

**RESOLUTION #2023-48
TOWNSHIP OF FRANKLIN, HUNTERDON COUNTY**

GOVERNING BODY CERTIFICATION OF THE ANNUAL AUDIT (CY 2022)

WHEREAS, N.J.S.A. 40A: 5-4 requires the governing body of every local unit to have made an annual audit of its books, accounts and financial transactions, and

WHEREAS, the Annual Report of Audit for the year 2022 has been filed by a Registered Municipal Accountant with the Municipal Clerk pursuant to N.J.S.A. 40A: 5-6, and a copy has been received by each member of the governing body; and

WHEREAS, R.S. 52:27BB-34 authorizes the Local Finance Board of the State of New Jersey to prescribe reports pertaining to the local fiscal affairs; and

WHEREAS, the Local Finance Board has promulgated N.J.A.C. 5:30-6.5, a regulation requiring that the governing body of each municipality shall, by resolution, certify to the Local Finance Board of the State of New Jersey that all members of the governing body have reviewed, as a minimum, the sections of the annual audit entitled "Comments and Recommendations; and

WHEREAS, the members of the governing body have personally reviewed, as a minimum, the Annual Report of Audit, and specifically the sections of the Annual Audit entitled "Comments and Recommendations, as evidenced by the group affidavit form of the governing body attached hereto; and

WHEREAS, such resolution of certification shall be adopted by the Governing Body no later than forty-five days after the receipt of the annual audit, pursuant to N.J.A.C. 5:30-6.5; and

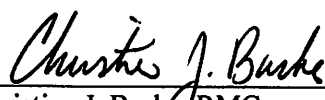
WHEREAS, all members of the governing body have received and have familiarized themselves with, at least, the minimum requirements of the Local Finance Board of the State of New Jersey, as stated aforesaid and have subscribed to the affidavit, as provided by the Local Finance Board; and

WHEREAS, failure to comply with the regulations of the Local Finance Board of the State of New Jersey may subject the members of the local governing body to the penalty provisions of R.S. 52:27BB-52, to wit:

R.S. 52:27BB-52: A local officer or member of a local governing body who, after a date fixed for compliance, fails or refuses to obey an order of the director (Director of Local Government Services), under the provisions of this Article, shall be guilty of a misdemeanor and, upon conviction, may be fined not more than one thousand dollars (\$1,000.00) or imprisoned for not more than one year, or both, in addition shall forfeit his office.

NOW, THEREFORE BE IT RESOLVED, That the Township Committee of the Township of Franklin, Hunterdon County, hereby states that it has complied with N.J.A.C. 5:30-6.5 and does hereby submit a certified copy of this resolution and the required affidavit to said Board to show evidence of said compliance.

I HEREBY CERTIFY THAT THIS IS A TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING HELD ON SEPTEMBER 14, 2023.



Christine J. Burke RMC
Municipal Clerk



**CERTIFICATION OF GOVERNING BODY OF THE ANNUAL AUDIT
GROUP AFFIDAVIT FORM
NO PHOTO COPIES OF SIGNATURES**

STATE OF NEW JERSEY

COUNTY OF HUNTERDON

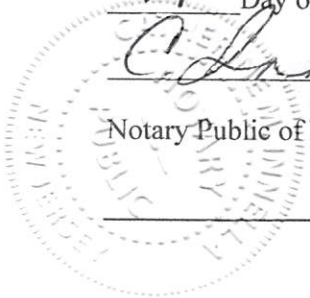
We, members of the governing body of the Township of Franklin, in the County of Hunterdon, being duly sworn according to law, upon our oath depose and say:

1. We are duly elected (or appointed) members of the Township Committee of the Township of Franklin in the county of Hunterdon;
2. In the performance of our duties, and pursuant to N.J.A.C. 5:30-6.5, we have familiarized ourselves with the contents of the Annual Municipal Audit filed with the Clerk pursuant to N.J.S.A. 40A:5-6 for the year 2022;
3. We certify that we have personally reviewed and are familiar with, as a minimum, the sections of the Annual Report of Audit entitled "Comments and Recommendations."

(L.S.) <u>Prep Koway</u>	(L.S.) _____
(L.S.) <u>John ...</u>	(L.S.) _____
(L.S.) <u>[Signature]</u>	(L.S.) _____
(L.S.) <u>[Signature]</u>	(L.S.) _____
(L.S.) <u>Paul ...</u>	(L.S.) _____

Christie J. Burke
Clerk

Sworn to and subscribed before me this
14TH Day of SEPTEMBER, 2023



C. Innella
Notary Public of New Jersey

CATHERINE M. INNELLA
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires 2/23/2027

The Municipal Clerk (or Clerk of the Board of Chosen Freeholders as the case may be) shall set forth the reason for the absence of signature of any members of the governing body.

IMPORTANT: This certificate must be sent to the Bureau of Financial Regulation and Assistance, Division of Local Government Services, P.O. Box 803, Trenton, New Jersey 08625.

