BOROUGH OF TOTOWA

SYNOPSIS OF AUDIT

FOR THE YEAR ENDED

DECEMBER 31, 2025

SYNOPSIS OF 2025 AUDIT REPORT OF
BOROUGH OF TOTOWA
AS REQUIRED BY N.J.S. 40A:5-7
COMBINED COMPARATIVE BALANCE SHEET

	DECEMBER 31, 2025	DECEMBER 31, 2024
ASSETS		
Cash, Investments and Prepaid Debt Service	$39,087,596	$36,226,336
Taxes, Assessments, Liens and Utility Charges Receivable	1,194,827	872,255
Property Acquired for Taxes-Assessed Value	948,900	72,900
Accounts Receivable	4,902,035	8,203,513
Fixed Capital Authorized and Uncompleted-Utility	994	994
Fixed Capital-Utility	6,007,531	5,937,789
Deferred Charges to Future Taxation-General Capital	-	386,492
Land, Building, Machinery and Equipment	54,687,829	54,086,705
TOTAL ASSETS	$106,829,712	$105,786,984
LIABILITIES, RESERVES AND FUND BALANCE		
Improvement Authorizations	$ 3,523,797	$ 5,470,807
Other Liabilities and Special Funds	30,728,290	29,602,014
Amortization of Debt for Fixed Capital Acquired or Authorized	6,008,525	5,938,783
Reserve for Certain Assets Receivable	2,353,265	1,894,637
Investment in General Fixed Assets	54,687,829	54,086,705
Fund Balance	9,528,006	8,794,038
TOTAL LIABILITIES, RESERVES AND FUND BALANCE	$106,829,712	$ 105,786,984

BOROUGH OF TOTOWA
COMPARATIVE STATEMENT OF OPERATIONS
AND CHANGES IN FUND BALANCE-CURRENT FUND

	YEAR 2025	YEAR 2024
REVENUE AND OTHER INCOME REALIZED		
Fund Balance Utilized	$ 3,380,000	$ 3,380,000
Miscellaneous-From Other Than Local Property Taxes	4,872,085	4,960,206
Collection of Delinquent Taxes and Tax Title Liens	789,963	644,816
Collection of Current Tax Levy	72,263,007	65,021,176
Other Credits to Income	850,475	651,971
TOTAL INCOME	$82,155,530	$74,658,169
EXPENDITURES		
Budget Appropriations:		
Municipal Purposes	21,606,784	21,072,661
County Taxes	23,109,131	20,619,156
Local and Regional School Taxes	33,390,936	30,906,149
Other Debits	325,948	103,804
TOTAL EXPENDITURES	78,432,799	72,701,770
Excess in Revenues	3,722,731	1,956,399
Fund Balance, January 1	5,383,470	6,807,071
	9,106,201	8,763,470
Less: Utilization as Anticipated Revenue	3,380,000	3,380,000
Balance, December 31	$ 5,726,201	$ 5,383,470

BOROUGH OF TOTOWA
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES
IN FUND BALANCE - WATER UTILITY OPERATING FUND

	YEAR 2025	YEAR 2024
REVENUE AND OTHER INCOME REALIZED		
Fund Balance Utilized	$ 400,000	$ 325,000
Collection of Water Rents	3,605,736	3,438,417
Miscellaneous	538,702	533,922
Other Credits to Income	375,569	649,922
TOTAL INCOME	$ 4,920,007	$ 4,947,261
EXPENDITURES		
Budget Appropriations:		
Operating	3,854,915	3,694,858
Capital Improvements	70,000	70,000
Deferred Charges and Statutory Expenditures	203,855	207,409
TOTAL EXPENDITURES	4,128,770	3,972,267
Statutory Excess to Fund Balance	791,237	974,994
Fund Balance, January 1	3,385,084	2,735,090
	4,176,321	3,710,084
Less: Utilization as Anticipated Revenue Water Utility Fund	400,000	325,000
Balance, December 31	$ 3,776,321	$ 3,385,084

BOROUGH OF TOTOWA
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE-SWIM POOL UTILITY OPERATING FUND

	YEAR 2025	YEAR 2024
REVENUE AND OTHER INCOME REALIZED		
Swimming Pool Fees	$ 73,692	$ 72,491
Miscellaneous Fees	17,450	15,859
Non-Budget Revenue	137	137
Other Credits to Income	-	-
TOTAL INCOME	91,279	88,487
EXPENDITURES		
Budget Appropriations:		
Operating	196,000	188,000
Capital Improvements	17,000	17,000
Deferred Charges and Statutory Expenditures	9,600	31,697
TOTAL EXPENDITURES	222,600	236,697
Deficit in Revenue	(131,321)	(148,210)
Adjustments to Income Before Fund Balance Realized from General Budget for Anticipated Debt	131,321	148,210
Statutory Excess to Fund Balance	-	-
Fund Balance, January 1	609	609
Balance, December 31	$ 609	$ 609

BOROUGH OF TOTOWA
RECOMMENDATIONS

It is recommended that:

1. Old accounts payable balances be reviewed for validity and cleared of record if deemed invalid.

A Corrective Action Plan, which outlines actions the Borough of Totowa will take to correct the findings listed above, will be prepared in accordance with federal and state requirements. A copy of it will be placed on file and made available for public inspection in the Office of the Borough Clerk in the Borough of Totowa within 45 days of this notice.

The above synopsis was prepared from the audit of the Borough of Totowa, County of Passaic, for the calendar year 2025. This report of audit, submitted by Dieter P. Lerch, Registered Municipal Accountant, is on file at the Borough Clerk's office and may be inspected by any interested person.

Joseph Wassel, RMC
Borough Clerk