

**2023 MUNICIPAL ANNUAL AUDIT
AND
FINANCIAL REPORT**

021353 FRANKLIN PARK BORO, ALLEGHENY COUNTY

Independent Auditor's Report

**Borough Council
Borough of Franklin Park**

Report on the Audit of the Financial Statements

Adverse and Unmodified Opinions

We have audited the Balance Sheet, Statement of Revenues and Expenditures, Debt Statement, and Statements of Capital Expenditures and Employee Compensation – regulatory basis, as of and for the year ended December 31, 2023 included in the Annual Audit and Financial Report (Schedules) of the Borough of Franklin Park (Borough).

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the Schedules referred to above present fairly, in all material respects, the regulatory basis financial position of the Borough as of December 31, 2023, and the regulatory results of its operations for the year then ended in accordance with the financial reporting provisions described in the instructions provided by Pennsylvania Department of Community and Economic Development (DCED).

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse and Unmodified Opinions” section of our report, the Schedules referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Borough as of December 31, 2023, and the results of its operations for the year then ended.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Borough and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles

To meet the financial reporting requirements of the Commonwealth of Pennsylvania, the Schedules are prepared by the Borough on the basis of the instructions provided by the DCED, which is a basis of accounting other than accounting principles generally accepted in the United States of America. These requirements permit the Schedules to be prepared without financial statement disclosures, without cash flows, without component unit financial information, without government-wide financial statements, without Management's Discussion and Analysis, without budgetary comparisons, and without historical pension and post-employment benefit liability information, and require all funds to be aggregated by fund type on the Schedules.

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these Schedules in accordance with the financial reporting provisions as described in the instructions provided by the DCED to meet filing requirements in Pennsylvania, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of Schedules that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks.

Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit 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 Borough's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Borough's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control—related matters that we identified during the audit.

Mahe Duessel

Pittsburgh, Pennsylvania
March 22, 2024

FRANKLIN PARK BORO, ALLEGHENY County

BALANCE SHEET

December 31, 2023

		Governmental Funds				Proprietary Funds		Fid. Fund	Account Groups		Total
		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long Term Debt	Memorandum Only
Liabilities and Other Credits											
260-269	Long-Term-Liabilities									3,737,299	3,737,299
240-259	Current Portion of Long-Term Debt and Other Credits									350,000	350,000
Total Liabilities and Other Credits		1,227,859				21,760				4,087,299	5,336,918
Fund and Account Group Equity											
281-284	Contributed Capital										
290.00	Investment in General Fixed Assets								7,390,400		7,390,400
270-289	Fund Balance / Retained Earnings on 12/31	6,088,999	8,321	69,850		658,711		12,314,849			19,140,730
291-299	Other Equity										
Total Fund and Account Group Equity		6,088,999	8,321	69,850		658,711		12,314,849	7,390,400		26,531,130
TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY											31,868,048

FRANKLIN PARK BORO, ALLEGHENY County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

REVENUES

Taxes

301.00	Real Estate Taxes	2,283,402						2,283,402
305.00	Occupation Taxes (levied under municipal code)							
308.00	Residence Taxes (levied by cities of the 3rd Class)							
309.00	Regional Asset District Sales Tax (Allegheny County municipalities only)	275,145						275,145
310.00	Per Capita Taxes							
310.10	Real Estate Transfer Taxes	569,992						569,992
310.20	Earned Income Taxes / Wage Taxes	5,734,566						5,734,566
310.30	Business Gross Receipts Taxes							
310.40	Occupation Taxes (levied under Act 511)							
310.50	Local Services Tax **	244,188						244,188
310.60	Amusement / Admission Taxes							
310.70	Mechanical Device Taxes							
310.90	Other: _____							
	Other: _____							
Total Taxes		9,107,293						9,107,293

Licenses and Permits

320-322	All Other Licenses and Permits	1,220						1,220
321.80	Cable Television Franchise Fees	165,426						165,426
Total Licenses and Permits		166,646						166,646

Fines and Forfeits

330-332	Fines and Forfeits	38,791						38,791
Total Fines and Forfeits		38,791						38,791

FRANKLIN PARK BORO, ALLEGHENY County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

REVENUES

State								
355.00	All Other State Shared Revenues and Entitlements							
356.00	State Payments in Lieu of Taxes	238						238
Total State		545,372	479,608					1,024,980

Local Government Units								
357.03	Highways and Streets							
357.00	All Other Local Governmental Units Capital and Operating Grants							
358.00	Local Government Unit Shared Payments for Contracted Intergovernmental Services							
359.00	Local Governmental Units and Authorities Payments in Lieu of Taxes							
Total Local Government Units								

