

**BOROUGH OF PALMYRA
COUNTY OF BURLINGTON**

**REPORT OF AUDIT
FOR THE YEAR ENDED
DECEMBER 31, 2014**



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BOROUGH OF PALMYRA

PART 1

REPORT OF AUDIT OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2014

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Borough Council
Borough of Palmyra
Palmyra, New Jersey 08065

Report on the Financial Statements

We have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Borough of Palmyra, in the County of Burlington, State of New Jersey, as of December 31, 2014 and 2013, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis, statement of expenditures - regulatory basis, and statement of general fixed assets group of accounts for the year ended December 31, 2014 and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements as listed in the table of contents.

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 Division of Local Government Services, Department of Community Affairs, State of New Jersey. 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 opinions 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; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. 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 and disclosures 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 Borough'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 entity'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 opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statements, the financial statements are prepared by the Borough on the basis of the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of New Jersey.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

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 Opinion on U.S. Generally Accepted Accounting Principles” 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 the Borough of Palmyra, in the County of Burlington, State of New Jersey, as of December 31, 2014 and 2013, or the results of its operations and changes in fund balance for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to previously present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Borough of Palmyra, in the County of Burlington, State of New Jersey, as of December 31, 2014 and 2013, and the results of its operations and changes in fund balance - regulatory basis of such funds for the years then ended, and the revenues - regulatory basis, expenditures - regulatory basis of the various funds, and general fixed assets, for the year ended December 31, 2014 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in Note 1.

Emphasis of Matter

As described in Note 20 to the financial statements, the Borough restated its General Fixed Assets Account Group for the year ended December 31, 2013, to correct a misstatement in its previously issued financial statements. Our opinion is not modified with respect to this matter.

Other Information

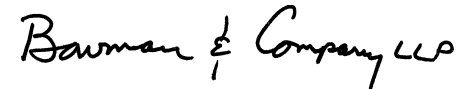
Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough's basic financial statements. The supplemental financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedule of expenditures of state financial assistance programs is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and State of New Jersey Circular 15-08-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, and is also not a required part of the financial statements.

The supplementary financial statements presented for the various funds and the schedule of expenditures of state financial assistance programs are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information described in the previous paragraph is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated April 23, 2015 on our consideration of the Borough of Palmyra's, in the County of Burlington, State of New Jersey, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Borough of Palmyra's internal control over financial reporting.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Robert P. Nehila, Jr.
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
April 23, 2015

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Borough Council
Borough of Palmyra
Palmyra, New Jersey 08065

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States; and the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey of the Borough of Palmyra, in the County of Burlington, State of New Jersey, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements, and have issued our report thereon dated April 23, 2015. That report indicated that the Borough of Palmyra's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America, but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Borough of Palmyra's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control. Accordingly, we do not express an opinion on the effectiveness of Borough of Palmyra's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

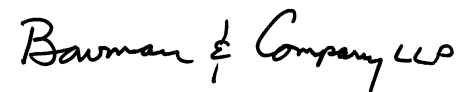
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough of Palmyra's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards, and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Borough's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey in considering the Borough's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Robert P. Nehila, Jr.
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
April 23, 2015

BOROUGH OF PALMYRA
CURRENT FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2014 and 2013

	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
ASSETS:			
Regular Fund:			
Cash	SA-1	\$ 3,294,704.98	\$ 2,327,695.55
Cash -- Change Fund	SA-2	250.00	250.00
		<u>3,294,954.98</u>	<u>2,327,945.55</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	SA-4	290,551.71	330,909.28
Tax Title Lien Receivable	SA-5	65,673.39	51,623.12
Property Acquired for Taxes -- Assessed Valuation	A	166,150.00	166,150.00
Revenue Accounts Receivable	SA-6	12,218.21	20,533.54
Due from Sewer Operating Fund	D	138,204.04	138,204.04
Due from Animal Control Trust Fund	SB-2		4,098.88
Due from Trust Other Fund	SB-5	47,958.91	2,083.35
Due General Capital Fund	SC-1, SC-5		389.99
		<u>720,756.26</u>	<u>713,992.20</u>
Deferred Charges:			
Special Emergency Authorizations N.J.S.A. 40A:4-55	SA-7	174,700.00	220,000.00
		<u>174,700.00</u>	<u>220,000.00</u>
		<u>4,190,411.24</u>	<u>3,261,937.75</u>
Federal and State Grant Fund:			
Cash	SA-1	407,416.61	220,292.58
Federal, State and Other Grants Receivable	SA-16	42,005.32	139,842.50
		<u>449,421.93</u>	<u>360,135.08</u>
		<u>\$ 4,639,833.17</u>	<u>\$ 3,622,072.83</u>

(Continued)

BOROUGH OF PALMYRA
CURRENT FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2014 and 2013

	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
LIABILITIES, RESERVES AND FUND BALANCE:			
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3,SA-8	\$ 423,252.87	\$ 430,834.29
Reserve for Encumbrances	SA-9	218,290.90	142,900.11
Accounts Payable	SA-1,SA-8	7,115.59	4,962.67
Reserve for Cost of Revaluation	SA-10	38,492.50	35,303.00
Local School District Taxes Payable	SA-15	476,279.46	201,773.46
Due State of New Jersey			
Seniors and Veterans Deductions	SA-3	42,332.63	43,308.42
Due Animal Control Trust Fund	SB-2	3,157.93	
Due to Trust Other - Unemployment	B	10,000.00	10,000.00
Due to Trust Other - Developer's Site Improvements	B	45,765.00	45,765.00
Due to General Capital Fund	SC-1,SC-5	352,730.88	
Prepaid Taxes	SA-11	71,352.77	95,775.99
Tax Overpayments	SA-12	4,124.06	
Due County for Added and Omitted Taxes	SA-14	753.08	210.82
Due State - Marriage Licenses	SA-1	525.00	750.00
Due State - DCA Fees	SA-1	1,511.00	856.00
Special Emergency Note	SA-1,A-3	165,000.00	220,000.00
Reserve for Codification of Ordinances	A-3	9,700.00	
		<u>1,870,383.67</u>	<u>1,232,439.76</u>
Reserves for Receivables and Other Assets	A	720,756.26	713,992.20
Fund Balance	A-1	<u>1,599,271.31</u>	<u>1,315,505.79</u>
		<u>4,190,411.24</u>	<u>3,261,937.75</u>
Federal and State Grant Fund:			
Due General Capital Fund	SA-16	89,267.26	
Unappropriated Reserves	SA-17	17,537.77	4,662.55
Appropriated Reserves	SA-18	336,542.19	354,544.54
Reserve for Encumbrances	SA-18	6,074.71	927.99
		<u>449,421.93</u>	<u>360,135.08</u>
		<u>\$ 4,639,833.17</u>	<u>\$ 3,622,072.83</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

BOROUGH OF PALMYRA
CURRENT FUND
 Statements of Operations and Changes in Fund Balance -- Regulatory Basis
 For the Years Ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
REVENUE AND OTHER INCOME REALIZED:		
Fund Balance Utilized	\$ 715,000.00	\$ 790,000.00
Miscellaneous Revenues Anticipated	1,128,214.78	1,171,632.34
Receipts from Delinquent Taxes and Tax Title Liens	331,133.12	329,095.75
Receipts from Current Taxes	16,407,234.95	15,704,142.58
Non-Budget Revenue	360,387.44	444,730.24
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	376,706.82	316,371.44
Interfunds Liquidated		1,504.82
Tax Overpayments Canceled		7,126.12
	<hr/>	<hr/>
Total Income	19,318,677.11	18,764,603.29
	<hr/>	<hr/>
EXPENDITURES:		
Budget Appropriations:		
Within "CAPS":		
Operations:		
Salaries and Wages	2,240,652.10	2,218,488.60
Other Expenses	3,029,418.90	2,870,414.40
Deferred Charges and Statutory Expenditures	472,517.00	489,245.00
Excluded from "CAPS":		
Operations:		
Salaries and Wages	2,970.49	16,215.50
Other Expenses	61,330.34	122,543.28
Capital Improvements	50,000.00	50,000.00
Municipal Debt Service	1,193,907.72	1,304,305.72
Deferred Charges and Statutory Expenditures	55,000.00	55,000.00
County Taxes	2,027,228.90	2,013,348.45
Due County for Added and Omitted Taxes	753.08	210.82
Local District School Tax	9,103,320.00	8,554,333.00
Prior Year Senior Citizens and Veterans Disallowed		2,250.00
Refund of Prior Year Revenue	44,667.31	1,096.20
Interfund Created	41,386.69	139,532.84
Added Tax Overpayments	6,459.06	
	<hr/>	<hr/>
Total Expenditures	18,329,611.59	17,836,983.81
	<hr/>	<hr/>
Excess in Revenue	989,065.52	927,619.48
Adjustment to Income Before Fund Balance:		
Expenditures Included Above which are by Statute Deferred		
Charges to Budget of Succeeding Year	9,700.00	
	<hr/>	<hr/>
Statutory Excess to Fund Balance	998,765.52	927,619.48
FUND BALANCE:		
Balance January 1,	1,315,505.79	1,177,886.31
	<hr/>	<hr/>
	2,314,271.31	2,105,505.79
Decreased by:		
Utilized as Revenue	715,000.00	790,000.00
	<hr/>	<hr/>
Balance December 31,	\$ 1,599,271.31	\$ 1,315,505.79
	<hr/>	<hr/>

The accompanying Notes to Financial Statements are an integral part of this statement.

BOROUGH OF PALMYRA
CURRENT FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2014

	<u>Budget</u>	<u>Anticipated</u> Special N.J.S. 40A: 4-87	<u>Realized</u>	<u>Excess or</u> <u>(Deficit)</u>
Fund Balance Anticipated	\$ 715,000.00		\$ 715,000.00	
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	10,000.00		10,150.00	\$ 150.00
Other	3,000.00		2,001.00	(999.00)
Fees and Permits	11,000.00		14,896.53	3,896.53
Fines and Costs:				
Municipal Court	220,000.00		260,362.53	40,362.53
Interest and Costs on Taxes	61,000.00		78,657.24	17,657.24
Interest on Investments and Deposits	2,000.00		2,435.17	435.17
Burlington County Bride Commission in Lieu of Taxes	34,238.00		34,238.43	0.43
Consolidated Municipal Property Tax Relief Aid	31,583.00		31,583.00	
Energy Receipts Tax	526,672.00		526,672.00	
Dedicated Uniform Construction Code Fees Offset				
With Appropriations (N.J.S.40A:4-36 and N.J.A.C.5:23-4.17):				
Uniform Construction Code Fees	60,000.00		55,926.00	(4,074.00)
Special Franchise Tax - PSE&G	38,700.00		39,407.22	707.22
Public and Private Revenues - Offset With Appropriations:				
Clean Communities Grant		\$ 13,609.04	13,609.04	
Municipal Alcohol Education and Rehabilitation Program		1,654.24	1,654.24	
NJ Forest Service Community Forestry Program		3,000.00	3,000.00	
Bulletproof Vest	1,316.25		1,316.25	
Drunk Driving	3,346.30		3,346.30	
Other Special Items of Revenues:				
Uniform Fire Safety Act	10,000.00		13,574.95	3,574.95
Rental Property Inspection Fees	22,000.00		15,822.00	(6,178.00)
Municipal Services Act - Street Lighting Reimbursements	17,604.00		19,562.88	1,958.88
	<u>1,052,459.55</u>	<u>18,263.28</u>	<u>1,128,214.78</u>	<u>57,491.95</u>
Receipts from Delinquent Taxes	<u>300,000.00</u>	<u>-</u>	<u>331,133.12</u>	<u>31,133.12</u>
Amount to be Raised by Taxes for				
Support of Municipal Budget:				
Local Tax for Municipal Purposes				
including Reserve for Uncollected Taxes	<u>5,585,704.80</u>	<u>-</u>	<u>5,850,312.77</u>	<u>264,607.97</u>
Budget Totals	<u>7,653,164.35</u>	<u>18,263.28</u>	<u>8,024,660.67</u>	<u>353,233.04</u>
Non-Budget Revenue			<u>360,387.44</u>	<u>360,387.44</u>
	<u><u>\$ 7,653,164.35</u></u>	<u><u>\$ 18,263.28</u></u>	<u><u>\$ 8,385,048.11</u></u>	<u><u>\$ 713,620.48</u></u>

(Continued)

BOROUGH OF PALMYRA
CURRENT FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2014

Analysis of Realized Revenue

Allocation of Current Tax Collections:

Revenue from Collections	\$ 16,407,234.95
Allocated to:	
County and School Taxes	<u>11,131,301.98</u>

Amount for Support of Municipal Budget Appropriations	5,275,932.97
Add: Appropriation "Reserve for Uncollected Taxes"	<u>574,379.80</u>

Amount for Support of Municipal Budget Appropriations	<u><u>\$ 5,850,312.77</u></u>
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Receipts from Delinquent Taxes:

Delinquent Tax Collections	\$ 327,081.80
Tax Title Lien Collections	<u>4,051.32</u>

Delinquent Tax Collections	<u><u>\$ 331,133.12</u></u>
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Analysis of Non-Budget Revenues

Miscellaneous Revenue not Anticipated:

Receipts:

Cable TV Franchise Fee	\$ 27,605.81
Rental of Tower Space	113,945.88
Rental of Community Center	5,480.00
Use of Vehicle Fees	37,617.50
Administrative Fees	14,880.50
On-line Auction of Used Equipment	57,150.15
Bus Shelter Ads	1,625.00
Snow Removal Reimbursement	13,903.50
Sale of Scrap Metal	1,169.51
Trash Cart Reimbursement - Palmyra Harbour	3,780.00
Prior year refunds	9,508.14
Notary Fee	222.50
Business Registration Fee	2,275.00
Trash Cart Fee	1,807.00
Vacant/Abandoned Building Registration Fee	27,150.59
Cancel Outstanding Checks	14,582.36
Premium on Sale of Special Emergency Note	138.60
Senior Citizen & Veterans Administrative Fee	1,997.44
Miscellaneous	<u>25,547.96</u>
	<u><u>\$ 360,387.44</u></u>

The accompanying Notes to Financial Statements are an integral part of this statement.

