

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 2013 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 2013</u>	<u>December 31 Year 2012</u>
Cash, Investments and Prepaid Debt Service	6,198,986.24	4,270,605.00
Taxes, Assessments, Liens and Utility Charges Receivable	518,265.93	758,116.62
Property Acquired for Taxes - Assessed Value	61,500.00	61,500.00
Accounts Receivable (and Inventory)	102,160.59	87,895.73
General Fixed Assets	5,784,750.00	5,884,135.00
Fixed Capital Authorized and Uncompleted - Utility	959,000.00	959,000.00
Fixed Capital - Utility	20,665,775.39	20,634,663.69
Deferred Charges to Future Taxation - General Capital	925,107.72	1,014,074.24
Deferred Charges to Revenue of Succeeding Years	33,000.00	52,000.00
TOTAL ASSETS	<u>35,248,545.87</u>	<u>33,721,990.28</u>

LIABILITIES, RESERVES AND FUND BALANCES

Bond and Notes Payable	4,001,347.35	4,047,494.35
Improvement Authorizations	824,855.74	804,750.31
Other Liabilities and Special Funds	3,895,180.81	3,263,369.51
Investment in General Fixed Assets	5,784,750.00	5,884,135.00
Amortization of Debt for Fixed Capital Acquired or Authorized	18,339,528.04	18,143,044.34
Reserve for Certain Assets Receivable	579,765.93	819,616.62

Fund Balance	<u>1,823,118.00</u>	<u>759,580.15</u>
TOTAL LIABILITIES, RESERVES AND SURPLUS	<u><u>35,248,545.87</u></u>	<u><u>33,721,990.28</u></u>

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

	<u>2013</u>	<u>2012</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	74,000.00	74,799.00
Miscellaneous - From Other Than Local		
Property Tax Levies	1,195,514.20	1,115,465.26
Collection of Delinquent Taxes and Tax		
Title Liens	507,023.22	322,468.75
Collection of Current Tax Levy	13,097,390.95	12,605,577.48
Other Credits to Income	627,419.58	359,219.55
Total Income	15,501,347.95	14,477,530.04
<u>Expenditures</u>		
Budget Expenditures:		
Municipal Purpose	5,700,008.06	5,507,022.88
County Taxes	2,196,709.09	2,292,117.59
Local and Regional School Taxes	6,777,854.27	6,577,514.09
Other Expenditures		18,548.18
Total Expenditures	14,674,571.42	14,395,202.74
Excess in Revenue over Expenditures	826,776.53	82,327.30
Add: Expenditures to be Raised by Future Taxes	25,000.00	
Statutory Excess to Fund Balance	851,776.53	82,327.30
Fund Balance January 1	277,628.74	270,100.44
	1,129,405.27	352,427.74
Less:		
Utilized as Anticipated Revenue	74,000.00	74,799.00
Fund Balance December 31	1,055,405.27	277,628.74

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

	<u>2013</u>	<u>2012</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	126,218.00	160,000.00
Collection of Water/Sewer Rents	2,290,957.08	2,208,282.09
Miscellaneous - From other than Water/Sewer Rents	135,390.67	176,850.50
Other Credits to Income	180,978.57	35,634.76
Total Income	2,733,544.32	2,580,767.35
 <u>Expenditures</u>		
Budget Expenditures:		
Operating	1,815,711.00	1,895,236.00
Capital Improvements	140,000.00	140,000.00
Debt Service	290,702.00	283,341.92
Deferred Charges and Statutory Expenditures	88,005.00	91,010.00
Total Expenditures	2,334,418.00	2,409,587.92
Statutory Excess to Surplus	399,126.32	171,179.43
Fund Balance January 1	472,466.02	461,286.59
	871,592.34	632,466.02
Less:		
Utilized as Anticipated Revenue	126,218.00	160,000.00
Fund Balance December 31	745,374.34	472,466.02

BOROUGH OF FRANKLIN, N.J.

RECOMMENDATIONS

1. That requisition/purchase orders be issued prior to the purchase of goods or services rendered.
2. That adequate segregation of duties within the Treasury, Tax Collector and Water/Sewer Utility Collector Departments be maintained.

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 2013. 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.

CLERK