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**FRANKLIN TOWNSHIP**

**ANNUAL AUDIT  
AND  
FINANCIAL REPORT**

**DECEMBER 31, 2016**

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# 2016 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT

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City of: \_\_\_\_\_ County: \_\_\_\_\_

Borough of: \_\_\_\_\_ County: \_\_\_\_\_

Township of: **Franklin** County: **Chester**

Municipality of: \_\_\_\_\_ County: \_\_\_\_\_

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## INDEPENDENT AUDITOR'S REPORT

February 28, 2017

To the Board of Supervisors  
Franklin Township  
Kemblesville, Pennsylvania

### Report on the Financial Statements

We have audited the accompanying annual audit and financial report ("financial statements") of Franklin Township, Kemblesville, Pennsylvania as of December 31, 2016, which comprise the balance sheet for each fund type as of December 31, 2016, and the related statement of revenues and expenditures for the year then ended.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Department of Community and Economic Development of the Commonwealth of Pennsylvania ("DCED"). Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Township's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

To the Board of Supervisors  
Franklin Township

Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States

As described in the second paragraph of this report, the financial statements are prepared by Franklin Township, Kemblesville, Pennsylvania, on the basis of the financial reporting provisions of the DCED, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the DCED.

The effects on the financial statements of the variances between the regulatory basis of accounting described in the second paragraph and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on Accounting Principles Generally Accepted in the United States

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Franklin Township, Kemblesville, Pennsylvania, as of December 31, 2016, or changes in financial position for the year then ended.

Unmodified Opinion of Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the balance sheet of each of the fund types of Franklin Township, Kemblesville, Pennsylvania as of December 31, 2016, and the revenues it received and the expenditures it paid for the year then ended, in accordance with the financial reporting provisions of the DCED as described in the second paragraph of this report.

Basis of Accounting

We draw attention to the basis of accounting, which is described in the second paragraph of this report. The financial statements are prepared on the basis of the financial reporting provisions of the DCED, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the requirements of the DCED. As permitted by the DCED, Franklin Township, Kemblesville, Pennsylvania, prepares its financial statements on the cash basis of accounting; consequently, certain revenues and related assets are recognized when received rather than when earned, and certain expenditures are recognized when paid rather than when a liability is incurred. Additionally, in accordance with the prescribed accounting practices permitted by the DCED, the Township does not include footnote disclosures. Our opinion is not modified with respect to this matter.

*Barbacane, Thornton & Company LLP*  
BARBACANE, THORNTON & COMPANY LLP

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<b>Balance Sheet</b>					
<b>December 31, 2016</b>					
		<b>Governmental Funds</b>			
<b>Assets and Other Debits</b>		<b>General Fund</b>	<b>Special Revenue (Including State Liquid Fuels)</b>	<b>Capital Projects</b>	<b>Debt Service</b>
100-120	Cash and Investments	120,684	194,147	382,598	
140-144	Tax Receivable				
121-129					
145-149	Accounts Receivable (excluding taxes)				
130	Due From Other Funds				
131-139					
150-159	Other Current Assets				
160-169	Fixed Assets				
180-189	Other Debits				
<b>Total Assets and Other Debits</b>		<b>\$ 120,684</b>	<b>\$ 194,147</b>	<b>\$ 382,598</b>	<b>\$ -</b>

<b>Liabilities and Other Credits</b>					
210-229	Payroll Taxes and Other Payroll Withholdings				
200-209					
231-239	All Other Current Liabilities				
230	Due To Other Funds				
260-269	Long-Term Liabilities				
240-259	Current Portion of Long-Term Debt and Other Credits				
<b>Total Liabilities and Other Credits</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

<b>Fund and Account Group Equity</b>					
281-284	Contributed Capital				
290	Investment in General Fixed Assets				
270-289	Fund Balance / Retained Earnings on 12/31	120,684	194,147	382,598	
291-299	Other Equity				
<b>Total Fund and Account Group Equity</b>		<b>\$ 120,684</b>	<b>\$ 194,147</b>	<b>\$ 382,598</b>	<b>\$ -</b>

Total Assets and Other Debits minus Total Liabilities and Other Credits must Equal the Total Fund and Account Group Equity.