BOROUGH OF PALMYRA
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2014

	<u>Appropriations</u>		<u>Paid or Charged</u>	<u>Expended</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>		<u>Encumbered</u>	<u>Reserved</u>	
OPERATIONS -- WITHIN "CAPS"						
GOVERNMENTAL GOVERNMENT:						
General Administration						
Salaries and Wages	\$ 68,778.00	\$ 68,778.00	\$ 68,029.86		\$ 748.14	
Other Expenses	92,000.00	81,500.00	64,773.97	\$ 10,924.40	5,801.63	
Mayor and Council:						
Salaries and Wages	14,753.00	14,146.10	14,121.90		24.20	
Other Expenses	3,000.00	3,303.45	2,942.04	225.00	136.41	
Public Relations	22,500.00	22,500.00	1,314.50	64.00	21,121.50	
Borough Clerk						
Salaries and Wages	53,301.00	53,301.00	52,530.91		770.09	
Other Expenses	8,050.00	8,050.00	6,595.33	194.08	1,260.59	
Election Costs	4,000.00	4,000.00	3,546.39	80.00	373.61	
Codification of Ordinances (Special Emergency Appropriation NJSA 40A:4-53(b))		9,700.00	9,700.00			
Financial Administration						
Salaries and Wages	67,800.00	63,800.00	59,928.00		3,872.00	
Other Expenses	9,550.00	11,550.00	10,350.47	358.00	841.53	
Audit Services						
Other Expenses	20,000.00	20,000.00	20,000.00			
Collection of Taxes						
Salaries and Wages	46,776.00	49,776.00	49,454.51		321.49	
Other Expenses	8,325.00	8,325.00	7,423.81	349.46	551.73	
Assessment of Taxes						
Salaries and Wages	12,672.00	12,672.00	12,672.00		3,745.25	
Other Expenses	7,500.00	11,500.00	7,293.07	461.68		
Legal Services and Costs						
Other Expenses	86,500.00	86,500.00	53,839.86	12,500.00	20,160.14	
Engineering Services						
Other Expenses	62,500.00	62,500.00	42,837.11	11,002.50	8,660.39	
Grants and Planning						
Other Expenses	30,000.00	30,000.00	15,906.61	2,500.00	11,593.39	
Land Use Administrative Planning Board						
Salaries and Wages	4,060.00	4,060.00	4,052.20		7.80	
Other Expenses	3,150.00	3,150.00	2,574.77	40.70	534.53	
Code Enforcement / Zoning Officer						
Salaries and Wages	31,755.00	26,755.00	22,387.63		4,367.37	
Other Expenses	2,350.00	6,350.00	5,766.00		584.00	
Municipal Court						
Salaries and Wages	106,544.00	108,044.00	107,119.56		924.44	
Other Expenses	13,600.00	13,600.00	12,270.96	357.12	971.92	
Insurance						
Surety Bond Premiums	3,500.00	3,500.00			3,500.00	
Liability Insurance	123,918.00	123,918.00	120,243.14		3,674.86	
Employees Group Insurance	865,280.00	845,280.00	814,614.51		30,665.49	
Unemployment Insurance	20,000.00	5,000.00			5,000.00	
PUBLIC SAFETY:						
Police:						
Salaries and Wages	1,405,898.00	1,384,898.00	1,372,242.58		12,655.42	
Other Expenses	109,070.00	130,070.00	104,374.42	14,272.74	11,422.84	
School Crossing Guards						
Salaries and Wages	76,426.00	76,926.00	76,901.21		24.79	
Other Expenses	3,160.00	3,160.00	3,023.00		137.00	

(Continued)

BOROUGH OF PALMYRA
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2014

	<u>Appropriations</u>			<u>Expended</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>		<u>Paid or Charged</u>	<u>Encumbered</u>	
PUBLIC SAFETY (CONTD):						
Police and Radio Communications	\$ 20,368.00	\$ 20,368.00	\$ 16,888.32	\$ 508.13	\$ 2,971.55	
Other Expenses						
Office of Emergency Management	2,000.00	2,000.00	833.85	54.07	1,112.08	
Other Expenses						
Aid to Volunteer Fire Company	15,000.00	15,000.00	15,000.00			
Other Expenses						
Fire Department	35,040.00	35,040.00	23,088.40	6,832.22	5,119.38	
Other Expenses						
Uniform Fire Safety Act	43,282.00	46,782.00	46,403.49		378.51	
Salaries and Wages	4,100.00	4,100.00	3,205.38	51.47	843.15	
Other Expenses						
Borough Prosecutor	10,000.00	13,000.00	9,350.00		3,650.00	
Other Expenses						
PUBLIC WORKS FUNCTIONS:						
Streets and Roads Maintenance	217,533.00	217,533.00	197,597.22		19,935.78	
Salaries and Wages	47,150.00	47,150.00	23,877.94	12,414.04	10,858.02	
Other Expenses	1,000.00	1,000.00			1,000.00	
Railroad Landscaping						
Shade Tree	7,811.00	7,811.00	7,407.40		403.60	
Salaries and Wages	40,120.00	40,120.00	38,962.50	780.00	377.50	
Other Expenses						
Solid Waste Collection	239,400.00	239,400.00	204,979.92	9,025.50	25,394.58	
Other Expenses						
Public Buildings and Grounds	17,661.00	17,661.00	13,296.03		4,364.97	
Salaries and Wages	69,616.00	69,616.00	39,581.25	18,222.74	11,812.01	
Other Expenses						
Vehicle Maintenance	57,500.00	57,500.00	41,095.67	9,606.57	6,797.76	
Other Expenses						
Condominium Services Law (C.299, P.L. 1989)	110,000.00	122,000.00	100,209.76	9,718.39	12,071.85	
Other Expenses						
HEALTH AND HUMAN SERVICES:						
Board of Health	200.00	200.00			200.00	
Salaries and Wages	675.00	675.00	95.00		580.00	
Other Expenses						
Animal Control Services	15,750.00	15,750.00	13,257.53		2,492.47	
Other Expenses						
PARKS AND RECREATION FUNCTIONS:	40,500.00	40,500.00	36,053.25		4,446.75	
Other Expenses						
Education Functions						
Community Youth Program	12,900.00	12,900.00	12,400.00		500.00	
Other Expenses						
Contribution to Tri-Boro Senior Citizen Club	5,000.00	5,000.00	5,000.00			
Other Expenses						
Celebration of Public Events	13,000.00	13,303.45	9,408.06	1,712.93	2,182.46	
Other Expenses						
STATE UNIFORM CONSTRUCTION CODE:						
Construction Code Official	57,509.00	57,509.00	55,043.00		2,466.00	
Salaries and Wages	30,500.00	35,500.00	26,809.27	2,750.00	5,940.73	
Other Expenses						
ACCUMULATED SICK LEAVE COMPENSATION						
Salaries and Wages	30,000.00	30,000.00	30,000.00			

(Continued)

BOROUGH OF PALMYRA
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2014

	<u>Appropriations</u>		<u>Paid or Charged</u>	<u>Expended</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>		<u>Encumbered</u>	<u>Reserved</u>	
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"						
UNCLASSIFIED:						
Utilities:						
Electricity	\$ 130,000.00	\$ 130,000.00	\$ 93,365.60	\$ 10,000.00	\$ 26,634.40	
Street Lighting	115,000.00	115,000.00	74,139.93	20,000.00	20,860.07	
Telephone	25,000.00	47,000.00	41,877.82	269.70	4,852.48	
Water	23,000.00	22,000.00	11,697.73	1,500.00	8,802.27	
Gasoline	75,000.00	80,000.00	58,471.32	20,719.96	808.72	
Fire Hydrant Services	88,500.00	88,500.00	80,093.20	7,281.20	1,125.60	
Printing and Postage	14,250.00	14,250.00	13,356.38		893.62	
Landfill and Solid Waste Disposal Costs						
Landfill Fees	259,290.00	249,290.00	202,069.49	30,645.54	16,574.97	
Total Operations -- Within "CAPS"	5,260,371.00	5,270,071.00	4,693,745.03	215,422.14	360,903.83	-
Detail:						
Salaries and Wages	2,262,759.00	2,240,652.10	2,189,187.50	-	51,464.60	-
Other Expenses (Including Contingent)	2,997,612.00	3,029,418.90	2,504,557.53	215,422.14	309,439.23	-
Statutory Expenditures:						
Contribution to:						
Public Employee Retirement System	112,566.00	112,566.00	103,032.00		9,534.00	
Police and Firemen's Retirement System	254,951.00	254,951.00	238,468.00		16,483.00	
Social Security System (O.A.S.I.)	100,000.00	100,000.00	87,641.06		12,358.94	
Define Contribution Retirement System	5,000.00	5,000.00	1,754.96		3,245.04	
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"	472,517.00	472,517.00	430,896.02	-	41,620.98	-
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	5,732,888.00	5,742,588.00	5,124,641.05	215,422.14	402,524.81	-
OPERATIONS -- EXCLUDED FROM "CAPS"						
Aid to Library	1,000.00	1,000.00	1,000.00			
Length of Service Award Program	25,755.00	25,755.00	16,778.18	2,868.76	6,108.06	
Purchase of Public Works Equipment						
Insurance (N.J.S.A. 40A:4-45.3(00)) - Employee Group Health	14,620.00	14,620.00			14,620.00	
Public and Private Programs Offset by Revenue:						
Bulletproof Vest	1,316.25	1,316.25	1,316.25			
Drunk Driving	3,346.30	3,346.30	3,346.30			
Clean Communities (N.J.S. 40A:4-87 \$13,609.04)		13,609.04	13,609.04			
NJ Forest Service Community Forestry Program (N.J.S. 40A:4-87 \$3,000.00)		3,000.00	3,000.00			
Municipal Alcohol Education and Rehabilitation Fund (N.J.S. 40A:4-87 \$1,654.24)		1,654.24	1,654.24			
TOTAL OPERATIONS - EXCLUDED FROM "CAPS"	46,037.55	64,300.83	40,704.01	2,868.76	20,728.06	-
Detail:						
Salaries and Wages	1,316.25	2,970.49	2,970.49	-	-	-
Other Expenses	44,721.30	61,330.34	37,733.52	2,868.76	20,728.06	-

(Continued)

BOROUGH OF PALMYRA
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2014

	<u>Appropriations</u>		<u>Expended</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"					
Capital Improvement Fund	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	-	-
MUNICIPAL DEBT SERVICE -- EXCLUDED FROM "CAPS"					
Payment of Bond Principal	520,000.00	520,000.00	520,000.00		
Payment of Bond Anticipation Notes	500,000.00	500,000.00	500,000.00		
Interest on Bonds	50,100.00	50,100.00	50,097.76		\$ 2.24
Interest on Notes	115,430.00	115,430.00	114,482.48		947.52
Loan Repayments for Principal and Interest					
Principal	8,403.00	8,403.00	8,402.24		0.76
Interest	926.00	926.00	925.24		0.76
TOTAL MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"	1,194,859.00	1,194,859.00	1,193,907.72	-	951.28
DEFERRED CHARGES -- EXCLUDED FROM "CAPS"					
Special Emergency Authorizations 5 Years (N.J.S. 40A:4-55)	55,000.00	55,000.00	55,000.00		
TOTAL DEFERRED CHARGES - EXCLUDED FROM "CAPS"	55,000.00	55,000.00	55,000.00	-	-
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"	1,345,896.55	1,364,159.83	1,339,611.73	\$ 2,868.76	951.28
SUBTOTAL GENERAL APPROPRIATIONS RESERVE FOR UNCOLLECTED TAXES	7,078,784.55	7,106,747.83	6,464,252.78	218,290.90	951.28
	574,379.80	574,379.80	574,379.80		
TOTAL GENERAL APPROPRIATIONS	\$ 7,653,164.35	\$ 7,681,127.63	\$ 7,038,632.58	\$ 218,290.90	\$ 951.28
Original Budget		\$ 7,653,164.35			
Appropriation by 40A:4-87		18,263.28			
Special Emergency Appropriation NJSA 40A:4-53(b)		9,700.00			
		<u>7,681,127.63</u>			
Federal, State and Other Grants Appropriated			\$ 22,925.83		
Deferred Charge:					
Special Emergency (N.J.S. 40A: 4-55)			55,000.00		
Special Emergency Appropriation NJSA 40A:4-53(b) - Reserve for Codification of Ordinances			9,700.00		
Reserve for Uncollected Taxes			574,379.80		
Due to Animal Control Fund			7,257.53		
Reimbursements			(488,842.79)		
Disbursed			6,858,212.21		
			<u>\$ 7,038,632.58</u>		

The accompanying Notes to Financial Statements are an integral part of this statement.