TOWNSHIP OF FRANKLIN
SUMMARY OR SYNOPSIS OF AUDIT REPORT FOR PUBLICATION

Attention is directed to the fact that a Summary or Synopsis 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 2022 Audit report of the Township of Franklin as required by N.J.S. 40A:5-7.

COMBINED COMPARATIVE BALANCE SHEET - REGULATORY BASIS

<u>ASSETS</u>	December 31,	
	2022	2021
Cash and Cash Equivalents	\$ 7,318,405.43	\$ 6,104,690.10
Taxes and Liens Receivable	227,585.26	273,956.81
Property Acquired for Taxes - Assessed Value	400.00	400.00
Accounts Receivable	55,455.45	56,876.89
Deferred Charges to Future Taxation - Funded	184,182.23	273,978.81
Deferred Charges to Future Taxation - Unfunded	1,100,042.00	1,100,181.79
Fixed Assets	8,321,281.84	8,224,304.50
 TOTAL ASSETS	 \$ 17,207,352.21	 \$ 16,034,388.90

LIABILITIES, RESERVES AND FUND BALANCE

Bonds, Notes and Loans Payable	\$ 1,084,182.23	\$ 1,173,978.81
Improvement Authorizations	1,051,721.91	851,721.91
Other Liabilities and Special Funds	4,798,202.87	4,000,218.91
Reserve for Certain Assets Receivable	230,085.54	296,045.65
Reserve for Fixed Assets	8,321,281.84	8,224,304.50
Fund Balances	1,721,877.82	1,488,119.12
 TOTAL LIABILITIES, RESERVES AND FUND BALANCE	 \$ 17,207,352.21	 \$ 16,034,388.90

TOWNSHIP OF FRANKLIN
SUMMARY OR SYNOPSIS OF AUDIT REPORT FOR PUBLICATION

(Continued)

Comparative Statement of Operations and Change in
Fund Balance - Regulatory Basis - Current Fund

	Year Ended December 31,	
	2022	2021
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 540,000.00	\$ 400,000.00
Miscellaneous Revenue Anticipated	896,471.39	623,309.71
Receipts from:		
Delinquent Taxes	246,785.78	313,165.36
Current Taxes	15,270,102.32	14,586,175.67
Nonbudget Revenue	27,957.58	49,114.66
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	275,434.29	458,348.71
Interfunds Returned	18,417.12	283,275.13
Cancellation of Special District Taxes	3,723.25	5,167.44
Total Income	17,278,891.73	16,718,556.68
<u>Expenditures</u>		
Budget Appropriations - Municipal Purposes	3,320,045.62	3,010,667.94
Municipal Open Space Taxes	27,345.37	27,320.99
County Taxes	2,104,779.50	2,047,574.61
County Added and Omitted Taxes	4,728.84	8,712.55
Regional High School Taxes	3,752,775.00	3,357,479.00
Local District School Taxes	6,864,671.00	6,745,311.00
Special District Taxes	426,723.25	397,167.44
Refund of Prior Year 100% Disabled Veteran	4,064.45	
Interfunds Advanced		2,725.22
Total Expenditures	16,505,133.03	15,596,958.75
Excess in Revenue	773,758.70	1,121,597.93
Balance January 1	1,474,671.14	753,073.21
	2,248,429.84	1,874,671.14
Decreased by:		
Utilized as Anticipated Revenue	540,000.00	400,000.00
Balance December 31	\$ 1,708,429.84	\$ 1,474,671.14

TOWNSHIP OF FRANKLIN
SUMMARY OR SYNOPSIS OF AUDIT REPORT FOR PUBLICATION
SUMMARY OF RECOMMENDATIONS
(Continued)

It is recommended that:

1. Consideration is given to providing for a more adequate segregation of duties with respect to the recording and treasury functions.
2. Tax overpayment balances be reviewed on a periodic basis to ensure that the balances are accurate, added and omitted taxes are posted in a timely manner and taxes related to tax title liens are transferred to the applicable lien accounts.
3. The remaining balance of State dog license fees is remitted to the State.
4. Finance Records:
 - a) Every effort be made to ensure that the interfunds between the various funds are reconciled and that the current year budget and tax levy in the Current Fund and the prior year audit journal entries in the various funds are posted.
 - b) Salaries for new employees and revised salaries for existing employees are formally authorized by the Township Committee and documented in the Township's minutes. Also, approved overtime sheets are available for audit review.
 - c) Every effort be made to ensure that purchase orders are approved prior to orders being placed for goods or services and that purchase orders contain all required signatures.
 - d) Every effort be made to limit interfund activity and to liquidate all interfunds by year end.

A corrective action plan, which outlines actions the Township of Franklin 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 Municipal Clerk of the Township of Franklin within 45 days of this notice.

The above summary or synopsis was prepared from the Report of Audit of the Township of Franklin, County of Hunterdon, for the calendar year 2022. This Report of Audit, submitted by Heidi A. Wohlleb, Registered Municipal Accountant, of Nisivoccia LLP, is on file at the Township Clerk's office and may be inspected by any interested person.


Clerk