Charges for Service								
361.00	General Government	12,281						12,281
362.00	Public Safety	218,973						218,973
363.20	Parking							
363.00	All Other Charges for Highway & Street Services	94,508						94,508
364.10	Wastewater / Sewage (including connection / tapping fees, sewer usage charges, reserve capacity fee, etc.)							
364.30	Solid Waste Collection and Disposal Charge (trash)	306						306
364.60	Host Municipality Benefit Fee for Solid Waste Facility							
364.00	All Other Charges for Sanitation Services							
365.00	Health							
366.00	Human Services							
367.00	Culture and Recreation	404,745			596,788			1,001,533
368.00	Airports							

FRANKLIN PARK BORO, ALLEGHENY County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

REVENUES

Charges for Service								
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							
379.00	All Other Charges for Service	4,746			100			4,846
Total Charges for Service		735,559			596,888			1,332,447

Unclassified Operating Revenues								
383.00	Special Assessments							
386.00	Escheats (sale of personal property)							
387.00	Contributions and Donations from Private Sectors	2,800						2,800
388.00	Fiduciary Fund Pension Contributions					756,012		756,012
389.00	All Other Unclassified Operating Revenues	26,677						26,677
Total Unclassified Operating Revenues		29,477				756,012		785,489

Other Financing Sources								
391.00	Proceeds of General Fixed Asset Disposition	58,456						58,456
392.00	Interfund Operating Transfers			1,149,556				1,149,556
393.00	Proceeds of General Long-Term Debt							
394.00	Proceeds of Short Term-Debt							

FRANKLIN PARK BORO, ALLEGHENY County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

REVENUES

Other Financing Sources								
395.00	Refunds of Prior Year Expenditures	67,323						67,323
Total Other Financing Sources		125,779		1,149,556				1,275,335

TOTAL REVENUES

11,615,491	481,131	1,167,110		598,670		2,135,220	15,997,622
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EXPENDITURES

General Government								
400.00	Legislative (Governing) Body	32,139						32,139
401.00	Executive (Manager or Mayor)	242,604						242,604
402.00	Auditing Services / Financial Administration	288,071						288,071
403.00	Tax Collection	38,347						38,347
404.00	Solicitor / Legal Services	116,129						116,129
405.00	Secretary / Clerk	266,703						266,703
406.00	Other General Government Administration							
407.00	IT-Networking Services-Data Processing	140,611						140,611
408.00	Engineering Services	178,711						178,711
409.00	General Government Buildings and Plant	187,473						187,473
Total General Government		1,490,788						1,490,788

Public Safety

410.00	Police	3,191,865		80,310				3,272,175
411.00	Fire	376,681						376,681
412.00	Ambulance / Rescue	105,500						105,500
413.00	UCC and Code Enforcement	307,410						307,410

FRANKLIN PARK BORO, ALLEGHENY County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

EXPENDITURES

Public Safety

414.00	Planning and Zoning	43,934						43,934
415.00	Emergency Management and Communications							
416.00	Militia and Armories							
417.00	Examination of Licensed Occupations							
418.00	Public Scales (weights and measures)							
419.00	Other Public Safety							
Total Public Safety		4,025,390	80,310					4,105,700

Health and Human Services

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

Public Works - Sanitation

426.00	Recycling Collection and Disposal	10,250						10,250
427.00	Solid Waste Collection and Disposal (garbage)	20,576						20,576
428.00	Weed Control							
429.00	Wastewater / Sewage Treatment and Collection							
Total Public Works - Sanitation		30,826						30,826

Public Works - Highways and Streets

430.00	General Services - Administration		101,508					101,508
431.00	Cleaning of Streets and Gutters							
432.00	Winter Maintenance – Snow Removal	23,810	329,652					353,462
433.00	Traffic Control Devices	34,882						34,882
434.00	Street Lighting							

FRANKLIN PARK BORO, ALLEGHENY County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

EXPENDITURES

Public Works - Highways and Streets								
435.00	Sidewalks and Crosswalks							
436.00	Storm Sewers and Drains	24,108						24,108
437.00	Repairs of Tools and Machinery	144,835						144,835
438.00	Maintenance and Repairs of Roads and Bridges	2,746,861						2,746,861
439.00	Highway Construction and Rebuilding Projects							
Total Public Works - Highways and Streets		2,974,496	431,160					3,405,656

Other Public Works Enterprises								
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	16,858	212,919					229,777
447.00	Transit System							
448.00	Water System							
449.00	Water Transport and Terminals							
Total Other Public Works Enterprises		16,858	212,919					229,777

Culture and Recreation								
451.00	Culture-Recreation Administration							
452.00	Participant Recreation	359,017			404,633			763,650
453.00	Spectator Recreation							
454.00	Parks	803,740	48,750					852,490