BOROUGH OF PALMYRA
TRUST OTHER FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2014 and 2013

	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
ASSETS:			
Animal Control Fund:			
Cash	SB-1	\$ 2,037.77	\$ 8,571.08
Due from Bank	B	0.40	0.40
Due from Current Fund	SB-2	3,157.93	
		<u>5,196.10</u>	<u>8,571.48</u>
Other Funds:			
Cash	SB-1	1,119,045.96	1,028,967.53
Due from Current Fund - Unemployment	B	10,000.00	10,000.00
Due from Current Fund - Developer's Site Improvements	B	45,765.00	45,765.00
		<u>1,174,810.96</u>	<u>1,084,732.53</u>
		<u>\$ 1,180,007.06</u>	<u>\$ 1,093,304.01</u>
LIABILITIES, RESERVES AND FUND BALANCE:			
Animal Control Fund:			
Due to State Department of Health	SB-3	\$ 1.00	\$ 1.20
Reserve for Animal Control Expenditures	SB-4	4,628.10	4,083.90
Reserve for Encumbrances	SB-1,SB-4	567.00	387.50
Due to Current Fund	SB-2		4,098.88
		<u>5,196.10</u>	<u>8,571.48</u>
Other Funds:			
Due Current Fund - Trust Other	SB-5	47,958.91	2,083.35
Reserve for Encumbrances	SB-7	19,994.69	32,546.01
Due to Violent Crime Compensation Board	SB-8	47,559.00	44,704.00
Payroll Deductions Payable	SB-6	4,006.27	22,946.54
Reserve for Unemployment Compensation Insurance	SB-6	140,715.39	141,868.26
Reserve for Parking Offenses Adjudication Act	SB-6	241.00	284.00
Reserve for Public Defender	SB-6	7,500.00	6,250.00
Reserve for Developer's Escrow Deposits	SB-6	43,211.92	43,121.42
Reserve for Developer's Site Improvements	SB-6	152,876.01	163,523.15
Reserve for Regional Contribution - Delanco	SB-6	68,040.95	57,625.51
Reserve for Regional Contribution - Evesham	SB-6	168,471.26	255,392.65
Reserve for Special Law Enforcement	SB-6	21,284.13	27,299.20
Reserve for Community Center Deposits	SB-6	800.00	800.00
Reserve for Business Improvement District Funds	SB-6		45,839.48
Reserve for Flexible Spending Account	SB-6	3,861.43	1,384.56
Reserve for Compensated Absences	SB-6	93,238.82	63,238.82
Reserve for Tax Title Lien Premiums	SB-6	343,000.00	
Reserve for Tax Title Lien Redemptions	SB-6	12,051.18	175,825.58
		<u>1,174,810.96</u>	<u>1,084,732.53</u>
		<u>\$ 1,180,007.06</u>	<u>\$ 1,093,304.01</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

BOROUGH OF PALMYRA
GENERAL CAPITAL FUND

Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
As of December 31, 2014 and 2013

ASSETS:	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
Cash and Investments	SC-1	\$ 706,239.41	\$ 1,383,551.84
Due from Current Fund	SC-1, SC-5	352,730.88	
Due from Federal and State Grant Fund	SC-5	89,267.26	
Deferred Charges to Future Taxation:			
Funded	SC-3	639,949.67	1,168,351.92
Unfunded	SC-4	10,273,637.00	10,191,762.00
		<u>\$ 12,061,824.22</u>	<u>\$ 12,743,665.76</u>
LIABILITIES, RESERVES AND FUND BALANCE:			
General Serial Bonds	SC-10	\$ 600,000.00	\$ 1,120,000.00
Green Acres Loan Payable	SC-8	39,949.67	48,351.92
Bond Anticipation Notes	SC-9	9,361,900.00	9,310,775.00
Due to Current Fund	SC-1, SC-5		389.99
Capital Improvement Fund	SC-11	77,514.16	58,139.16
Encumbrances	SC-6, SC-7	249,759.60	1,020,920.27
Improvement Authorizations:			
Funded	SC-7	66,838.83	76,022.36
Unfunded	SC-7	1,156,926.62	1,055,235.21
Reserve for Payment of Debt Service	SC-5	507,202.55	37,099.06
Fund Balance	C-1	1,732.79	16,732.79
		<u>\$ 12,061,824.22</u>	<u>\$ 12,743,665.76</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

BOROUGH OF PALMYRA
GENERAL CAPITAL FUND
Statement of Fund Balance -- Regulatory Basis
For the Year Ended December 31, 2014

Balance December 31, 2013	\$ 16,732.79
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>15,000.00</u>
Balance December 31, 2014	<u><u>\$ 1,732.79</u></u>

The accompanying Notes to Financial Statements are an integral part of this statement.

BOROUGH OF PALMYRA
SEWER UTILITY FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2014 and 2013

	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
ASSETS:			
Operating Fund:			
Cash - Treasurer	SD-1	\$ 1,219,097.54	\$ 1,138,086.31
Due from Sewer Utility Capital Fund	SD-1		141.12
		<u>1,219,097.54</u>	<u>1,138,227.43</u>
Receivables with Full Reserves:			
Sewer Rents Receivable	SD-3	162,993.69	148,788.38
Sewer Liens Receivable	SD-4	14,386.71	5,648.10
		<u>177,380.40</u>	<u>154,436.48</u>
Total Operating Fund		<u>1,396,477.94</u>	<u>1,292,663.91</u>
Capital Fund:			
Cash - Treasurer	SD-1	739,636.17	455,911.00
Due from Sewer Operating	SD-1	5,973.25	
Due New Jersey Infrastructure Trust Loans	SD-14	1,750,178.00	
Fixed Capital	SD-6	6,545,945.41	6,545,945.41
Fixed Capital Authorized and Uncompleted	SD-7	5,679,000.00	1,150,000.00
Total Capital Fund		<u>14,720,732.83</u>	<u>8,151,856.41</u>
		<u>\$ 16,117,210.77</u>	<u>\$ 9,444,520.32</u>

(Continued)

BOROUGH OF PALMYRA
SEWER UTILITY FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2014 and 2013

	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
LIABILITIES, RESERVES AND FUND BALANCE:			
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-3,SD-8	\$ 163,681.61	\$ 271,989.69
Accounts Payable	D-1	1,460.00	10,746.53
Reserves for Encumbrances	D-3,SD-8	70,954.38	68,154.19
Due Current Fund	A	138,204.04	138,204.04
Due Sewer Capital	SD-1	5,973.25	
Prepaid Sewer Service Charges	SD-1,SD-3	472.23	1,229.85
Overpaid Sewer Service Charges	SD-5	2,879.45	1,516.45
Accrued Interest on Bonds and Notes	SD-9	19,346.94	6,475.89
		<u>402,971.90</u>	<u>498,316.64</u>
Reserve for Receivables	D	177,380.40	154,436.48
Fund Balance	D-1	<u>816,125.64</u>	<u>639,910.79</u>
Total Operating Fund		<u>1,396,477.94</u>	<u>1,292,663.91</u>
Capital Fund:			
Serial Bond Payable	SD-15	720,000.00	840,000.00
Loans Payable	SD-16	3,436,521.19	
Bond Anticipation Notes	SD-13	1,200,000.00	850,000.00
Due Sewer Utility Operating Fund	SD-1		141.12
Improvement Authorizations:			
Funded	SD-10		
Unfunded	SD-10	875,697.13	224,449.74
Encumbrances	SD-10	2,192,463.90	157,793.75
Capital Improvement Fund	D	30,000.00	30,000.00
Reserve for Amortization	SD-11	5,922,524.22	5,705,945.41
Reserve for Deferred Amortization	SD-12	300,000.00	300,000.00
Fund Balance	D	<u>43,526.39</u>	<u>43,526.39</u>
Total Capital Fund		<u>14,720,732.83</u>	<u>8,151,856.41</u>
		<u><u>\$ 16,117,210.77</u></u>	<u><u>\$ 9,444,520.32</u></u>

The accompanying Notes to Financial Statements are an integral part of this statement.

BOROUGH OF PALMYRA
SEWER UTILITY OPERATING FUND
 Statements of Operations and Changes in Operating Fund Balance -- Regulatory Basis
 For the Years Ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
REVENUE AND OTHER INCOME REALIZED:		
Fund Balance Utilized	\$ 150,000.00	\$ 173,720.00
Rents	1,487,034.65	1,508,308.04
Miscellaneous	17,087.65	18,974.37
Other Credits to Income:		
Cancellation of Prior Year Accounts Payable	9,286.53	
Unexpended Balance of Appropriation Reserves	<u>241,436.72</u>	<u>61,258.79</u>
Total Income	<u>1,904,845.55</u>	<u>1,762,261.20</u>
EXPENDITURES:		
Operating	1,245,634.00	1,278,720.00
Debt Service	282,746.70	217,295.79
Deferred Charges and Statutory Expenditures	50,000.00	50,000.00
Refund of Prior Year Revenue	<u>250.00</u>	<u></u>
Total Expenditures	<u>1,578,630.70</u>	<u>1,546,015.79</u>
Statutory Excess to Fund Balance	326,214.85	216,245.41
FUND BALANCE:		
Balance January 1	<u>639,910.79</u>	<u>597,385.38</u>
	966,125.64	813,630.79
Decreased by:		
Utilized as Revenue	<u>150,000.00</u>	<u>173,720.00</u>
Balance December 31	<u><u>\$ 816,125.64</u></u>	<u><u>\$ 639,910.79</u></u>

The accompanying Notes to Financial Statements are an integral part of this statement.

BOROUGH OF PALMYRA
SEWER UTILITY OPERATING FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2014

	Anticipated <u>Budget</u>	<u>Realized</u>	Excess/ <u>(Deficit)</u>
Operating Surplus Anticipated	\$ 150,000.00	\$ 150,000.00	
Rents	1,473,720.00	1,487,034.65	\$ 13,314.65
Miscellaneous	<u> </u>	<u>17,087.65</u>	<u>17,087.65</u>
	<u><u>\$ 1,623,720.00</u></u>	<u><u>\$ 1,654,122.30</u></u>	<u><u>\$ 30,402.30</u></u>

Analysis of Realized Revenues

Miscellaneous:

Receipts:

Interest on Deposits

\$ 474.44

Interest and Costs on Delinquent Sewer Charges

16,377.58

\$ 16,852.02

Due Sewer Capital Fund:

Interest on Deposits

235.63

\$ 17,087.65

The accompanying Notes to Financial Statements are an integral part of this statement.

BOROUGH OF PALMYRA
SEWER UTILITY OPERATING FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2014

	<u>Appropriations</u>		<u>Expended</u>		<u>Unexpended</u>
	<u>Original</u>	<u>Budget After</u>	<u>Paid or</u>	<u>Encumbrances</u>	<u>Balance</u>
	<u>Budget</u>	<u>Modification</u>	<u>Charged</u>		<u>Canceled</u>
Operating:					
Salaries and Wages	\$ 302,501.00	\$ 302,501.00	\$ 256,106.36	\$ 46,394.64	
Other Expenses	943,133.00	943,133.00	785,893.58	70,954.38	86,285.04
Total Operating	1,245,634.00	1,245,634.00	1,041,999.94	70,954.38	132,679.68
Debt Service:					
Payment of Bond Principal	120,000.00	211,000.00	210,228.81		\$ 771.19
Payment of Note Principal	163,057.00	49,057.00	6,350.00		42,707.00
Interest on Bonds	34,508.00	57,508.00	56,990.14		517.86
Interest on Notes	10,521.00	10,521.00	9,177.75		1,343.25
Total Debt Service	328,086.00	328,086.00	282,746.70	-	45,339.30
Deferred Charges and Statutory Expenditures:					
Statutory Expenditures:					
Contributions to Social Security System (O.A.S.I.)	25,000.00	25,000.00	18,998.07		6,001.93
Unemployment Compensation Insurance (N.J.S.A. 43:21-3 et seq.)	25,000.00	25,000.00			25,000.00
Total Deferred Charges and Statutory Expenditures	50,000.00	50,000.00	18,998.07	-	31,001.93
	\$ 1,623,720.00	\$ 1,623,720.00	\$ 1,343,744.71	\$ 70,954.38	\$ 163,681.61
Accrued Interest on Bonds and Notes			\$ 66,167.89		
Due to Sewer Capital Fund:					
Payment of Note Principal			6,350.00		
Disbursed			1,271,226.82		
	\$ 1,343,744.71		\$ 1,343,744.71		\$ 45,339.30

The accompanying Notes to Financial Statements are an integral part of this statement.

