

## 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 2011 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 2011</u>	<u>December 31</u> <u>Year 2010</u>
Cash, Investments and Prepaid Debt Service	3,834,190.29	3,077,221.88
Taxes, Assessments, Liens and Utility Charges Receivable	525,615.51	567,608.97
Property Acquired for Taxes - Assessed Value	61,500.00	255,800.00
Accounts Receivable ( and Inventory )	90,485.17	67,613.81
General Fixed Assets	5,868,674.00	5,872,874.00
Fixed Capital Authorized and Uncompleted - Utility	1,004,000.00	1,004,000.00
Fixed Capital - Utility	20,554,118.54	20,536,061.14
Deferred Charges to Future Taxation - General Capital	1,310,199.24	1,508,824.24
Deferred Charges to Revenue of Succeeding Years	104,000.00	156,000.00
TOTAL ASSETS	<u>33,352,782.75</u>	<u>33,046,004.04</u>

### LIABILITIES, RESERVES AND FUND BALANCES

Bond and Notes Payable	4,389,153.54	4,809,098.54
Improvement Authorizations	1,023,164.95	930,084.13
Other Liabilities and Special Funds	2,791,837.33	2,291,597.52
Investment in General Fixed Assets	5,868,674.00	5,872,874.00
Amortization of Debt for Fixed Capital Acquired or Authorized	17,951,965.00	17,780,087.60
Reserve for Certain Assets Receivable	587,115.51	823,408.97

Fund Balance	<u>740,872.42</u>	<u>538,853.28</u>
TOTAL LIABILITIES, RESERVES AND SURPLUS	<u><u>33,352,782.75</u></u>	<u><u>33,046,004.04</u></u>

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

	<u>2011</u>	<u>2010</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	48,000.00	175,000.00
Miscellaneous - From Other Than Local		
Property Tax Levies	1,230,658.36	1,264,443.23
Collection of Delinquent Taxes and Tax		
Title Liens	400,944.54	247,159.83
Collection of Current Tax Levy	12,391,305.30	12,006,583.92
Other Credits to Income	136,877.91	93,784.52
	14,207,786.11	13,786,971.50
 <u>Expenditures</u>		
Budget Expenditures:		
Municipal Purpose	5,610,662.60	5,575,775.37
County Taxes	2,162,449.63	2,167,282.88
Local and Regional School Taxes	6,307,020.71	6,062,114.23
Other Expenditures	14,721.01	
	14,094,853.95	13,805,172.48
Excess in Revenue over Expenditures	112,932.16	(18,200.98)
Add: Expenditures to be Raised by Future Taxes		20,000.00
Statutory Excess to Fund Balance	112,932.16	1,799.02
Fund Balance January 1	205,168.28	378,369.26
	318,100.44	380,168.28
Less:		
Utilized as Anticipated Revenue	48,000.00	175,000.00
Fund Balance December 31	270,100.44	205,168.28

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

	<u>2011</u>	<u>2010</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	125,000.00	75,000.00
Collection of Water/Sewer Rents	2,258,941.70	2,145,497.28
Miscellaneous - From other than Water/Sewer Rents	142,497.50	483,123.81
Other Credits to Income	12,020.80	38,951.30
 Total Income	 2,538,460.00	 2,742,572.39
 <u>Expenditures</u>		
Budget Expenditures:		
Operating	1,817,100.00	1,724,601.00
Capital Improvements	100,000.00	15,000.00
Debt Service	290,763.02	687,836.00
Deferred Charges and Statutory Expenditures	68,510.00	43,800.00
 Total Expenditures	 2,276,373.02	 2,471,237.00
 Statutory Excess to Surplus	 262,086.98	 271,335.39
 Fund Balance January 1	 324,199.61	 127,864.22
	586,286.59	399,199.61
Less:		
Utilized as Anticipated Revenue	125,000.00	75,000.00
 Fund Balance December 31	 461,286.59	 324,199.61

BOROUGH OF FRANKLIN, N.J.

RECOMMENDATIONS

1. That an analysis of Police Outside Services be maintained on a monthly basis.
2. That old encumbrances be reviewed for possible cancellation.
3. That a formal cash receipts journal be maintained for Recreation and Planning and Zoning.

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.

\* \* \* \* \*

The above summary or synopsis was prepared from the report of audit of the Borough of Franklin, County of Sussex, for the calendar year 2011. 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.

Robin Hough  
\_\_\_\_\_  
Acting Borough CLERK