

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 2012 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 Year 2012</u>	<u>December 31 Year 2011</u>
Cash, Investments and Prepaid Debt Service	4,270,605.00	3,834,190.29
Taxes, Assessments, Liens and Utility Charges Receivable	758,116.62	525,615.51
Property Acquired for Taxes - Assessed Value	61,500.00	61,500.00
Accounts Receivable ( and Inventory )	87,895.73	90,485.17
General Fixed Assets	5,884,135.00	5,868,674.00
Fixed Capital Authorized and Uncompleted - Utility	959,000.00	1,004,000.00
Fixed Capital - Utility	20,634,663.69	20,554,118.54
Deferred Charges to Future Taxation - General Capital	1,014,074.24	1,310,199.24
Deferred Charges to Revenue of Succeeding Years	52,000.00	104,000.00
 TOTAL ASSETS	 <u>33,721,990.28</u>	 <u>33,352,782.75</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCES</u>		
Bond and Notes Payable	4,047,494.35	4,389,153.54
Improvement Authorizations	804,750.31	1,023,164.95
Other Liabilities and Special Funds	3,263,369.51	2,791,837.33
Investment in General Fixed Assets	5,884,135.00	5,868,674.00
Amortization of Debt for Fixed Capital Acquired or Authorized	18,143,044.34	17,951,965.00
Reserve for Certain Assets Receivable	819,616.62	587,115.51
Fund Balance	759,580.15	740,872.42
 TOTAL LIABILITIES, RESERVES AND SURPLUS	 <u>33,721,990.28</u>	 <u>33,352,782.75</u>

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

	<u>2012</u>	<u>2011</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	74,799.00	48,000.00
Miscellaneous - From Other Than Local		
Property Tax Levies	1,115,465.26	1,230,658.36
Collection of Delinquent Taxes and Tax		
Title Liens	322,468.75	400,944.54
Collection of Current Tax Levy	12,605,577.48	12,391,305.30
Other Credits to Income	359,219.55	136,877.91
	14,477,530.04	14,207,786.11
<u>Expenditures</u>		
Budget Expenditures:		
Municipal Purpose	5,507,022.88	5,610,662.60
County Taxes	2,292,117.59	2,162,449.63
Local and Regional School Taxes	6,577,514.09	6,307,020.71
Other Expenditures	18,548.18	14,721.01
	14,395,202.74	14,094,853.95
Excess in Revenue over Expenditures	82,327.30	112,932.16
Add: Expenditures to be Raised by Future Taxes		
	82,327.30	112,932.16
Fund Balance January 1	270,100.44	205,168.28
	352,427.74	318,100.44
Less:		
Utilized as Anticipated Revenue	74,799.00	48,000.00
	277,628.74	270,100.44
Fund Balance December 31	277,628.74	270,100.44

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

	<u>2012</u>	<u>2011</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	160,000.00	125,000.00
Collection of Water/Sewer Rents	2,208,282.09	2,258,941.70
Miscellaneous - From other than Water/Sewer Rents	176,850.50	142,497.50
Other Credits to Income	35,634.76	12,020.80
	2,580,767.35	2,538,460.00
 <u>Expenditures</u>		
Budget Expenditures:		
Operating	1,895,236.00	1,817,100.00
Capital Improvements	140,000.00	100,000.00
Debt Service	283,341.92	290,763.02
Deferred Charges and Statutory Expenditures	91,010.00	68,510.00
	2,409,587.92	2,276,373.02
Statutory Excess to Surplus	171,179.43	262,086.98
Fund Balance January 1	461,286.59	324,199.61
	632,466.02	586,286.59
Less:		
Utilized as Anticipated Revenue	160,000.00	125,000.00
Fund Balance December 31	472,466.02	461,286.59

BOROUGH OF FRANKLIN, N.J.

RECOMMENDATIONS

1. That the Tax Collector maintain a foreclosed property ledger to identify properties within the Borough
2. That old Police Outside Services balances be reviewed for possible cancellation.
3. That tickets assigned but not issued over 181 days be recalled and issued.

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 2012. 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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CLERK