BOROUGH OF PALMYRA
GENERAL FIXED ASSET ACCOUNT GROUP
Statement of General Fixed Asset Group of Accounts
For Year Ending December 31, 2014

	<u>Balance</u> <u>Dec. 31, 2013</u>	<u>Prior Year</u> <u>Restatement</u>	<u>Restated</u> <u>Balance</u> <u>Dec. 31, 2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>Dec. 31, 2014</u>
General Fixed Assets:						
Land and Land Improvements		\$ 4,352,634.57	\$ 4,352,634.57	\$ 199,821.18		\$ 4,552,455.75
Buildings and Improvements	\$ 7,613,648.44		7,613,648.44	75,050.00		7,688,698.44
Vehicles	1,009,558.00		1,009,558.00	502,982.69	\$ 369,991.00	1,142,549.69
Equipment	387,636.44		387,636.44	22,459.28		410,095.72
	<u>\$ 9,010,842.88</u>	<u>\$ 4,352,634.57</u>	<u>\$ 13,363,477.45</u>	<u>\$ 800,313.15</u>	<u>\$ 369,991.00</u>	<u>\$ 13,793,799.60</u>
Investment in General Fixed Assets	<u>\$ 9,010,842.88</u>	<u>\$ 4,352,634.57</u>	<u>\$ 13,363,477.45</u>	<u>\$ 800,313.15</u>	<u>\$ 369,991.00</u>	<u>\$ 13,793,799.60</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

BOROUGH OF PALMYRA
Notes to Financial Statements
For the Year Ended December 31, 2014

Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Description of Financial Reporting Entity - Borough of Palmyra was incorporated in 1905 and is located in southwest New Jersey approximately twelve miles northwest of the City of Philadelphia. The population according to the 2010 census is 7,336.

The Borough is governed by a Mayor/Council form of government which consists of seven members elected at large by the voters. The Mayor is elected by the voters to a four-year term and acts as the Chief Executive Officer of the Borough. Each of the six members of the Borough Council is elected to serve three year terms that are staggered. The legislative powers rest with the Borough Council. The Borough Administrator, Borough Clerk, and Borough Chief Financial Officer are appointed by the Borough Council and monitor the daily administrative and financial responsibilities, including but not limited to, staffing and personnel issues and budget preparation and implementation.

Component Units - The Borough of Palmyra had no component units as defined by Governmental Accounting Standards Board (GASB) Statement No. 14, as amended by GASB Statement No. 39 and No. 61.

Basis of Accounting, Measurement Focus and Basis of Presentation - The financial statements of the Borough of Palmyra contain all funds and account groups in accordance with the "Requirements of Audit" as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. The principles and practices established by the Requirements of Audit are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Generally, the financial statements are presented using the flow of current financial resources measurement focus and modified accrual basis of accounting with minor exceptions as mandated by these "Requirements". In addition, the prescribed accounting principles previously referred to differ in certain respects from accounting principles generally accepted in the United States of America applicable to local government units. The more significant differences are explained in this Note.

In accordance with the "Requirements", the Borough of Palmyra accounts for its financial transactions through the use of separate funds which are described as follows:

Current Fund - The Current Fund accounts for resources and expenditures for governmental operations of a general nature, including Federal and State grant funds.

Trust Funds - The various Trust Funds account for receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

General Capital Fund - The General Capital Fund accounts for receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund.

Sewer Utility Operating and Capital Funds - The Sewer Utility Operating and Capital Funds account for the operations and acquisition of capital facilities of the municipality-owned sewer utility.

Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

Budgets and Budgetary Accounting - The Borough of Palmyra must adopt an annual budget for its current and sewer utility funds in accordance with N.J.S.A. 40A:4 et seq. N.J.S.A. 40A:4-5 requires the governing body to introduce and approve the annual municipal budget no later than February 10 of each year. At introduction, the governing body shall fix the time and place for a public hearing on the budget and must advertise the time and place at least ten days prior to the hearing in a newspaper published and circulating in the municipality. The public hearing must not be held less than twenty-eight days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with N.J.S.A. 40A:4-9. Amendments to adopted budgets, if any, are detailed in the statements of revenues and expenditures.

An extension of the statutory dates for introduction, approval and adoption of the municipal budget may be granted by the Director of the Division of Local Government Services, with the permission of the Local Finance Board.

Budgets are adopted on the same basis of accounting utilized for the preparation of the Borough's financial statements.

Cash, Cash Equivalents and Investments - Cash and cash equivalents include petty cash, change funds and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Investments are stated at cost. Consequently, unrealized gain or loss on investments has not been recorded in accordance with Governmental Accounting Standards Board Statement No. 31.

New Jersey municipal units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or in the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of investments which may be purchased by New Jersey municipal units. In addition, other State statutes permit investments in obligations issued by local authorities and other state agencies.

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the Governmental Units.

The cash management plan adopted by the Borough of Palmyra requires it to deposit funds in public depositories protected from loss under the provisions of the Act.

Interfunds - Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed. Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves.

Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

Inventories of Supplies - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various statements of assets, liabilities, reserves and fund balance.

General Fixed Assets - Accounting for Governmental Fixed Assets, as required by N.J.A.C. 5:30-5.6, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and Budget Circular A-87 (Attachment B, Section 19), except that the useful life of such property is at least five years. The Borough has adopted a capitalization threshold of \$5,000, the maximum amount allowed by the Circular. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at their estimated fair market value on the acquisition date. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation. The Borough is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements and transfers of fixed assets. In addition, a Statement of General Fixed Assets, reflecting the activity for the year, must be included in the Borough's basic financial statements.

The regulations require that general fixed assets, whether constructed or acquired through purchase, grant or gift be included in the aforementioned inventory. In addition, property management standards must be maintained that includes accurate records indicating asset description, source, ownership, acquisition cost and date, the percentage of Federal participation (if any), and the location, use, and condition of the asset. Periodically, physical inventories must be taken and reconciled with these records. Lastly, all fixed assets must be adequately controlled to safeguard against loss, damage or theft.

Utility Fixed Assets - Property and equipment purchased by a utility fund are recorded in the utility capital account at cost and are adjusted for dispositions and abandonment. The amounts shown do not represent replacement cost or current value. The Reserve for Amortization and Deferred Reserve for Amortization accounts in the utility capital fund represent charges to operations for the cost of acquisition of property, equipment and improvements, and contributed capital. Depreciation is not recorded on these fixed assets.

Foreclosed Property - Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. Ordinarily it is the intention of the municipality to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason the value of foreclosed property has not been included in the General Fixed Assets Account Group. If such property is converted to a municipal use, it will be recorded in the General Fixed Assets Account Group.

Deferred Charges - The recognition of certain expenditures is deferred to future periods. These expenditures, or deferred charges, are generally overexpenditures of legally adopted budget appropriations or emergency appropriations made in accordance with N.J.S.A. 40A:4-46 et seq. Deferred charges are subsequently raised as items of appropriation in budgets of succeeding years.

Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

Liens Sold for Other Governmental Units - Liens sold on behalf of other governmental units are not recorded on the records of the tax collector until such liens are collected. Upon their collection, such liens are recorded as a liability due to the governmental unit net of the costs of the initial sale. The related costs of sale are recognized as revenue when received.

Fund Balance - Fund Balances included in the current fund and utility operating fund represent amounts available for anticipation as revenue in future years budgets, with certain restrictions.

Revenues - Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Revenue from Federal and State grants are realized when anticipated as such in the Borough's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the Borough's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Borough which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

Property Tax Revenues - Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1. The amount of tax levied includes not only the amount required in support of the Borough's annual budget, but also the amounts required in support of the budgets of the County of Burlington, and Borough of Palmyra School District. Unpaid property taxes are subject to tax sale in accordance with the statutes.

School Taxes - The municipality is responsible for levying, collecting and remitting school taxes for the Borough of Palmyra School District. Operations are charged for the full amount required to be raised from taxation to operate the school district for the period from July 1 to June 30, increased by the amount deferred at December 31, 2013 and decreased by the amount deferred at December 31, 2014.

County Taxes - The municipality is responsible for levying, collecting and remitting county taxes for the County of Burlington. Operations is charged for the amount due to the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10 of the current year. In addition, operations is charged for the County share of Added and Omitted Taxes certified to the County Board of Taxation by October 10 of the current year and due to be paid to the County by February 15 of the following year.

Reserve for Uncollected Taxes - The inclusion of the "Reserve for Uncollected Taxes" appropriation in the Borough's annual budget protects the Borough from taxes not paid currently. The Reserve, the minimum amount of which is determined on the percentage of collections experienced in the immediate preceding year, with certain exceptions, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations.

Expenditures - Expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when paid. However, for charges to amounts appropriated for "other expenses", an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed in accordance with N.J.A.C. 5:30-5.2. When encumbered charges are paid, the amount encumbered is simultaneously liquidated in its original amount. Encumbrances are offset by an account entitled reserve for encumbrances. The reserve is classified as a cash liability under New Jersey municipal accounting. At December 31, this reserve represents the portion of appropriation reserves that has been encumbered and is subject to the same statutory provisions as appropriation reserves.

Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis; whereas interest on utility indebtedness is on the accrual basis.

Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

Appropriation Reserves - Appropriation reserves covering unexpended appropriation balances are automatically created at year-end and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income.

Long-Term Debt - Long-Term Debt, relative to the acquisition of capital assets, is recorded as a liability in the General Capital Fund and Utility Capital Funds. Where an improvement is a "local Improvement", i.e. assessable upon completion, long-term debt associated with that portion of the cost of the improvement to be funded by assessments is transferred to the Trust Fund upon the confirmation of the assessments or when the improvement is fully and permanently funded.

Compensated Absences and Postemployment Benefits - Compensated absences for vacation, sick leave and other compensated absences are recorded and provided for in the annual budget in the year in which they are paid, on a pay-as-you-go basis. Likewise, no accrual is made for postemployment benefits, if any, which are also funded on a pay-as-you-go basis.

Note 2: **CASH AND CASH EQUIVALENTS**

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the Borough's deposits might not be recovered. Although the Borough does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the municipality in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds, or funds that may pass to the municipality relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below.

As of December 31, 2014, the Borough's bank balances of \$7,851,361.96 were exposed to custodial credit risk as follows:

F.D.I.C Insured	\$ 250,000.00
Collateralized Under GUDPA	6,941,270.86
Uninsured and Uncollateralized	<u>660,091.10</u>
	<u><u>\$ 7,851,361.96</u></u>

Note 3: **PROPERTY TAXES**

The following is a five-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four years.

