

**BOROUGH OF FRANKLIN**

**SUMMARY OR SYNOPSIS OF AUDIT REPORT FOR PUBLICATION**

Attention is directed to the fact that a summary of the audit report, together with the recommendations, is the minimum required to be published pursuant to N.J.S. 40A : 5 - 7.

Summary or Synopsis of the 2010 Audit Report of the Borough of Franklin,

County of Sussex, as required by N.J.S. 40A : 5 - 7.

<u>ASSETS</u>	<u>December 31</u> <u>Year 2010</u>	<u>December 31</u> <u>Year 2009</u>
Cash, Investments and Prepaid Debt Service	3,077,221.88	3,043,973.97
Taxes, Assessments, Liens and Utility Charges Receivable	567,608.97	356,473.26
Property Acquired for Taxes - Assessed Value	255,800.00	255,800.00
Accounts Receivable ( and Inventory )	67,613.81	60,127.86
General Fixed Assets	5,872,874.00	5,779,991.00
Fixed Capital Authorized and Uncompleted - Utility	1,004,000.00	1,004,000.00
Fixed Capital - Utility	20,536,061.14	20,530,395.06
Deferred Charges to Future Taxation - General Capital	1,508,824.24	1,782,999.24
Deferred Charges to Revenue of Succeeding Years	156,000.00	184,000.00
TOTAL ASSETS	<u>33,046,004.04</u>	<u>32,997,760.39</u>

**LIABILITIES, RESERVES AND FUND BALANCES**

Bond and Notes Payable	4,809,098.54	4,989,959.69
Improvement Authorizations	930,084.13	1,287,426.05
Other Liabilities and Special Funds	2,291,597.52	2,579,656.15
Investment in General Fixed Assets	5,872,874.00	5,779,991.00
Amortization of Debt for Fixed Capital Acquired or Authorized	17,780,087.60	17,232,735.37
Reserve for Certain Assets Receivable	823,408.97	612,273.26

Fund Balance	<u>538,853.28</u>	<u>515,718.87</u>
TOTAL LIABILITIES, RESERVES AND SURPLUS	<u><u>33,046,004.04</u></u>	<u><u>32,997,760.39</u></u>

**BOROUGH OF FRANKLIN, N.J.**  
**COMPARATIVE STATEMENT OF OPERATIONS AND**  
**CHANGE IN SURPLUS - CURRENT FUND**

	<u>2010</u>	<u>2009</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	175,000.00	267,000.00
Miscellaneous - From Other Than Local		
Property Tax Levies	1,264,443.23	1,785,555.92
Collection of Delinquent Taxes and Tax		
Title Liens	247,159.83	167,902.46
Collection of Current Tax Levy	12,006,583.92	11,223,091.36
Other Credits to Income	93,784.52	155,408.07
	13,786,971.50	13,598,957.81
 <u>Expenditures</u>		
Budget Expenditures:		
Municipal Purpose	5,575,775.37	5,587,323.87
County Taxes	2,167,282.88	1,958,095.95
Local and Regional School Taxes	6,062,114.23	5,913,463.70
Other Expenditures		1,097.03
	13,805,172.48	13,459,980.55
Excess in Revenue	(18,200.98)	138,977.26
Add: Expenditures to be Raised by Future Taxes	20,000.00	
	1,799.02	138,977.26
Fund Balance January 1	378,369.26	506,392.00
	380,168.28	645,369.26
Less:		
Utilized as Anticipated Revenue	175,000.00	267,000.00
Fund Balance December 31	205,168.28	378,369.26

**BOROUGH OF FRANKLIN, N.J.**  
**COMPARATIVE STATEMENT OF OPERATIONS AND**  
**CHANGE IN SURPLUS - WATER/SEWER UTILITY FUND**

	<u>2010</u>	<u>2009</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	75,000.00	150,000.00
Collection of Water/Sewer Rents	2,145,497.28	1,689,667.36
Miscellaneous - From other than Water/Sewer Rents	483,123.81	504,600.64
Other Credits to Income	38,951.30	10,836.21
 Total Income	 2,742,572.39	 2,355,104.21
 <u>Expenditures</u>		
Budget Expenditures:		
Operating	1,724,601.00	1,548,723.00
Capital Improvements	15,000.00	10,000.00
Debt Service	687,836.00	682,090.00
Deferred Charges and Statutory Expenditures	43,800.00	41,250.00
 Total Expenditures	 2,471,237.00	 2,282,063.00
 Statutory Excess to Surplus	 271,335.39	 73,041.21
 Fund Balance January 1	 127,864.22	 204,823.01
	399,199.61	277,864.22
Less:		
Utilized as Anticipated Revenue	75,000.00	150,000.00
 Fund Balance December 31	 324,199.61	 127,864.22

BOROUGH OF FRANKLIN, N.J.

RECOMMENDATIONS

1. That a formal cash receipts journal be maintained by the Recreation Department.

A Corrective Action Plan outlining actions to be taken by the Borough of Franklin to correct the above findings will be prepared in accordance with federal and state guidelines. A copy of the plan will be on file and available for public inspection with the Municipal Clerk in the Borough of Franklin no later than 60 days from when the audit was received in compliance with directives from the Division of Local Government Services.

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The above summary or synopsis was prepared from the report of audit of the Borough of Franklin, County of Sussex, for the calendar year 2010. This report of audit, submitted by Thomas M. Ferry, C.P.A., R.M.A., of the firm of FERRAIOLI, WIELKOTZ, CERULLO & CUVA, P.A., is on file at the Borough Clerk's office and may be inspected by any interested person.

