P.A.  
Registered Municipal Accountant  
No. 497

*Ferraioli, Wielkocz Cerullo & Cuva, P.A.*  
FERRAIOLI, WIELKOTZ, CERULLO & CUVA, P.A.  
*Certified Public Accountants*

Newton, New Jersey

July 16, 2019



## GENERAL COMMENTS

### Cash Balance

Cash balances in all funds were verified by independent certificates obtained from the depositories as of December 31, 2018, and July 16, 2019, in connection with the supplemental reconciliations made for all officials. Cash on hand was counted on that date.

### Contracts and Agreements Required to be Advertised for N.J.S.A. 40A:11-4

N.J.S.A. 40A:11-3 states:

a. "When the cost or price of any contract awarded by the contracting agent in the aggregate does not exceed in a contract year the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by ordinance or resolution, as appropriate to the contracting unit, of the governing body of the contracting unit without public advertising for bids, except that the governing body of any contracting unit may adopt an ordinance or resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L. 1971, c.198 (C.40A:11-9), the governing body of the contracting unit may establish that the bid threshold may be up to \$25,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.

b. Any contracts made pursuant to this section may be awarded for a period of 24 consecutive months, except that contracts for professional services pursuant to subparagraph (i) of paragraph (a) of subsection (1) of section 5 of P.L. 1971, c.198 (C.40A:11-5) may be awarded for a period not exceeding 12 consecutive months. The Division of Local Government Services shall adopt and promulgate rules and regulations concerning the methods of accounting for all contracts that do not coincide with the contracting unit's fiscal year.

c. The Governor, in consultation with the Department of the Treasury, shall, no later than March 1 of every fifth year beginning in the fifth year after the year in which P.L. 1999, c.440 takes effect, adjust the threshold amount and the higher threshold amount which the governing body is permitted to establish, as set forth in subsection a. of this section, or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in section 2 of P.L. 1971, c.198 (C.40A:11-2), and shall round the adjustment to the nearest \$1,000. The Governor shall, no later than June 1 of every fifth year, notify each governing body of the adjustment. That adjustment shall become effective on July 1 of the year in which it is made."

N.J.S.A. 40A:11-4 states: "Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. The governing body of a contracting unit may, by resolution approved by a majority of the governing body and subject to subsection b. and c. of this section, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the governing body finds that it has had prior negative experience with the bidder."

## GENERAL COMMENTS (CONTINUED)

### Contracts and Agreements Required to be Advertised for N.J.S.A. 40A:11-4 (continued)

Effective July 1, 2015, the bid threshold in accordance with N.J.S.A. 40A:11-3 and 40A:11-4 (as amended) is \$17,500.00 and with a qualified purchasing agent the threshold may be up to \$40,000.00.

The Governing Body of the Township of Wantage have the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the fiscal year and where question arises as to whether any contract or agreement might result in violation of the statute, the Township Attorney's opinion should be sought before a commitment is made.

The minutes indicated the bids were requested by public advertising per N.J.S.A. 40A:11-4. The minutes also indicated that resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S.A. 40A:11-5.

Inasmuch as the system of records did not provide for the accumulation of payments for categories for the performance of any work or the furnishing or hiring of any material or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear cut violation existed. None were noted.

Our review of the Township's minutes indicated that resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S.A. 40A:11-5.

Our examination of expenditures did not reveal any individual payments, contracts or agreements in excess of the statutory threshold "for the performance of any work or the furnishing or hiring of any materials or supplies," other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of N.J.S.A. 40A:11-6.

### Collection of Interest on Delinquent Taxes and Assessments

The statute provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The governing body on January 8, 2018 adopted the following resolution authorizing interest to be charged on delinquent taxes:

BE IT RESOLVED, that interest shall apply at the rate of 8 per cent per annum on all taxes which are unpaid and delinquent after the respective quarterly due dates; provided, however, that the said interest shall not be charged if the taxes are paid within the period of ten days after the respective due dates but if such taxes are not paid within the aforesaid period of ten days, interest on such unpaid taxes shall accrue from the respective due dates; and shall accrue at the rate of 18% per cent per annum on any unpaid taxes and delinquent taxes in excess of \$1,500.00.

It appears from an examination of the Collector's records that interest was generally collected in accordance with the forgoing resolutions.

## **GENERAL COMMENTS (CONTINUED)**

### Delinquent Taxes and Tax Title Liens

The last tax sale was held on December 3, 2018 and was complete except for parcels in the process of bankruptcy.

Inspection of tax sale certificates on file revealed that all tax sale certificates were available for audit.

The following comparison is made of the number of tax title liens receivable on December 31 of the last three years:

<u>Year</u>	<u>Number of Liens</u>
2018	64
2017	44
2016	41

It is essential to good management that all means provided by statute be utilized to liquidate tax title liens in order to get such properties back on a taxpaying basis.

### Verification of Delinquent Taxes and Other Charges

A test verification of delinquent charges and current payments was made in accordance with the regulations of the Division of Local Government Services.

The result of the test which was made as of December 31, 2018 is not yet known, but a separate report will be rendered if any irregularities are developed.

In addition, analytical review procedures were utilized to ascertain the validity of the receivables.

## **OTHER COMMENTS**

### Municipal Court

The report required by statute covering the accounts of the Municipal Court has been filed under separate cover with the Judge, Township Clerk and Division of Local Government Services. Comments regarding the financial records maintained by the Court Clerk are covered in this report.

1. In seven (7) cases, there were tickets assigned but not issued over 181 days old.

#### Management Response:

Tickets assigned but not issued over 181 days old will be reassigned or voided.

## OTHER COMMENTS (CONTINUED)

### Finance

1. The analysis of General Capital Fund cash includes cash deficits for Ordinances over 5 years old.

#### Management Response:

The Township is aware of this and will fund through future budgets.

## RECOMMENDATIONS

1. That ordinances with cash deficits over 5 years be funded.
2. That tickets assigned but not issued over 181 days be reassigned or voided.

## Status of Prior Year's Audit Findings/Recommendations

A review was performed on all prior year's recommendations and corrective action was taken on all.

The problems and weaknesses noted in our review were not of such magnitude that they would affect our ability to express an opinion of the financial statements taken as a whole.

Should any questions arise as to our comments or recommendations, or should you desire assistance in implementing our recommendations, please do not hesitate to call us.

Very truly yours,



Thomas M. Ferry, C.P.A.  
Registered Municipal Accountant  
No. 497

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