<u>Comparative Schedule of Tax Rates</u>	<u>2014</u>	<u>2013 *</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Tax Rate, not including Business Improvement Districts	\$ 3.487	\$ 3.340	\$ 5.021	\$ 5.028	\$ 4.968
Tax Rate with Business Improvement District - A			5.240	5.460	4.972
Tax Rate with Business Improvement District - B			5.062	5.110	4.969
Apportionment of Tax Rate:					
Municipal	\$ 1.165	\$ 1.142	\$ 1.729	\$ 1.700	\$ 1.644
County	0.424	0.420	0.681	0.726	0.725
Local School	1.898	1.778	2.611	2.602	2.599
Business Improvement Tax:					
District A	-	-	0.219	0.432	0.004
District B	-	-	0.041	0.082	0.001

* Revaluation Year

Assessed Valuation

2014	\$	479,413,048.00
2013	*	481,138,005.00
2012		312,077,623.00
2011		313,139,512.00
2010		313,548,862.00

Comparison of Tax Levies and Collections

<u>Year Ended</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
12/31/14	\$ 16,723,447.29	\$ 16,407,234.95	98.11%
12/31/13	16,072,956.62	15,704,142.58	97.71%
12/31/12	15,718,684.00	15,362,056.00	97.73%
12/31/11	15,831,027.00	15,364,971.00	97.06%
12/31/10	15,602,245.00	15,127,376.00	96.96%

Delinquent Taxes and Tax Title Liens

<u>Year Ended</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
12/31/14	\$ 65,673.39	\$ 290,551.71	\$ 356,225.10	2.13%
12/31/13	51,623.12	330,909.28	382,532.40	2.38%
12/31/12	66,637.00	305,008.00	371,645.00	2.36%
12/31/11	87,135.00	397,322.00	484,457.00	3.06%
12/31/10	46,258.00	466,650.00	512,908.00	3.29%

Note 3: **PROPERTY TAXES (CONT'D)**

The following comparison is made of the number of tax title liens receivable on December 31 of the last five years:

<u>Year Ended</u>	<u>Number</u>
12/31/14	17
12/31/13	21
12/31/12	19
12/31/11	17
12/31/10	12

Note 4: **PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION**

The value of property acquired by liquidation of tax title liens on December 31, on the basis of the last assessed valuation of such properties, for the current and previous four years was as follows:

<u>Year</u>	<u>Amount</u>
2014	\$ 166,150.00
2013	166,150.00
2012	166,150.00
2011	173,200.00
2010	173,200.00

Note 5: **SEWER UTILITY SERVICE CHARGES**

The following is a five-year comparison of sewer utility service charges (rents):

<u>Year</u>	<u>Beginning of Year</u>		<u>Levy</u>	<u>Total</u>	<u>Cash Collections</u>	<u>Percentage</u>
	<u>Receivable</u>	<u>Liens</u>				
2014	\$ 148,788.38	\$ 5,648.10	\$ 1,504,165.15	\$ 1,658,601.63	\$ 1,487,034.65	89.66%
2013	178,787.59	5,588.33	1,493,970.40	1,678,346.32	1,508,308.04	89.87%
2012	151,043.00	7,595.00	1,477,408.00	1,636,046.00	1,451,670.00	88.73%
2011	176,904.00		1,488,509.00	1,665,413.00	1,513,773.00	90.89%
2010	176,904.00		1,477,775.00	1,654,679.00	1,436,208.00	86.80%

Note 6: **FUND BALANCES APPROPRIATED**

The following schedule details the amount of fund balances available at the end of the current year and four previous years and the amounts utilized in the subsequent year's budgets.

<u>Year</u>	<u>Balance Dec. 31,</u>	<u>Utilized In Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
<u>Current Fund</u>			
2014	\$ 1,599,271.31	\$ 665,000.00	41.58%
2013	1,315,505.79	715,000.00	54.35%
2012	1,077,428.00	790,000.00	73.32%
2011	1,077,428.00	758,000.00	70.35%
2010	1,006,961.00	800,000.00	79.45%
<u>Sewer Utility Operating Fund</u>			
2014	\$ 816,125.64	\$ 312,226.00	38.26%
2013	639,910.79	150,000.00	23.44%
2012	489,678.00	173,720.00	35.48%
2011	489,678.00	135,186.00	27.61%
2010	321,796.00	113,050.00	35.13%

Note 7: **INTERFUND RECEIVABLES AND PAYABLES**

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of December 31, 2014:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Fund	\$ 186,162.95	\$ 411,653.81
Federal and State Grant Fund		89,267.26
Animal Control Fund	3,157.93	
Trust Other Fund	55,765.00	47,958.91
General Capital Fund	441,998.14	
Sewer Utility Operating Fund		144,177.29
Sewer Utility Capital Fund	5,973.25	
	<u>\$ 693,057.27</u>	<u>\$ 693,057.27</u>

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During 2015, the Borough expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 8: PENSION PLANS

The Borough of Palmyra contributes to two cost-sharing multiple-employer defined benefit pension plans, the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS), which are administered by the New Jersey Division of Pensions and Benefits. In addition, Borough employees participate in the Defined Contribution Retirement Program (DCRP), which is a defined contribution pension plan and is also administered by the New Jersey Division of Pensions and Benefits. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295

Public Employees' Retirement System - The PERS was established in 1955. The PERS provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:15A and 43:3B.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5% of their annual covered salary. Effective July 1, 2008, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members were required to contribute 5.5% of their annual covered salary. For employees enrolled in the retirement system prior to July 1, 2008, the increase was effective with the payroll period that began immediately after July 1, 2008. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased to 6.5% plus an additional 1.0% phased-in over seven years. The phase-in of the additional incremental member contribution amount began July 1, 2012 and increases each subsequent July 1. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, the statute also requires the return to the normal rate when such surplus pension assets no longer exist.

The Borough is billed annually for its normal contribution plus any accrued liability. These contributions are detailed below.

Police and Firemen's Retirement System - The PFRS was established in 1944. The PFRS provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:16A and 43:3B.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 204, P.L. 1989, plan members enrolled in the Police and Firemen's Retirement System were required to contribute 8.5% of their annual covered salary. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate was increased to 10% in October, 2011. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

Note 8: **PENSION PLANS (CONT'D)**

The Borough is billed annually for its normal contribution plus any accrued liability. These contributions, equal to the required contributions, were as follows:

	2014		2013		2012	
	PERS	PFRS	PERS	PFRS	PERS	PFRS
Normal Contribution	\$ 15,302	\$ 86,806	\$ 22,233	\$ 118,709	\$ 39,223	\$ 140,010
Accrued Liability	86,326	142,896	53,160	157,095	78,446	157,571
Total Regular Pension Contributions	101,628	229,702	75,393	275,804	117,669	297,581
Non-Contributory Group Life Insurance	1,404	8,766	4,487	11,390	7,497	10,900
Total Due	103,032	238,468	79,880	287,194	125,166	308,481

Defined Contribution Retirement Program - The Defined Contribution Retirement Program (DCRP) is a single employer defined contribution pension fund which was established in 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.) and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the Borough's contribution amounts for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

The Borough's contributions were as follows:

<u>Fiscal</u> <u>Year</u>	<u>Total</u> <u>Liability</u>	<u>Employee</u> <u>Contribution</u>	<u>Paid by</u> <u>Borough</u>
2014	\$ 5,181.78	\$ 3,426.82	\$ 1,754.96
2013	5,345.95	3,258.55	2,087.40
2012	3,574.00	1,322.00	2,252.00

Early Retirement Incentive Program – Legislation enacted in 1991 and 1993 made early retirement available through Early Retirement Incentive Programs. These programs, which were subject to the approval of the Borough's governing body, were available to employees who met certain minimum requirements. The governing body of the Borough approved the program in 1991 for eligible members of the PERS. Since no accrual has been made for the additional costs related to this Program, the Borough will fund such costs in an annual budget appropriation on a pay-as-you-go basis. The required annual installment of the accrued liability, as calculated by the Division of Pensions and Benefits, for the 1991 Program in 2014 was \$19,046. The last installment is due on April 1, 2022.

Related Party Investments - The Division of Pensions and Benefits does not invest in securities issued by the Borough.

Note 9: OTHER POST EMPLOYMENT BENEFITS

The financial statements of the Borough are not prepared in accordance with Governmental Accounting Standards Board Statement No. 45. The following information is provided in accordance with the requirements of the Statement.

Plan Description

The Borough contributes to the State Health Benefits Program ("SHBP"), a cost-sharing multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pension and Benefits. SHBP was established in 1961 under N.J.S.A. 52:14-17.25 et seq. to provide health benefits to State employees, retirees, and their dependents. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. The Borough's defined benefit postemployment healthcare plan provides post employment health care benefits, at its cost, to certain retired employees. A Borough employee will receive paid health insurance benefits upon retirement from the Borough provided they 1) retire from the Borough with at least twenty-five years of service in the New Jersey Public Employees Retirement System, 2) retire from the Borough with at least twenty years of service with the Borough, and 3) at the time of retirement the employee is at least sixty-two years of age. Retirees will not be eligible to receive paid health coverage for their spouses or for their dependents.

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for SHBP. That report may be obtained by writing to the State of New Jersey, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey 08625.

Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-retirement medical benefits under the plan have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis.

Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Borough on a monthly basis. The Borough funds these benefits on a pay-as-you-go basis and therefore does not record accrued expenses related to these benefits. During the years 2014, 2013 and 2012 there were 21, 20 and 20 retired employees, respectively who received this benefit resulting in payments of \$325,282.54, \$320,185.00, and \$287,594.00 in related health care premiums.

Note 10: COMPENSATED ABSENCES

Full-time employees, except for the police department, are entitled to paid sick leave and personal days each year in varying amounts as outlined in the employee handbook. Unused sick leave may be accumulated and carried forward to the subsequent year. Personal days cannot be carried forward to the subsequent year. Vacation days are earned based on years of service. Unused vacation days may not be carried forward to the subsequent year, unless specifically approved by the Borough Council. Vacations days carried forward must be used in the next succeeding year or be forfeited.

Borough employees, who have at least 20 years of employment with the Borough and retire from the Borough, will be compensated for any accumulated unused sick leave at 60% of their final pay rate. The maximum benefit payable under this provision shall be fifteen thousand dollars (\$15,000).

Police department employees, regardless of the number of years serving the Borough and upon retirement from the Borough, will be compensated for any accumulated unused sick leave at 60% of their final pay rate. The maximum benefit payable under this provision shall be fifteen thousand dollars (\$15,000).

The Borough does not record accrued expenses related to compensated absences. It is estimated that as of December 31, 2014, Borough employees who have met the above criteria, have accrued benefits for compensated absences valued at \$313,877.09.

The Borough has established a Compensated Absence Trust Fund to set aside funds for the future payments of compensated absences. At December 31, 2014 the balance of the trust fund is \$93,238.82.

Note 11: JOINT INSURANCE POOL

The Borough is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. Employee health and accident insurance and public officials bonds in amounts required by New Jersey statutes are provided through commercial insurance. Unemployment compensation benefits are provided by the State of New Jersey, supported by mandatory contributions by the Borough. The Borough is a member of the Burlington County Municipal Joint Insurance Fund (the "JIF") and the Municipal Excess Liability Joint Fund (the "MEL"), both public entity risk pools. Covered losses not provided by either the JIF or MEL are covered by reinsurance policies in varying amounts.

The following coverage is provided by the JIF and MEL:

- Public Officials Bonds in excess of amounts statutorily required
- Public Employees Dishonesty Bonds
- Automobile Liability
- Workers' Compensation and Employer's Liability
- Commercial Property
- General Liability
- Public Officials Liability
- Employment Practices Liability
- Environmental Liability

Contributions to the JIF and MEL, including a reserve for contingencies, are payable in two installments and are based on actuarial assumptions determined by each of the fund's actuaries. The Commissioner of Insurance may order additional assessments to supplement the Fund's claim, loss retention or administrative accounts to assure the payment of the Fund's obligations.

Note 11: JOINT INSURANCE POOL (CONT'D)

The Funds publish their own financial reports which can be obtained from:

Burlington County Municipal Joint Insurance Fund
P.O. Box 325
Hammonton, New Jersey 08037

Municipal Excess Liability Joint Insurance Fund
Park 80 West Plaza I
Saddle Brook, New Jersey 07663

Note 12: NEW JERSEY UNEMPLOYMENT COMPENSATION INSURANCE

The Borough has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Borough is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Borough is billed quarterly for amounts due to the State. The following is a summary of Borough contributions, reimbursements to the State for benefits paid and the ending balance of the Borough's trust fund for the current and previous two years:

<u>Year</u>	<u>Borough Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2014		\$ 795.92	\$ 1,961.89	\$ 140,715.39
2013	\$ 55,000.00	138.69	16,993.99	141,868.26
2012	88,606.00	1,084.00	10,970.00	103,723.56

There were no unreimbursed payments on behalf of the Borough at December 31, 2014.

Note 13: DEFERRED COMPENSATION SALARY ACCOUNT

The Borough offers its employees a Deferred Compensation Plan in accordance with Internal Revenue Code Section 457 which has been approved by the Director of the Division of Local Government Services. The Plan, available to all full time employees at their option, permits employees to defer a portion of their salary to future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency.

Amounts deferred under Section 457 plans must be held in trust for the exclusive benefit of participating employees and not be accessible by the Borough or its creditors. Since the Borough does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Borough's financial statements.

Note 14: **LENGTH OF SERVICE AWARDS PROGRAM**

The Borough's Length of Service Awards Program (LOSAP) was created by a Borough Ordinance adopted on December 3, 2001 pursuant to Section 457 (e)(11)(13) of the Internal Service Code of 1986, as amended, except for provisions added by reason of the Length of Service Award Program as enacted into federal law in 1997. The voters of the Borough of Palmyra approved the adoption of the LOSAP at the general election held on November 5, 2002, and the first year of eligibility for entrance into the LOSAP by qualified volunteers was calendar year 2003. The LOSAP provides tax deferred income benefits to active volunteer firefighters and emergency medical personnel.

Amounts deferred under Section 457 plans must be held in trust for the exclusive benefit of participating employees and not be accessible by the Borough or its creditors. Since the Borough does not have a fiduciary relationship with the LOSAP, the balances and activities of the LOSAP are not reported in the Borough's financial statements.