		Proprietary Funds		Fiduciary Fund	Account Groups		Total
		Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Debt	Memorandum Only
<b>Assets and Other Debits</b>							
100-120	Cash and Investments			264,663			962,092
140-144	Tax Receivable						-
121-129	Accounts Receivable (excluding taxes)						-
145-149							-
130	Due From Other Funds						-
131-139	Other Current Assets						-
150-159							-
160-169	Fixed Assets						-
180-189	Other Debits						-
<b>Total Assets and Other Debits</b>		\$ -	\$ -	\$ 264,663	\$ -	\$ -	\$ 962,092

<b>Liabilities and Other Credits</b>							
210-229	Payroll Taxes and Other Payroll Withholdings						-
200-209	All Other Current Liabilities			264,663			264,663
231-239							-
230	Due To Other Funds						-
260-269	Long-Term Liabilities						-
240-259	Current Portion of Long-Term Debt and Other Credits						-
<b>Total Liabilities and Other Credits</b>		\$ -	\$ -	\$ 264,663	\$ -	\$ -	\$ 264,663

<b>Fund and Account Group Equity</b>							
281-284	Contributed Capital						-
290	Investment in General Fixed Assets						-
270-289	Fund Balance / Retained Earnings on 12/31	-		-			697,429
291-299	Other Equity						-
<b>Total Fund and Account Group Equity</b>		\$ -	\$ -	\$ -	\$ -	\$ -	\$ 697,429

<b>TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY</b>	\$ 962,092
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Total Assets and Other Debits minus Total Liabilities and Other Credits must Equal the Total Fund and Account Group Equity.

### Statement of Revenues and Expenditures December 31, 2016

REVENUES		GOVERNMENTAL FUNDS			
		<i>General Fund</i>	<i>Special Revenue (Including State Liquid Fuels)</i>	<i>Capital Projects</i>	<i>Debt Service</i>
<b>Taxes</b>					
301.00	Real Estate Taxes	369,719	383,224		
305.00	Occupation Taxes (levied under municipal code)				
308.00	Residence Taxes (levied by cities of the third class)				
309.00	Regional Asset District Sales Tax (Allegheny County municipalities only)				
310.00	Per Capita Taxes				
310.10	Real Estate Transfer Taxes	140,355			
310.20	Earned Income Taxes/Wage Taxes	685,030			
310.30	Business Gross Receipts Taxes				
310.40	Occupation Taxes (levied under Act 511)				
310.50	Local Services Tax**				
310.60	Amusement/Admission Taxes				
310.70	Mechanical Device Taxes				
310.90	Other Local Tax Enabling Act/Act511 Taxes <b>(Please List)</b>				
<b>Total Taxes</b>		\$ 1,195,104	\$ 383,224	\$ -	\$ -

Licenses and Permits					
320-322	All Other Licenses and Permits	147,884			
321.80	Cable Television Franchise Fees	68,163			
<b>Total Licenses and Permits</b>		\$ 216,047	\$ -	\$ -	\$ -

Fines and Forfeits					
330-332	Fines and Forfeits	2,359			
<b>Total Fines and Forfeits</b>		\$ 2,359	\$ -	\$ -	\$ -

Interest, Rents, and Royalties					
341.00	Interest Earnings	1,161	1,039	351	
342.00	Rents and Royalties				
<b>Total Interest, Rents, and Royalties</b>		\$ 1,161	\$ 1,039	\$ 351	\$ -

\*\* This tax was known as the Occupational Privilege Tax (OPT) prior to 2005 and the Emergency and Municipal Services Tax prior to 2008.