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Rachel Heath, Acting Clerk

## BOROUGH OF FRANKLIN

### SUMMARY OR SYNOPSIS OF AUDIT REPORT FOR PUBLICATION

Attention is directed to the fact that a summary of the audit report, together with the recommendations, is the minimum required to be published pursuant to N.J.S. 40A : 5 - 7.

Summary or Synopsis of the 2009 Audit Report of the Borough of Franklin,

County of Sussex, as required by N.J.S. 40A : 5 - 7.

<u>ASSETS</u>	<u>December 31</u> <u>Year 2009</u>	<u>December 31</u> <u>Year 2008</u>
Cash, Investments and Prepaid Debt Service	3,043,973.97	
Taxes, Assessments, Liens and Utility Charges Receivable	356,473.26	
Property Acquired for Taxes - Assessed Value	255,800.00	
Accounts Receivable ( and Inventory )	60,127.86	
General Fixed Assets	5,779,991.00	
Fixed Capital Authorized and Uncompleted - Utility	1,004,000.00	
Fixed Capital - Utility	20,530,395.06	
Deferred Charges to Future Taxation - General Capital	1,782,999.24	
Deferred Charges to Revenue of Succeeding Years	184,000.00	
TOTAL ASSETS	<u>32,997,760.39</u>	

### LIABILITIES, RESERVES AND FUND BALANCES

Bond and Notes Payable	4,989,959.69
Improvement Authorizations	1,287,426.05
Other Liabilities and Special Funds	2,579,656.15
Investment in General Fixed Assets	5,779,991.00
Amortization of Debt for Fixed Capital Acquired or Authorized	17,232,735.37
Reserve for Certain Assets Receivable	612,273.26

Fund Balance	<u>515,718.87</u>	<u>                    </u>
TOTAL LIABILITIES, RESERVES AND SURPLUS	<u><u>32,997,760.39</u></u>	<u><u>                    </u></u>

**BOROUGH OF FRANKLIN, N.J.**  
**COMPARATIVE STATEMENT OF OPERATIONS AND**  
**CHANGE IN SURPLUS - CURRENT FUND**

	<u>2009</u>	<u>2008</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	350,000.00	275,000.00
Miscellaneous - From Other Than Local		
Property Tax Levies	2,360,333.75	2,713,816.81
Collection of Delinquent Taxes and Tax		
Title Liens	204,788.07	240,478.89
Collection of Current Tax Levy	10,718,076.85	10,100,561.81
Other Credits to Income	175,448.03	176,518.62
	13,808,646.70	13,506,376.13
<u>Expenditures</u>		
Budget Expenditures:		
Municipal Purpose	5,550,305.50	5,490,824.74
County Taxes	2,031,486.03	1,882,940.83
Local and Regional School Taxes	5,960,867.78	5,748,428.26
Other Expenditures	3,347.25	24,369.46
	13,546,006.56	13,146,563.29
Excess in Revenue	262,640.14	359,812.84
Add: Expenditures to be Raised by Future Taxes	40,000.00	
	302,640.14	359,812.84
Fund Balance January 1	511,867.30	427,054.46
	814,507.44	786,867.30
Less:		
Utilized as Anticipated Revenue	350,000.00	275,000.00
Fund Balance December 31	464,507.44	511,867.30



**BOROUGH OF FRANKLIN, N.J.**  
**COMPARATIVE STATEMENT OF OPERATIONS AND**  
**CHANGE IN SURPLUS - WATER/SEWER UTILITY FUND**

	<u>2009</u>	<u>2008</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	330,663.00	278,934.00
Collection of Water/Sewer Rents	1,733,197.00	1,725,771.49
Miscellaneous - From other than Water/Sewer Rents	608,646.02	748,670.59
Other Credits to Income	<u>22,626.24</u>	<u>73,225.00</u>
 Total Income	 <u>2,695,132.26</u>	 <u>2,826,601.08</u>
 <u>Expenditures</u>		
Budget Expenditures:		
Operating	1,401,025.00	1,419,700.00
Capital Improvements	90,500.00	64,500.00
Debt Service	693,162.00	692,899.51
Deferred Charges and Statutory Expenditures	39,268.00	35,000.00
Surplus(General)	<u>200,000.00</u>	<u>325,000.00</u>
 Total Expenditures	 <u>2,423,955.00</u>	 <u>2,537,099.51</u>
 Statutory Excess to Surplus	 271,177.26	 289,501.57
 Fund Balance January 1	 <u>441,950.35</u>	 <u>431,382.78</u>
	713,127.61	720,884.35
Less:		
Utilized as Anticipated Revenue	<u>330,663.00</u>	<u>278,934.00</u>
 Fund Balance December 31	 <u><u>382,464.61</u></u>	 <u><u>441,950.35</u></u>

BOROUGH OF FRANKLIN, N.J.

RECOMMENDATIONS

NONE

A Corrective Action Plan outlining actions to be taken by the Borough of Franklin to correct the above findings will be prepared in accordance with federal and state guidelines. A copy of the plan will be on file and available for public inspection with the Administrator in the Borough of Franklin no later than 60 days from when the audit was received in compliance with directives from the Division of Local Government Services.

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The above Summary or Synopsis was prepared from the Report of Audit of the Borough of Franklin, County of Sussex, for the calendar year 2007. This Report of Audit, submitted by Thomas M. Ferry, C.P.A.,R.M.A., of the firm Ferraioli, Wielkotz, Cerullo & Cuva, is on file at the Borough Clerk's office and may be inspected by any interested person.

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CLERK