As required by N.J.A.C. 5:30-14.49, the Borough must have an annual review of its LOSAP performed in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Note 15: **CAPITAL DEBT****Summary of Debt**

	<u>Year 2014</u>	<u>Year 2013</u>	<u>Year 2012</u>
<u>Issued</u>			
General:			
Bonds and Notes	\$ 9,961,900.00	\$ 10,430,775.00	\$ 10,456,900.00
Loans	39,949.67	48,351.92	56,589.00
Sewer Utility:			
Bonds and Notes	1,920,000.00	1,690,000.00	1,510,000.00
Loans	3,436,521.19		
Total Issued	<u>15,358,370.86</u>	<u>12,169,126.92</u>	<u>12,023,489.00</u>

Authorized but not Issued

General:			
Bonds and Notes	911,737.00	880,987.00	545,502.00
Sewer Utility:			
Bonds and Notes	645,900.00		
Total Authorized but not Issued	<u>1,557,637.00</u>	<u>880,987.00</u>	<u>545,502.00</u>
Total Issued and Authorized but not Issued	<u>16,916,007.86</u>	<u>13,050,113.92</u>	<u>12,568,991.00</u>

Deductions

Funds Temporarily Held to Pay Notes:			
General	507,202.55	37,099.06	78,312.47
Self-Liquidating	6,002,421.19	1,690,000.00	1,510,000.00
Total Deductions	<u>6,509,623.74</u>	<u>1,727,099.06</u>	<u>1,588,312.47</u>
Net Debt	<u>\$ 10,406,384.12</u>	<u>\$ 11,323,014.86</u>	<u>\$ 10,980,678.53</u>

Note 15: **CAPITAL DEBT (CONT'D)****Summary of Statutory Debt Condition - Annual Debt Statement**

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicated a statutory net debt of 1.945%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District	\$ 11,940,000.00	\$ 11,940,000.00	
Sewer Utility	6,002,421.19	6,002,421.19	
General	10,913,586.67	507,202.55	\$ 10,406,384.12
	<u>\$ 28,856,007.86</u>	<u>\$ 18,449,623.74</u>	<u>\$ 10,406,384.12</u>

Net Debt \$10,406,384.12 divided by the Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended, \$534,997,684.67 equals 1.945%.

Borrowing Power Under N.J.S.A. 40A:26 as Amended

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 18,724,918.96
Net Debt	<u>10,406,384.12</u>
Remaining Borrowing Power	<u>\$ 8,318,534.84</u>

Calculation of "Self Liquidating Purpose" Sewer Utility Per N.J.S.A. 40A:2-45

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest and Other Investment Income and Other Charges for the Year	\$ 1,654,122.30
Deductions:	
Operating and Maintenance Costs	\$ 1,295,634.00
Debt Service per Sewer Utility Operating Fund	<u>282,746.70</u>
Total Deductions	<u>1,578,380.70</u>
Excess in Revenues	<u>\$ 75,741.60</u>

Note 15: **CAPITAL DEBT (CONT'D)****Schedule of Annual Debt Service for Principal and Interest for Bonded Debt Issued and Outstanding**

<u>Calendar Year</u>	<u>Interest</u>	<u>Principal</u>	<u>Total</u>
<u>General Debt - Bonds</u>			
2015	\$ 24,975.00	\$ 100,000.00	\$ 124,975.00
2016	20,850.00	100,000.00	120,850.00
2017	16,725.00	100,000.00	116,725.00
2018	12,600.00	100,000.00	112,600.00
2019	8,400.00	100,000.00	108,400.00
2020	4,200.00	100,000.00	104,200.00
	<u>\$ 87,750.00</u>	<u>\$ 600,000.00</u>	<u>\$ 687,750.00</u>
<u>Green Trust Loans Payable</u>			
2015	\$ 756.35	\$ 8,571.12	\$ 9,327.47
2016	584.08	8,743.41	9,327.49
2017	408.33	8,919.15	9,327.48
2018	229.05	9,098.43	9,327.48
2019	46.18	4,617.56	4,663.74
	<u>\$ 2,023.99</u>	<u>\$ 39,949.67</u>	<u>\$ 41,973.66</u>
<u>Sewer Utility - Bonds</u>			
2015	\$ 29,970.00	\$ 120,000.00	\$ 149,970.00
2016	25,020.00	120,000.00	145,020.00
2017	20,070.00	120,000.00	140,070.00
2018	15,120.00	120,000.00	135,120.00
2019	10,080.00	120,000.00	130,080.00
2020	5,040.00	120,000.00	125,040.00
	<u>\$ 105,300.00</u>	<u>\$ 720,000.00</u>	<u>\$ 825,300.00</u>
<u>Sewer Utility - Loans</u>			
2015	\$ 32,375.00	\$ 165,343.21	\$ 197,718.21
2016	31,475.00	165,343.21	196,818.21
2017	30,575.00	165,343.21	195,918.21
2018	29,075.00	170,343.21	199,418.21
2019	27,325.00	170,343.21	197,668.21
2020 - 2024	107,625.00	886,716.05	994,341.05
2025 - 2029	60,225.00	936,716.05	996,941.05
2030 - 2033	18,675.00	776,373.04	795,048.04
	<u>\$ 337,350.00</u>	<u>\$ 3,436,521.19</u>	<u>\$ 3,773,871.19</u>

Note 16: **LEASE OBLIGATIONS**

The Borough had lease agreements in effect for the following:

Capital:

- One (1) 2014 Ford Interceptor Police Vehicle
- One (1) 2015 Ford Interceptor Police Vehicle

	Balance 12/31/14
2014 Ford Interceptor Police Vehicle	\$ 22,089.36
2015 Ford Interceptor Police Vehicle	30,787.70
	<u>\$ 52,877.06</u>

Future minimum lease payments under capital lease agreements are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 21,015.83	\$ 2,032.18	\$ 23,048.01
2016	10,249.03	666.16	10,915.19
	<u>\$ 31,264.86</u>	<u>\$ 2,698.34</u>	<u>\$ 33,963.20</u>

Note 17: **SCHOOL TAXES**

Palmyra School District Tax has been raised and the liability deferred by statutes, resulting in the school tax payable set forth in the Current Fund liabilities as follows:

	<u>Balance Dec. 31, 2014</u>	<u>2013</u>
Balance of Tax	\$ 4,539,794.46	\$ 4,265,288.46
Deferred	4,063,515.00	4,063,515.00
School Tax Payable	<u>\$ 476,279.46</u>	<u>\$ 201,773.46</u>

Note 18: **DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2014, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following fund:

	<u>Balance Dec. 31, 2014</u>	<u>2015 Budget Appropriation</u>
Current Fund:		
Special Emergency Appropriations	<u>\$ 174,700.00</u>	<u>\$ 56,940.00</u>

The appropriation in the 2015 Budget as introduced is not less than that required by the statutes.

Note 19: **REGIONAL CONTRIBUTION AGREEMENT**

The Fair Housing Act, N.J.S.A 52:270-301 to 329, allows municipalities to enter into a contractual agreement, known as a regional contribution agreement, for transfer for up to 50% of a sending municipality's fair share obligation to a receiving municipality within its housing region. The Borough of Palmyra has entered into an agreement with two other municipalities (sending municipalities) to transfer low and moderate-income housing units in accordance with the above stated statute. The sending municipalities paid a total of \$1,715,000 for their fair share obligation to the Borough of Palmyra. At December 31, 2014 the Borough has unexpended funds held in trust for the regional contribution agreement in the amount of \$236,512.21.

Note 20: **PRIOR PERIOD ADJUSTMENT**

In prior years the Borough did not include the value of Land Improvements in its General Fixed Assets Account Group; however, there were material expenditures for them for Legion Field Park. The Borough researched the amounts expended in its capital ordinances and as a result the following prior period adjustment is required.

	<u>As Reported Dec. 31, 2013</u>	<u>Prior Period Adjustment</u>	<u>Restated Dec. 31, 2014</u>
General Fixed Assets:			
Land and Land Improvements	<u>\$ -</u>	<u>\$ 4,352,634.57</u>	<u>\$ 4,352,634.57</u>
Investment in General Fixed Assets	<u>\$ 9,010,842.88</u>	<u>\$ 4,352,634.57</u>	<u>\$ 13,363,477.45</u>

Note 21: **PENDING TAX APPEALS**

The Township has one property that has filed tax appeals with the State for several of their prior year tax assessments. The outcome of these appeals at this time is not known; however, if the State granted the appeal to the property owner, the exposure would exceed \$85,000 to the Township.

Note 22: **LITIGATION**

The Borough is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the Borough, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

BOROUGH OF PALMYRA**CURRENT FUND**

Statement of Current Cash -- Treasurer
For the Year Ended December 31, 2014

	<u>Current Fund</u>		<u>Federal and State Grant Fund</u>	
Balance December 31, 2013		\$ 2,327,695.55		\$ 220,292.58
Increased by Receipts:				
Taxes Receivable	\$ 16,536,597.37			
Tax Overpayments	5,774.06			
Tax Title Lien Receivable	4,051.32			
Prepaid Taxes	71,352.77			
Revenue Accounts Receivable	1,104,623.02			
Miscellaneous Revenue Not Anticipated	360,387.44			
Refunds of Current Year Appropriations	488,842.79			
Refunds of Appropriation Reserves	9,845.00			
Due State of New Jersey -- Veterans' and Senior Citizens' Deductions	99,872.16			
Due State of New Jersey -- Marriage Licenses	1,225.00			
Due State of New Jersey -- DCA Fees	1,890.00			
Due to General Capital Fund	353,750.00			
Contra	8,923.07			
Unappropriated Grants Received		\$ 17,537.77		
Federal, State and Other Grants Receivable		<u>19,047,134.00</u>		<u>222,905.49</u>
		21,374,829.6		443,198.07
Decreased by Disbursements:				
2014 Appropriations	6,858,212.21			
2013 Appropriation Reserves	195,726.66			
County Taxes Payable	2,027,228.90			
Due County for Added and Omitted Taxes	210.82			
Local School Taxes Payable	8,828,814.00			
Special Emergency Note Payable	55,000.00			
Tax Overpayments	7,013.62			
Due State of New Jersey -- Marriage Licenses	1,450.00			
Due State of New Jersey -- DCA Fees	1,235.00			
Reserve for Cost of Revaluation	1,307.50			
Accounts Payable	4,496.00			
Refund of Prior Year Revenue	44,667.31			
Due Trust Other - Reserve for Business Improvement District	45,839.48			
Contra	8,923.07			
Reserve for Federal, State and Other Grants - Appropriated		<u>18,080,124.57</u>		<u>35,781.46</u>
Balance December 31, 2014		\$ 3,294,704.98		\$ 407,416.61

BOROUGH OF PALMYRA
CURRENT FUND
Schedule of Change Funds
For the Year Ended December 31, 2014

<u>Office</u>	<u>Amount</u>
Administration / Tax Office	\$ 150.00
Municipal Court	<u>100.00</u>
	<u><u>\$ 250.00</u></u>

BOROUGH OF PALMYRA
CURRENT FUND
Statement of Due to State of New Jersey
Veterans' and Senior Citizens' Deductions
For the Year Ended December 31, 2014

Balance December 31, 2013		\$ 43,308.42
Increased by:		
Receipts		<u>99,872.16</u>
		143,180.58
Decreased by:		
Deductions per Tax Billing	\$ 95,500.00	
2014 Deductions Allowed by Collector	<u>8,500.00</u>	
	104,000.00	
Less: 2014 Deductions Disallowed by Collector	<u>(3,152.05)</u>	
		<u>100,847.95</u>
Balance December 31, 2014		<u><u>\$ 42,332.63</u></u>

BOROUGH OF PALMYRA
CURRENT FUND
 Statement of Taxes Receivable and Analysis of Property Tax Levy
 For the Year Ended December 31, 2014

	Balance Dec. 31, 2013	2014 Levy	2013 Collected	2014 Collected	Due from State of New Jersey	Overpayments Applied	Canceled	Transferred to Tax Title Liens	Transferred to/from Arrears	Balance Dec. 31, 2014
Prior	\$ 1,170.69								\$ 1,346.85	\$ 2,517.54
2012	534.18		\$ 534.18							
2013	329,204.41		326,547.62					\$ 2,656.79		
	330,909.28	-	-	327,081.80	-	-	-	2,656.79	1,346.85	2,517.54
2014		\$ 16,723,447.29	\$ 95,775.99	16,209,515.57	100,847.95	\$ 1,095.44	\$ 11,805.57	15,025.75	(1,346.85)	288,034.17
	\$ 330,909.28	\$ 16,723,447.29	\$ 95,775.99	\$ 16,536,597.37	\$ 100,847.95	\$ 1,095.44	\$ 11,805.57	\$ 17,682.54	\$ -	\$ 290,551.71
Analysis of 2014 Property Tax Levy										
Tax Yield:										
General Purpose			\$ 16,716,253.70							
Added / Omitted Taxes			7,193.59							
										\$ 16,723,447.29
Tax Levy:										
Local District School Tax			\$ 9,103,320.00							
County Taxes:										
County Tax			\$ 1,783,624.34							
County Library Tax			163,846.72							
County Open Space Preservation			79,757.84							
Due County for Added and Omitted Taxes			753.08							
				2,027,981.98						
Local Tax for Municipal Purposes			5,585,704.80							
Add: Additional Tax Levied			6,440.51							
				5,592,145.31						
										\$ 16,723,447.29