## 2016 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

REVENUES		PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
		Enterprise	Internal Service	Trust and Agency	Memorandum Only
<b>Taxes</b>					
301.00	Real Estate Taxes				752,943
305.00	Occupation Taxes (levied under municipal code)				-
308.00	Residence Taxes (levied by cities of the third class)				-
309.00	Regional Asset District Sales Tax (Allegheny County municipalities only)				-
310.00	Per Capita Taxes				-
310.10	Real Estate Transfer Taxes				140,355
310.20	Earned Income Taxes/Wage Taxes				685,030
310.30	Business Gross Receipts Taxes				-
310.40	Occupation Taxes (levied under Act 511)				-
310.50	Local Services Tax**				-
310.60	Amusement/Admission Taxes				-
310.70	Mechanical Device Taxes				-
310.90	Other Local Tax Enabling Act/Act511/Taxes <b>(Please List)</b>				-
<b>Total Taxes</b>		\$ -	\$ -	\$ -	\$ 1,578,328

Licenses and Permits					
320-322	All Other Licenses and Permits				147,884
321.80	Cable Television Franchise Fees				68,163
<b>Total Licenses and Permits</b>		\$ -	\$ -	\$ -	\$ 216,047

Fines and Forfeits					
330-332	Fines and Forfeits				2,359
<b>Total Fines and Forfeits</b>		\$ -	\$ -	\$ -	\$ 2,359

Interest, Rents, and Royalties					
341.00	Interest Earnings				2,551
342.00	Rents and Royalties				-
<b>Total Interest, Rents, and Royalties</b>		\$ -	\$ -	\$ -	\$ 2,551

\*\* This tax was known as the Occupational Privilege Tax (OPT) prior to 2005 and the Emergency and Municipal Services Tax prior to 2008.

2016 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

INTERGOVERNMENTAL REVENUES		GOVERNMENTAL FUNDS			
		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
<b>Federal</b>					
351.03	Highways and Streets				
351.09	Community Development				
351.00	All Other Federal Capital and Operating Grants	42,646			
352.01	National Forest				
352.00	All Other Federal Shared Revenue and Entitlements				
353.00	Federal Payments in Lieu of Taxes				
<b>Total Federal</b>		\$ 42,646	\$ -	\$ -	\$ -

State					
354.03	Highway and Streets				
354.09	Community Development				
354.15	Recycling/Act 101	3,737			
354.00	All Other State Capital and Operating Grants				
355.01	Public Utility Realty Tax (PURTA)	1,786			
355.02- 355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback		188,242		
355.04	Alcoholic Beverage Licenses				
355.05	General Municipal Pension System State Aid				
355.07	Foreign Fire Insurance Tax Distribution	34,240			
355.08	Local Share Assessment/Gaming Proceeds				
355.09	Marcellus Shale Impact Fee Distribution**				
355.00	All Other State Shared Revenues and Entitlements				
356.00	State Payments in Lieu of Taxes				
<b>Total State</b>		\$ 39,763	\$ 188,242	\$ -	\$ -

Local Governmental Units					
357.03	Highways and Streets				
357.00	All Other Local Governmental Units Capital and Operating Grants	15,671			
358.00	Local Governmental Unit Shared Payments for Contracted Intergovernmental Services				
359.00	Local Governmental Units, Authorities Payments, and Payments in Lieu of Taxes				
<b>Total Local Governmental Units</b>		\$ 15,671	\$ -	\$ -	\$ -

2016 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

INTERGOVERNMENTAL REVENUES		PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
Federal		Enterprise	Internal Service	Trust and Agency	Memorandum Only
351.03	Highways and Streets				-
351.09	Community Development				-
351.00	All Other Federal Capital and Operating Grants				42,646
352.01	National Forest				-
352.00	All Other Federal Shared Revenue and Entitlements				-
353.00	Federal Payments in Lieu of Taxes				-
<b>Total Federal</b>		\$ -	\$ -	\$ -	\$ 42,646