FRANKLIN PARK BORO, ALLEGHENY County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

EXPENDITURES

Culture and Recreation								
455.00	Shade Trees							
456.00	Libraries	363,139						363,139
457.00	Civil and Military Celebrations							
458.00	Senior Citizens' Centers							
459.00	All Other Culture and Recreation							
Total Culture and Recreation		1,525,896		48,750		404,633		1,979,279

Community Development								
461.00	Conservation of Natural Resources	6,557						6,557
462.00	Community Development and Housing							
463.00	Economic Development							
464.00	Economic Opportunity							
465-469	All Other Community Development							
Total Community Development		6,557						6,557

Debt Service								
471.00	Debt Principal (short-term and long-term)	339,088						339,088
472.00	Debt Interest (short-term and long-term)	124,643						124,643
475.00	Fiscal Agent Fees	593						593
Total Debt Service		464,324						464,324

Employer Paid Benefits and Withholding Items								
481.00	Employer Paid Withholding Taxes and Unemployment Compensation							
482.00	Judgments and Losses							
483.00	Pension / Retirement Fund Contributions							

FRANKLIN PARK BORO, ALLEGHENY County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

EXPENDITURES

Employer Paid Benefits and Withholding Items								
484.00	Worker Compensation Insurance							
487.00	Other Group Insurance Benefits	5,535						5,535
Total Employer Paid Benefits and Withholding Items		5,535						5,535

Insurance								
486.00	Insurance, Casualty, and Surety	131,171						131,171
Total Insurance		131,171						131,171

Unclassified Operating Expenditures								
488.00	Fiduciary Fund Benefits and Refunds Paid						307,645	307,645
489.00	All Other Unclassified Expenditures						72,774	72,774
Total Unclassified Operating Expenditures							380,419	380,419

Other Financing Uses								
491.00	Refund of Prior Year Revenues	1,295						1,295
492.00	Interfund Operating Transfers	1,149,556						1,149,556
493.00	All Other Financing Uses					121,473		121,473
Total Other Financing Uses		1,150,851				121,473		1,272,324

TOTAL EXPENDITURES	11,822,692	431,160	341,979		526,106		380,419	13,502,356
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EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES	-207,201	49,971	825,131		72,564		1,754,801	2,495,266
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FRANKLIN PARK BORO

December 31, 2023

DEBT STATEMENT

OUTSTANDING BONDS AND NOTES

Listed below are all currently outstanding bond and note issues according to our files, excluding bond issues redeemed or refunded and defeased. Please show the principal payments and make any other necessary corrections and additions.

Purpose	Bond (B) Capital Lease (C) Lease Rental (L) Note (N)	Issue Year (yyyy)	Maturity Year (yyyy)	Original Amount of Issue	Outstanding Beginning of Year (1)	Principal Incurred This Year	Principal Paid This Year	Current Year Accretion on Compound Interest Bonds	Outstanding at Year End (1)	Plus (less) Unamortized Premium (Discount)	Total Balance
General Obligation Bonds and Notes											
Series of 2021	Bond	2021	2036	3,955,000	3,540,000		205,000		3,335,000	192,299	3,527,299
General Obligation Note 2022	Note	2022	2027	700,000	700,000		140,000		560,000		560,000
Revenue Bonds and Notes											
Lease Rental Debt											
Other											

(1) - excludes unamortized premium/discount

Total bonds and notes outstanding	4,087,299
Capitalized lease obligations	0
Net debt	4,087,299

FRANKLIN PARK BORO, ALLEGHENY County
STATEMENT OF CAPITAL EXPENDITURES

December 31, 2023

Category	Capital Purchases	Capital Construction	Total
Community Development			
Electric			
Fire			
Gas System			
General Government	16,868		16,868
Health			
Housing			
Libraries			
Mass Transit			
Parks	196,631		196,631
Police	91,836		91,836
Recreation			
Sewer			
Solid Waste			
Streets / Highways	133,239		133,239
Water			
Other: _____			
TOTAL CAPITAL EXPENDITURES	438,574		438,574

EMPLOYEE COMPENSATION

Total salaries, wages, commissions, etc. paid this year (including all employees and elected officials)

4,394,363

Independent Public Accountant/Certified Public Accountant Submission Page
Opinion page was provided in lieu of signature page.

SIGNATURE AND VERIFICATION

Signed: Maher Duessel Appointed Auditor/CPA

December 31, 2023

NOTES / COMMENTS

ARPA funds in the amount of \$745,839 were recognized as revenue during 2023 and are included within line 352.00 All Other Federal Shared Revenue and Entitlements.