BOROUGH OF PALMYRA
CURRENT FUND
Statement of Tax Title Liens
For the Year Ended December 31, 2014

Balance December 31, 2013		\$	51,623.12
Increased by:			
Transfers from Taxes Receivable	\$	17,682.54	
I/C on Tax Sale		<u>419.05</u>	
			<u>18,101.59</u>
			69,724.71
Decreased by:			
Collections			<u>4,051.32</u>
Balance December 31, 2014		\$	<u><u>65,673.39</u></u>

BOROUGH OF PALMYRA
CURRENT FUND
Statement of Revenue Accounts Receivable
For the Year Ended December 31, 2014

	Balance Dec. 31, 2013	Accrued in 2014	Collected	Balance Dec. 31, 2014
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages		\$ 10,150.00	\$ 10,150.00	
Other		2,001.00	2,001.00	
Fees and Permits		14,896.53	14,896.53	
Fines and Costs:				
Municipal Court	\$ 20,533.54	252,047.20	260,362.53	\$ 12,218.21
Interest and Costs on Taxes		78,657.24	78,657.24	
Interest on Investments and Deposits		2,435.17	2,435.17	
Burlington County Bridge Commission in Lieu of Taxes		34,238.43	34,238.43	
Consolidated Municipal Property Tax Relief Aid		31,583.00	31,583.00	
Energy Receipts Tax		526,672.00	526,672.00	
Dedicated Uniform Construction Code Fees Offset				
With Appropriations (N.J.S.40A:4-36 and N.J.A.C.5:23-4.17):				
Uniform Construction Code Fees		55,926.00	55,926.00	
Special Franchise Tax - PSE&G		39,407.22	39,407.22	
Other Special Items:				
Uniform Fire Safety Act		13,574.95	13,574.95	
Rental Property Inspection Fees		15,822.00	15,822.00	
Municipal Services Act - Street Lighting Reimbursements		19,562.88	19,562.88	
	<u>\$ 20,533.54</u>	<u>\$ 1,096,973.62</u>	<u>\$ 1,105,288.95</u>	<u>\$ 12,218.21</u>
Cash Receipts				
Interest Earnings Due From:			\$ 1,104,623.02	
Animal Control Fund			0.72	
Trust Other Fund			36.08	
General Capital Fund			629.13	
			<u>\$ 1,105,288.95</u>	

BOROUGH OF PALMYRA**CURRENT FUND**

Statement of Special Emergency Authorizations N.J.S. 40A:4-55
For the Year Ended December 31, 2014

<u>Date Authorized</u>	<u>Purpose</u>	<u>Original Amount Authorized</u>	<u>1/5 of Amount Authorized</u>	<u>Balance Dec. 31, 2013</u>	<u>Authorized in 2014</u>	<u>Budget Appropriation</u>	<u>Balance Dec. 31, 2014</u>
05/14/12	Cost of Revaluation	\$ 275,000.00	\$ 55,000.00	\$ 220,000.00		\$ 55,000.00	\$ 165,000.00
12/01/14	Codification of Ordinances	9,700.00	1,940.00		\$ 9,700.00		9,700.00
				<u>\$ 220,000.00</u>	<u>\$ 9,700.00</u>	<u>\$ 55,000.00</u>	<u>\$ 174,700.00</u>

BOROUGH OF PALMYRA
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2014

	Balance December 31, 2013					
	<u>Encumbered</u>	<u>Reserved</u>	<u>Balance After Modification</u>	<u>Paid or Charged</u>	<u>Transfer to Accounts Payable</u>	<u>Lapsed to Fund Balance</u>
OPERATIONS WITHIN "CAPS"						
GENERAL GOVERNMENT:						
General Administration						
Salaries and Wages		\$ 10,378.00	\$ 10,378.00			\$ 10,378.00
Other Expenses	\$ 4,902.47	18,716.90	23,619.37	\$ 9,316.79	\$ 271.00	14,031.58
Mayor and Council						
Salaries and Wages		303.40	303.40			303.40
Other Expenses	335.40	1,274.70	1,610.10	1,237.98	75.00	297.12
Public Relations		13,832.36	13,832.36			13,832.36
Municipal Clerk						
Salaries and Wages		488.73	488.73			488.73
Other Expenses	338.94	2,623.37	2,962.31	338.94		2,623.37
Election Costs		727.43	727.43			727.43
Financial Administration						
Salaries and Wages		67.84	67.84			67.84
Other Expenses		791.72	791.72	548.75		242.97
Collection of Taxes						
Salaries and Wages		2,739.41	2,739.41			2,739.41
Other Expenses		177.44	177.44			177.44
Assessment of Taxes						
Salaries and Wages		61.40	61.40			61.40
Other Expenses		260.06	260.06			260.06
Legal Services and Costs						
Other Expenses	984.00	13,841.87	14,825.87	2,254.50		12,571.37
Engineering Services						
Other Expenses	4,673.00	8,372.50	13,045.50	12,593.29	2.50	449.71
Land Use Administrative Planning Board						
Salaries and Wages		374.21	374.21			374.21
Other Expenses		683.71	683.71			683.71
Code Enforcement						
Salaries and Wages		2,668.66	2,668.66			2,668.66
Other Expenses		80.00	80.00			80.00
Municipal Court						
Salaries and Wages		5,745.96	4,753.96			4,753.96
Other Expenses	90.00		1,082.00	1,082.00		
Insurance:						
Surety Bond Premiums		3,500.00	3,500.00			3,500.00
Liability Insurance		865.00	865.00			865.00
Employee Group Insurance	769.17	19,527.03	20,296.20	3,619.10		16,677.10
Unemployment Insurance		2,400.00	2,400.00			2,400.00
PUBLIC SAFETY:						
Police						
Salaries and Wages	11,800.00	40,034.14	51,834.14	3,293.00		48,541.14
Other Expenses	13,535.26	6,228.88	19,764.14	2,219.26	90.00	17,454.88
School Crossing Guard						
Salaries and Wages		2,165.55	2,165.55			2,165.55
Other Expenses	676.30	1,796.70	2,473.00	586.30		1,886.70
Police and Radio Communications						
Other Expenses	716.92	1,174.16	1,891.08	876.94		1,014.14
Office of Emergency Management						
Other Expenses		1,073.64	1,073.64	51.43		1,022.21
Fire Department						
Other Expenses	799.00	4,369.80	5,168.80	1,369.32	95.00	3,704.48
Uniform Fire Safety Act (P.L. 1983, CH. 383)						
Salaries and Wages		185.78	185.78			185.78
Other Expenses		1,289.60	1,289.60	51.43		1,238.17
PUBLIC WORKS FUNCTIONS:						
Streets and Roads Maintenance						
Salaries and Wages		25,613.03	25,613.03			25,613.03
Other Expenses	13,857.07	5,725.47	19,582.54	9,903.65	3,216.38	6,462.51
Shade Tree						
Salaries and Wages		2,744.00	2,744.00			2,744.00
Other Expenses	1,906.00		1,906.00	960.00		946.00
Solid Waste Collection						
Other Expenses	9,249.60		9,249.60	3,251.06		5,998.54

(Continued)

BOROUGH OF PALMYRA
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2014

	<u>Balance December 31, 2013</u>					
	<u>Encumbered</u>	<u>Reserved</u>	<u>Balance After Modification</u>	<u>Paid or Charged</u>	<u>Transfer to Accounts Payable</u>	<u>Lapsed to Fund Balance</u>
PUBLIC WORKS FUNCTIONS (CONT'D):						
Public Buildings and Grounds						
Salaries and Wages		\$ 5,560.84	\$ 4,516.22			\$ 4,516.22
Other Expenses	\$ 810.69		1,855.31	\$ 1,855.31		
Vehicle Maintenance						
Other Expenses	2,734.33	6,468.36	9,202.69	2,800.68		6,402.01
Condominium Services Law						
Other Expenses	13,078.20	21,730.53	34,808.73	22,721.25		12,087.48
HEALTH AND HUMAN SERVICES:						
Board of Health						
Salaries and Wages		16.00	16.00			16.00
Other Expenses		105.00	105.00			105.00
PARKS AND RECREATION FUNCTIONS:						
Parks and Playgrounds						
Other Expenses	824.00	16,329.69	17,153.69	47.96	\$ 824.00	16,281.73
EDUCATION FUNCTIONS:						
Community Youth Program						
Other Expenses		1,000.00	1,000.00			1,000.00
Celebration of Public Events						
Other Expenses	747.91	1,602.88	2,350.79	747.91		1,602.88
STATE UNIFORM CONSTRUCTION CODE:						
Salaries and Wages		255.28	255.28			255.28
Other Expenses	125.00	2,976.83	3,101.83	1,017.00		2,084.83
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS":						
UNCLASSIFIED:						
Utilities:						
Electricity		38,336.99	38,336.99	16,497.99		21,839.00
Street Lighting		27,753.93	27,753.93	18,998.33		8,755.60
Telephone	5,036.31	1,151.90	6,188.21	5,036.31		1,151.90
Water/Sewer	2,036.45	9,828.90	11,865.35	2,036.45		9,828.90
Gasoline	9,965.53	25,244.16	35,209.69	20,123.71		15,085.98
Fire-Hydrant Services	14,562.40	7,281.20	21,843.60	14,562.40		7,281.20
Printing and Postage		1,027.75	1,027.75	358.50		669.25
Landfill and Solid Waste Disposal Costs:						
Landfill Fees	21,774.12	41,833.56	63,607.68	25,524.12		38,083.56
Statutory Expenditures:						
Contribution to:						
Social Security System (O.A.S.I)		14,081.68	14,081.68			14,081.68
Defined Contribution Retirement System		1,912.60	1,912.60			1,912.60
Length of Service Awards	2,075.04	3,433.76	5,508.80		2,075.04	3,433.76
Total	\$ 138,403.11	\$ 430,834.29	\$ 569,237.40	\$ 185,881.66	\$ 6,648.92	\$ 376,706.82
Disbursed				\$ 195,726.66		
Receipts				(9,845.00)		
				<u>\$ 185,881.66</u>		

BOROUGH OF PALMYRA
CURRENT FUND
Statement of Reserve for Encumbrances
For the Year Ended December 31, 2014

Balance December 31, 2013		\$ 142,900.11
Increased by:		
Current Year Encumbrances:		
Current Fund Appropriations		<u>218,290.90</u>
		361,191.01
Decreased by:		
Prior Year Encumbrances Reclassified:		
Reserve for Cost of Revaluation	\$ 4,497.00	
Current Fund Appropriations	<u>138,403.11</u>	
		<u>142,900.11</u>
Balance December 31, 2014		<u><u>\$ 218,290.90</u></u>

Exhibit SA-10

CURRENT FUND
Statement of Reserve for Cost of Revaluation
For the Year Ended December 31, 2014

Balance December 31, 2013		\$ 35,303.00
Increase by:		
Reclassify Prior Year Encumbrances		<u>4,497.00</u>
		39,800.00
Decreased by:		
Disbursements		<u>1,307.50</u>
Balance December 31, 2014		<u><u>\$ 38,492.50</u></u>

BOROUGH OF PALMYRA
CURRENT FUND
Statement of Prepaid Taxes
For the Year Ended December 31, 2014

Balance December 31, 2013	\$ 95,775.99
Increased by:	
Receipts	<u>71,352.77</u>
	167,128.76
Decreased by:	
Application to 2014 Taxes	<u>95,775.99</u>
Balance December 31, 2014	<u><u>\$ 71,352.77</u></u>

Exhibit SA-12

CURRENT FUND
Statement of Tax Overpayments
For the Year Ended December 31, 2014

Balance December 31, 2013		\$ -
Increased by:		
Miscellaneous Added Overpayments	\$ 6,459.06	
Receipts	<u>5,774.06</u>	
		<u>12,233.12</u>
		12,233.12
Decreased by:		
Overpayments Applied to 2014	1,095.44	
Refunded	<u>7,013.62</u>	
		<u>8,109.06</u>
Balance December 31, 2014		<u><u>\$ 4,124.06</u></u>

BOROUGH OF PALMYRA
CURRENT FUND
Statement of County Taxes
For the Year Ended December 31, 2014