State					
354.03	Highway and Streets				-
354.09	Community Development				-
354.15	Recycling/Act 101				3,737
354.00	All Other State Capital and Operating Grants				-
355.01	Public Utility Realty Tax (PURTA)				1,786
355.02- 355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback				188,242
355.04	Alcoholic Beverage Licenses				-
355.05	General Municipal Pension System State Aid				-
355.07	Foreign Fire Insurance Tax Distribution				34,240
355.08	Local Share Assessment/Gaming Proceeds				-
355.09	Marcellus Shale Impact Fee Distribution**				-
355.00	All Other State Shared Revenues and Entitlements				-
356.00	State Payments in Lieu of Taxes				-
<b>Total State</b>		\$ -	\$ -	\$ -	\$ 228,005

Local Governmental Units					
357.03	Highways and Streets				-
357.00	All Other Local Governmental Units Capital and Operating Grants				15,671
358.00	Local Governmental Unit Shared Payments for Contracted Intergovernmental Services				-
359.00	Local Governmental Units, Authorities Payments, and Payments in Lieu of Taxes				-
<b>Total Local Governmental Units</b>		\$ -	\$ -	\$ -	\$ 15,671

<b>TOTAL INTERGOVERNMENTAL REVENUES</b>	\$ 286,322
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2016 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

REVENUES		GOVERNMENTAL FUNDS			
Charges For Service		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
361.00	General Government	22,005			
362.00	Public Safety	61,238			
363.20	Parking				
363.00	All Other Charges for Highway and Streets Services		21,171		
364.10	Wastewater/Sewage Charges				
364.30	Solid Waste Collection and Disposal Charge (trash)				
364.60	Host Municipality Benefit Fee for Solid Waste Facility				
364.00	All Other Charges for Sanitation Services	300			
365.00	Health				
366.00	Human Services				
367.00	Culture and Recreation		9,000		
368.00	Airports				
369.00	Bars				
370.00	Cemeteries				
372.00	Electric System				
373.00	Gas System				
374.00	Housing System				
375.00	Markets				
377.00	Transit Systems				
378.00	Water System		5,540		
379.00	All Other Charges for Service		3,660		
<b>Total Charges for Service</b>		<b>\$ 83,543</b>	<b>\$ 39,371</b>	<b>\$ -</b>	<b>\$ -</b>

Unclassified Operating Revenues					
383.00	Assessments				
386.00	Escheats (sale of personal property)				
387.00	Contributions and Donations from Private Sectors				
388.00	Fiduciary Fund Pension Contributions				
389.00	All Other Unclassified Operating Revenues***	200			
<b>Total Unclassified Operating Revenues</b>		<b>\$ 200</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Other Financing Sources					
391.00	Proceeds of General Fixed Asset Disposition				
392.00	Interfund Operating Transfers**		131,000	345,000	
393.00	Proceeds of General Long-Term Debt				
394.00	Proceeds of Short-Term Debt				
395.00	Refunds of Prior Year Expenditures				
<b>Total Other Financing Sources</b>		<b>\$ -</b>	<b>\$ 131,000</b>	<b>\$ 345,000</b>	<b>\$ -</b>

<b>TOTAL REVENUES</b>	<b>\$ 1,596,494</b>	<b>\$ 742,876</b>	<b>\$ 345,351</b>	<b>\$ -</b>
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\*\*The total of line 392.00 must match the total of line 492.00

\*\*\* This amount cannot be greater than 1% of "TOTAL REVENUES" in each of the funds.

2016 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

REVENUES		PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
Charges For Service		Enterprise	Internal Service	Trust and Agency	Memorandum Only
361.00	General Government				22,005
362.00	Public Safety				61,238
363.20	Parking				-
363.00	All Other Charges for Highway and Streets Services				21,171
364.10	Wastewater/Sewage Charges				-
364.30	Solid Waste Collection and Disposal Charge (trash)				-
364.60	Host Municipality Benefit Fee for Solid Waste Facility				-
364.00	All Other Charges for Sanitation Services				300
365.00	Health				-
366.00	Human Services				-
367.00	Culture and Recreation				9,000
368.00	Airports				-
369.00	Bars				-
370.00	Cemeteries				-
372.00	Electric System				-
373.00	Gas System				-
374.00	Housing System				-
375.00	Markets				-
377.00	Transit Systems				-
378.00	Water System				5,540
379.00	All Other Charges for Service				3,660
<b>Total Charges for Service</b>		\$ -	\$ -	\$ -	\$ 122,914

Unclassified Operating Revenues					
383.00	Assessments				-
386.00	Escheats (sale of personal property)				-
387.00	Contributions and Donations from Private Sectors				-
388.00	Fiduciary Fund Pension Contributions				-
389.00	All Other Unclassified Operating Revenues***				200
<b>Total Unclassified Operating Revenues</b>		\$ -	\$ -	\$ -	\$ 200

Other Financing Sources					
391.00	Proceeds of General Fixed Asset Disposition				-
392.00	Interfund Operating Transfers**				476,000
393.00	Proceeds of General Long-Term Debt				-
394.00	Proceeds of Short-Term Debt				-
395.00	Refunds of Prior Year Expenditures				-
<b>Total Other Financing Sources</b>		\$ -	\$ -	\$ -	\$ 476,000

<b>TOTAL REVENUES</b>	\$ -	\$ -	\$ -	\$ -	\$ 2,684,721
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\*\*The total of line 392.00 must match the total of line 492.00

\*\*\* This amount cannot be greater the 1% of "TOTAL REVENUES" in each of the funds.

EXPENDITURES		GOVERNMENTAL FUNDS			
General Government		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
400.00	Legislative (Governing) Body	6,409			
401.00	Executive (Manager or Mayor)	33,541			
402.00	Auditing Services/Financial Administration	8,600			
403.00	Tax Collection	15,773			
404.00	Solicitor/Legal Services	31,203			
405.00	Secretary/Clerk	191,624			
406.00	Other General Government Administration				
407.00	IT - Networking Services - Data Processing	22,294			
408.00	Engineering Services	19,280			
409.00	General Government Buildings and Plant	36,594	4,238		
<b>Total General Government</b>		<b>\$ 365,318</b>	<b>\$ 4,238</b>	<b>\$ -</b>	<b>\$ -</b>

Public Safety					
410.00	Police				
411.00	Fire	34,240	107,112		
412.00	Ambulance/Rescue		62,174		
413.00	UCC and Code Enforcement				
414.00	Planning and Zoning	105,446			
415.00	Emergency Management and Communications		11,169		
416.00	Militia and Armories				
417.00	Examination of Licensed Occupations				
418.00	Public Scales (weights and measures)				
419.00	Other Public Safety				
<b>Total Public Safety</b>		<b>\$ 139,686</b>	<b>\$ 180,455</b>	<b>\$ -</b>	<b>\$ -</b>

Health and Human Services					
420.00-425.00	Health and Human Services				

Public Works - Sanitation					
426.00	Recycling Collection and Disposal				
427.00	Solid Waste Collection and Disposal (trash)	392			
428.00	Weed Control				
429.00	Wastewater/Sewage Collection and Treatment	1,236			
<b>Total Public Works - Sanitation</b>		<b>\$ 1,628</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

2016 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

EXPENDITURES		PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
General Government		Enterprise	Internal Service	Trust and Agency	Memorandum Only
400.00	Legislative (Governing) Body				6,409
401.00	Executive (Manager or Mayor)				33,541
402.00	Auditing Services/Financial Administration				8,600
403.00	Tax Collection				15,773
404.00	Solicitor/Legal Services				31,203
405.00	Secretary/Clerk				191,624
406.00	Other General Government Administration				-
407.00	IT - Networking Services - Data Processing				22,294
408.00	Engineering Services				19,280
409.00	General Government Buildings and Plant				40,832
<b>Total General Government</b>		\$ -	\$ -	\$ -	\$ 369,556

Public Safety					
410.00	Police				-
411.00	Fire				141,352
412.00	Ambulance/Rescue				62,174
413.00	UCC and Code Enforcement				-
414.00	Planning and Zoning				105,446
415.00	Emergency Management and Communications				11,169
416.00	Militia and Armories				-
417.00	Examination of Licensed Occupations				-
418.00	Public Scales (weights and measures)				-
419.00	Other Public Safety				-
<b>Total Public Safety</b>		\$ -	\$ -	\$ -	\$ 320,141

Health and Human Services					
420.00-425.00	Health and Human Services				-

Public Works - Sanitation					
426.00	Recycling Collection and Disposal				-
427.00	Solid Waste Collection and Disposal (trash)				392
428.00	Weed Control				-
429.00	Wastewater/Sewage Collection and Treatment				1,236
<b>Total Public Works - Sanitation</b>		\$ -	\$ -	\$ -	\$ 1,628

EXPENDITURES		GOVERNMENTAL FUNDS			
		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
<b>Public Works - Highways and Streets</b>					
430.00	General Services - Administration	17,062			
431.00	Cleaning of Streets and Gutters				
432.00	Winter Maintenance - Snow Removal	132,212			
433.00	Traffic Control Devices	13,741			
434.00	Street Lighting	1,237			
435.00	Sidewalks and Crosswalks				
436.00	Storm Sewers and Drains				
437.00	Repairs of Tools and Machinery				
438.00	Maintenance and Repairs of Roads and Bridges	291,574			
439.00	Highway Construction and Rebuilding Projects		324,462	101,229	
<b>Total Public Works - Highways and Streets</b>		<b>\$ 455,826</b>	<b>\$ 324,462</b>	<b>\$ 101,229</b>	<b>\$ -</b>

<b>Public Works - Other Services</b>					
440.00	Airports				
441.00	Cemeteries				
442.00	Electric System				
443.00	Gas System				
444.00	Markets				
445.00	Parking				
446.00	Storm Water and Flood Control	73,112			
447.00	Transit System				
448.00	Water System		6,970		
449.00	Water Transport and Terminals				
<b>Total Public Works - Other Services</b>		<b>\$ 73,112</b>	<b>\$ 6,970</b>	<b>\$ -</b>	<b>\$ -</b>

<b>Culture and Recreation</b>					
451.00	Culture - Recreation Administration	21,949	615		
452.00	Participant Recreation				
453.00	Spectator Recreation				
454.00	Parks		87,186		
455.00	Shade Trees				
456.00	Libraries				
457.00	Civil and Military Celebrations				
458.00	Senior Citizens' Centers				
459.00	All Other Culture and Recreation				
<b>Total Culture and Recreation</b>		<b>\$ 21,949</b>	<b>\$ 87,801</b>	<b>\$ -</b>	<b>\$ -</b>

<b>Community Development</b>					
461.00	Conservation of Natural Resources		20,202		
462.00	Community Development and Housing				
463.00	Economic Development				
464.00	Economic Opportunity				
465.00-					
469.00	All Other Community Development				
<b>Total Community Development</b>		<b>\$ -</b>	<b>\$ 20,202</b>	<b>\$ -</b>	<b>\$ -</b>



EXPENDITURES		PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
		<i>Enterprise</i>	<i>Internal Service</i>	<i>Trust and Agency</i>	<i>Memorandum Only</i>
<b>Public Works - Highways and Streets</b>					
430.00	General Services - Administration				17,062
431.00	Cleaning of Streets and Gutters				-
432.00	Winter Maintenance - Snow Removal				132,212
433.00	Traffic Control Devices				13,741
434.00	Street Lighting				1,237
435.00	Sidewalks and Crosswalks				-
436.00	Storm Sewers and Drains				-
437.00	Repairs of Tools and Machinery				-
438.00	Maintenance and Repairs of Roads and Bridges				291,574
439.00	Highway Construction and Rebuilding Projects				425,691
<b>Total Public Works - Highways and Streets</b>		\$ -	\$ -	\$ -	\$ 881,517

<b>Public Works - Other Services</b>					
440.00	Airports				-
441.00	Cemeteries				-
442.00	Electric System				-
443.00	Gas System				-
444.00	Markets				-
445.00	Parking				-
446.00	Storm Water and Flood Control				73,112
447.00	Transit System				-
448.00	Water System				6,970
449.00	Water Transport and Terminals				-
<b>Total Public Works - Other Services</b>		\$ -	\$ -	\$ -	\$ 80,082

<b>Culture and Recreation</b>					
451.00	Culture - Recreation Administration				22,564
452.00	Participant Recreation				-
453.00	Spectator Recreation				-
454.00	Parks				87,186
455.00	Shade Trees				-
456.00	Libraries				-
457.00	Civil and Military Celebrations				-
458.00	Senior Citizens' Centers				-
459.00	All Other Culture and Recreation				-
<b>Total Culture and Recreation</b>		\$ -	\$ -	\$ -	\$ 109,750

<b>Community Development</b>					
461.00	Conservation of Natural Resources				20,202
462.00	Community Development and Housing				-
463.00	Economic Development				-
464.00	Economic Opportunity				-
465.00-469.00	All Other Community Development				-
<b>Total Community Development</b>		\$ -	\$ -	\$ -	\$ 20,202

EXPENDITURES		GOVERNMENTAL FUNDS			
		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
<b>Debt Service</b>					
471.00	Debt Principal (short-term and long-term)		128,000		
472.00	Debt Interest (short-term and long-term)		94,542		
475.00	Fiscal Agent Fees				
<b>Total Debt Service</b>		\$ -	\$ 222,542	\$ -	\$ -

Employer Paid Benefits and Withholding Items					
481.00	Employer Paid Withholding Taxes and Unemployment Compensation	13,799	3,077		
482.00	Judgments and Losses				
483.00	Pension/Retirement Fund Contributions	5,020	912		
484.00	Worker Compensation Insurance	6,603			
487.00	Group Insurance and Other Benefits	48,726			
<b>Total Employer Paid Benefits and Withholding Items</b>		\$ 74,148	\$ 3,989	\$ -	\$ -

Insurance					
486.00	Insurance, Casualty, and Surety	24,028			

Unclassified Operating Expenditures					
488.00	Fiduciary Fund Benefits and Refunds Paid				
489.00	All Other Unclassified Expenditures***	1,565			
<b>Total Unclassified Operating Expenditures</b>		\$ 1,565	\$ -	\$ -	\$ -

Other Financing Uses					
491.00	Refund of Prior Year Revenues				
492.00	Interfund Operating Transfers**	476,000			
493.00	All Other Financing Uses				
<b>Total Other Financing Uses</b>		\$ 476,000	\$ -	\$ -	\$ -

<b>TOTAL EXPENDITURES</b>	\$ 1,633,260	\$ 850,659	\$ 101,229	\$ -
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<b>EXCESS / (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES</b>	\$ (36,766)	\$ (107,783)	\$ 244,122	\$ -
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\*\* The total of line 492.00 must match the total of line 392.00

\*\*\* This amount cannot be greater than 1% of "TOTAL EXPENDITURES" in each of the funds.

EXPENDITURES		PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
		<i>Enterprise</i>	<i>Internal Service</i>	<i>Trust and Agency</i>	<i>Memorandum Only</i>
<b>Debt Service</b>					
471.00	Debt Principal (short-term and long-term)				128,000
472.00	Debt Interest (short-term and long-term)				94,542
475.00	Fiscal Agent Fees				-
<b>Total Debt Service</b>		\$ -	\$ -	\$ -	\$ 222,542

Employer Paid Benefits and Withholding Items					
481.00	Employer Paid Withholding Taxes and Unemployment Compensation				16,876
482.00	Judgments and Losses				-
483.00	Pension/Retirement Fund Contributions				5,932
484.00	Worker Compensation Insurance				6,603
487.00	Group Insurance and Other Benefits				48,726
<b>Total Miscellaneous Expenditures</b>		\$ -	\$ -	\$ -	\$ 78,137

Insurance					
486.00	Insurance, Casualty, and Surety				24,028

Unclassified Operating Expenditures					
488.00	Fiduciary Fund Benefits and Refunds Paid				-
489.00	All Other Unclassified Expenditures***				1,565
<b>Total Unclassified Operating Expenditures</b>		\$ -	\$ -	\$ -	\$ 1,565

Other Financing Uses					
491.00	Refund of Prior Year Revenues				-
492.00	Interfund Operating Transfers**				476,000
493.00	All Other Financing Uses				-
<b>Total Other Financing Uses</b>		\$ -	\$ -	\$ -	\$ 476,000

<b>TOTAL EXPENDITURES</b>	\$ -	\$ -	\$ -	\$ -	\$ 2,585,148
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<b>EXCESS / (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES</b>	\$ -	\$ -	\$ -	\$ -	\$ 99,573
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\*\* The total of line 492.00 must match the total of line 392.00

\*\*\* This amount cannot be greater than 1% of "TOTAL EXPENDITURES" in each of the funds.

**DEBT STATEMENT**

Purpose	Bond (B) Note (N)	Issue Date (year)	Maturity Date (year)	Original Amount of Issue	Outstanding Beginning of Year	Principal Incurred This Year (Additions)	Principal Paid This Year	Current Year Accrion of Compound Interest Bonds	Outstanding Year End	Plus (less) Unamortized Premium (Discount)	Total Balance
<b>GENERAL OBLIGATION BONDS AND NOTES</b>											
General Obligation	N	1999	2019	750,000	206,000		48,000		158,000		\$ 158,000
General Obligation	N	2008	2039	3,500,000	3,079,000		80,000		2,999,000		\$ 2,999,000
											\$ -
											\$ -
											\$ -
											\$ -
											\$ -
											\$ -
											\$ -
											\$ -
											\$ -
											\$ -
											\$ -
											\$ -
<b>REVENUE BONDS AND NOTES</b>											
											\$ -
											\$ -
											\$ -
											\$ -
											\$ -
<b>LEASE RENTAL DEBT/GENERAL LEASES</b>											
											\$ -
											\$ -
											\$ -
											\$ -
											\$ -
											\$ -
<b>OTHER</b>											
											\$ -
											\$ -
											\$ -
											\$ -
											\$ -
											\$ -
											\$ -
											\$ -

Total bonds and notes outstanding	\$	3,157,000
Capitalized lease obligations	\$	-
Other debt	\$	-
<b>TOTAL OUTSTANDING DEBT</b>	\$	<b>3,157,000</b>

<b>STATEMENT OF CAPITAL EXPENDITURES</b>			
<b>CATEGORY:</b>	<b>Capital Purchases</b>	<b>Capital Construction</b>	<b>Total</b>
Community Development			-
Electric			-
Fire			-
Gas System			-
General Government	4,193	6,322	10,515
Health			-
Housing			-
Libraries			-
Mass Transit			-
Parks		4,405	4,405
Police			-
Recreation			-
Sewer			-
Solid Waste			-
Streets/Highways		460,953	460,953
Water			-
Other (Please Specify)			-
			-
			-
			-
			-
			-
			-
			-
			-
			-
			-
			-
			-
			-
			-

<b>TOTAL CAPITAL EXPENDITURES*</b>	\$	<b>475,873</b>
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*\* Capital expenditures are generally considered to be those which result in additions to the value of fixed assets (land, buildings and other structures, machinery and equipment.)*

<b>EMPLOYEE COMPENSATION</b>			
Total salaries, wages, commissions, etc. paid this year (including all employees and elected officials)**	<table border="1" style="width: 100%;"> <tr> <td style="width: 10%; text-align: center;">\$</td> <td style="width: 90%; text-align: right;"><b>220,223</b></td> </tr> </table>	\$	<b>220,223</b>
\$	<b>220,223</b>		
<i>** Use income from box 16 of the W-3 Statement</i>			