Increased by:			
2014 Levy:			
General County	\$	1,783,624.34	
County Library Tax		163,846.72	
County Open Space Tax		<u>79,757.84</u>	
			<u>\$ 2,027,228.90</u>
Decreased by:			
Disbursements			<u><u>\$ 2,027,228.90</u></u>

Exhibit SA-14

CURRENT FUND
Statement of Amount Due to County for Added Taxes
For the Year Ended December 31, 2014

Balance December 31, 2013	\$	210.82
Increased by:		
County Share of 2014 Added Assessments		<u>753.08</u>
		963.90
Decreased by:		
Disbursements		<u>210.82</u>
Balance December 31, 2014	\$	<u><u>753.08</u></u>

BOROUGH OF PALMYRA
CURRENT FUND
Statement of Local District School Tax
For the Year Ended December 31, 2014

Balance December 31, 2013		
School Tax Payable	\$ 201,773.46	
School Tax Deferred	<u>4,063,515.00</u>	
		\$ 4,265,288.46
Increased by:		
Levy - School Year July 1, 2014 to June 30, 2015		<u>9,103,320.00</u>
		13,368,608.46
Decreased by:		
Disbursements		<u>8,828,814.00</u>
Balance December 31, 2014		
School Tax Payable	476,279.46	
School Tax Deferred	<u>4,063,515.00</u>	
		<u>\$ 4,539,794.46</u>
2014 Liability for Local District School Tax:		
Tax Paid		\$ 8,828,814.00
Add: Tax Payable December 31, 2014		<u>476,279.46</u>
		9,305,093.46
Less: Tax Payable December 31, 2013		<u>201,773.46</u>
Amount Charged to 2014 Operations		<u>\$ 9,103,320.00</u>

BOROUGH OF PALMYRA
FEDERAL AND STATE GRANT FUND
Statement of Federal and State Grants Receivable
For the Year Ended December 31, 2014

<u>Program</u>	<u>Balance</u> <u>Dec. 31, 2013</u>	<u>Prior Year</u> <u>Receipts</u> <u>Reclassified</u>	<u>Anticipated</u> <u>Revenue</u>	<u>Received</u>	<u>Balance</u> <u>Dec. 31, 2014</u>
Federal Grants:					
Transportation Trust Fund:					
2008 Allotment - Morgan Avenue	\$ 10,432.02				\$ 10,432.02
ARRA - Transportation Enhancement:					
Market Street Gateway Improvement	125,001.48	\$ 89,267.26		\$ 187,104.44	27,164.30
New Jersey Forestry Grant			\$ 3,000.00	3,000.00	
Bulletproof Vest Partnership Grant			1,316.25	1,316.25	
Total Federal Grants	135,433.50	89,267.26	4,316.25	191,420.69	37,596.32
State Grants:					
Burlington County Park Improvement	4,409.00				4,409.00
Drunk Driving Grant			3,346.30	3,346.30	
Clean Communities Grant			13,609.04	13,609.04	
Alcohol Education and Rehabilitation Grant			1,654.24	1,654.24	
Total State Grants	4,409.00	-	18,609.58	18,609.58	4,409.00
Total Federal and State Grants	\$ 139,842.50	\$ 89,267.26	\$ 22,925.83	\$ 210,030.27	\$ 42,005.32
Original Budget			\$ 4,662.55		
Appropriation by NJS 40A:4-87 (Chapter 159's)			18,263.28		
Due to General Capital Fund - Reserve for Payment of Debt Service		\$ 89,267.26		\$ 4,662.55	
Unappropriated Grants Realized as Revenue				205,367.72	
Receipts		\$ 89,267.26	\$ 22,925.83	\$ 210,030.27	

BOROUGH OF PALMYRA
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Federal and State Grants -- Unappropriated
For the Year Ended December 31, 2014

<u>Program</u>	<u>Balance</u> <u>Dec. 31, 2013</u>	<u>Grants</u> <u>Received</u>	<u>Realized as</u> <u>Misc. Revenue</u> <u>in 2014 Budget</u>	<u>Balance</u> <u>Dec. 31, 2014</u>
Federal Grants:				
Department of Justice - Bulletproof Vest	\$ 1,316.25	\$ 1,141.80	\$ 1,316.25	\$ 1,141.80
State Grants:				
Drunk Driving	3,346.30		3,346.30	9,660.84
Recycling Tonnage Grant		9,660.84		4,885.51
Drunk Driving Enforcement Grant		4,885.51		1,849.62
Tactical Body Armor Grant		1,849.62		
	<u>3,346.30</u>	<u>16,395.97</u>	<u>3,346.30</u>	<u>16,395.97</u>
Total Federal and State Unappropriated Grants	<u>\$ 4,662.55</u>	<u>\$ 17,537.77</u>	<u>\$ 4,662.55</u>	<u>\$ 17,537.77</u>

BOROUGH OF PALMYRA
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Federal and State Grants -- Appropriated
For the Year Ended December 31, 2014

<u>Program</u>	<u>Balance</u> <u>Dec. 31, 2013</u>	<u>Transferred</u> <u>from 2014</u> <u>Budget</u> <u>Appropriation</u>	<u>Prior Year</u> <u>Encumbrances</u> <u>Reclassified</u>	<u>Expended</u>	<u>Balance</u> <u>Dec. 31, 2014</u>
Federal Grants:					
Department of Justice - Bulletproof Vest	\$ 3,318.91	\$ 1,316.25		\$ 785.94	\$ 3,849.22
ARRA - Transportation Enhancement	27,164.30				27,164.30
Transportation Trust Fund	36,147.46				36,147.46
Over the Limit	2,787.64				2,787.64
Forestry Grant	1,500.00	3,000.00		2,975.00	1,525.00
Total Federal Grants	70,918.31	4,316.25	-	3,760.94	71,473.62
State Grants:					
Drunk Driving Enforcement Grant	4,416.71	3,346.30	\$ 155.00	3,263.79	4,654.22
Alcoholic Education Rehabilitation Fund	7,690.34	1,654.24		80.00	9,264.58
Clean Communities	10,050.93	13,609.04	742.00	16,023.45	8,378.52
Municipal Alliance Grant	19,879.73		30.99	30.99	19,879.73
Tactical Body Armor Grant	4,662.28			785.96	3,876.32
Recycling Tonnage Grant	24,500.82			13,347.10	11,153.72
Burlington County Park Improvement	2,516.50				2,516.50
Exercise Program Improvement Grant	2,608.80			556.44	2,052.36
Hazardous Discharge Remediation Side - Rt. 73	130,128.37			4,007.50	126,120.87
Centers of Place	24,825.00				24,825.00
Clean Shores	10,446.75				10,446.75
Department of Law and Public Safety:					
Juvenile Justice Commission	9,900.00				9,900.00
DVRPC - Traffic Calming	32,000.00				32,000.00
Total State Grants	283,626.23	18,609.58	927.99	38,095.23	265,068.57
Total Federal and State Grants	\$ 354,544.54	\$ 22,925.83	\$ 927.99	\$ 41,856.17	\$ 336,542.19
Original Budget	\$ 4,662.55				
Appropriation by 40A:4-87	18,263.28			\$ 6,074.71	
Encumbered				35,781.46	
Disbursed					
	\$ 22,925.83			\$ 41,856.17	

SUPPLEMENTAL EXHIBITS

TRUST FUND

BOROUGH OF PALMYRA**TRUST OTHER FUND**

Statement of Trust Cash - Treasurer
For the Year Ended December 31, 2014

	<u>Animal Control</u>		<u>Other</u>
Balance December 31, 2013		\$ 8,571.08	\$ 1,028,967.53
Increased by Receipts:			
Reserve for Animal Control Fund	\$ 3,307.00		
Due State - Registration Fees	502.00		
Due Current Fund	0.72		\$ 36.08
Reserve for Payroll Deductions Payable			2,690,583.16
Reserve for Unemployment Compensation Insurance			809.02
Reserve for Parking Offenses Adjudication Act			452.00
Reserve for Public Defender			8,155.00
Reserve for Developer's Escrow Deposits			16,110.00
Reserve for Developer's Site Improvements			198,210.00
Reserve for Regional Contribution - Delanco			10,740.44
Reserve for Regional Contribution - Evesham			9,087.39
Reserve for Special Law Enforcement			1,981.88
Reserve for Flexible Spending			2,476.87
Reserve for Compensated Absences			30,000.00
Reserve for Tax Title Lien Premiums			265,500.00
Reserve for Tax Title Lien Redemption			153,880.81
		<u>3,809.72</u>	<u>3,388,022.65</u>
Decreased by Disbursements:		12,380.80	4,416,990.18
Reserve for Animal Control Fund	9,453.33		
Due State - Registration Fees	502.20		
Encumbrances	387.50		
Reserve for Payroll Deductions Payable			2,709,523.43
Reserve for Unemployment Compensation Insurance			1,961.89
Reserve for Parking Offenses Adjudication Act			495.00
Reserve for Public Defender			5,250.00
Reserve for Developer's Escrow Deposits			16,019.50
Reserve for Developer's Site Improvements			208,857.14
Reserve for Regional Contribution - Evesham			110,678.78
Reserve for Special Law Enforcement			5,625.79
Reserve for Tax Title Lien Premiums			87,800.00
Reserve for Tax Title Lien Redemption			151,732.69
		<u>10,343.03</u>	<u>3,297,944.22</u>
Balance December 31, 2014		<u>\$ 2,037.77</u>	<u>\$ 1,119,045.96</u>

BOROUGH OF PALMYRA
ANIMAL CONTROL FUND
Statement of Due (To) From Current Fund
For the Year Ended December 31, 2014

Balance December 31, 2013 - (Due to)	\$ (4,098.88)
Increase by:	
Receipts - Interest Earnings	<u>(0.72)</u>
	(4,099.60)
Decreased by:	
Budget Appropriation	<u>7,257.53</u>
Balance December 31, 2014 - Due From	<u><u>\$ 3,157.93</u></u>

Exhibit SB-3

ANIMAL CONTROL FUND
Statement of Due to State of New Jersey
For the Year Ended December 31, 2014

Balance December 31, 2013	\$ 1.20
Increased by:	
Receipts	<u>502.00</u>
	503.20
Decreased by:	
Disbursements	<u>502.20</u>
Balance December 31, 2014	<u><u>\$ 1.00</u></u>

BOROUGH OF PALMYRA
ANIMAL CONTROL FUND
Statement of Reserve for Animal Control Fund Expenditures
For the Year Ended December 31, 2013

Balance December 31, 2013		\$ 4,083.90
Increased by:		
Budget Appropriation	\$ 7,257.53	
Receipts - Animal License Fees	<u>3,307.00</u>	
		<u>10,564.53</u>
		14,648.43
Decreased by:		
Encumbrances	567.00	
Expenditures Under R.S.4:19.11	<u>9,453.33</u>	
		<u>10,020.33</u>
Balance December 31, 2014		<u><u>\$ 4,628.10</u></u>
<u>License Fees Collected</u>		
<u>Year</u>		<u>Amount</u>
2012		\$ 2,326.90
2013		<u>2,301.20</u>
		<u><u>\$ 4,628.10</u></u>

BOROUGH OF PALMYRA
TRUST OTHER FUND
Statement of Due to Current Fund
For the Year Ended December 31, 2014

Balance December 31, 2013		\$ 2,083.35
Increased by:		
Disbursed by Current Fund:		
Business Improvement District Refunds	\$ 45,839.48	
Interest Earnings	<u>36.08</u>	
		<u>45,875.56</u>
Balance December 31, 2014		<u><u>\$ 47,958.91</u></u>
Trust Other Fund		\$ 1.22
Trust Other Fund - Business Improvement District		45,839.48
Professional Escrow		4.51
Performance Trust Fund		1,164.93
Flexible Spending Advance		903.74
Payroll		8.91
Tax Title Lien Redemption		<u>36.12</u>
		<u><u>\$ 47,958.91</u></u>

BOROUGH OF PALMYRA
TRUST OTHER FUND
Statement of Miscellaneous Trust Reserves
For the Year Ended December 31, 2014

	Increased by				Decreased by			
	Balance Dec. 31, 2013	Interest Earnings	Prior Year Encumbrances Reclassified	Other Receipts	Budget Appropriation	Paid or Charged	Due Current Fund	Balance Dec. 31, 2014
Reserve for Payroll Deductions Payable	\$ 22,946.54			\$ 2,690,583.16		\$ 2,709,523.43		\$ 4,006.27
Reserve for Unemployment Compensation Insurance	141,868.26	\$ 13.10		795.92		1,961.89		140,715.39
Reserve for Parking Offenses Adjudication Act	284.00			452.00		495.00		241.00
Reserve for Public Defender	6,250.00		\$ 1,200.00	8,155.00		5,250.00	\$ 2,855.00	7,500.00
Reserve for Developer's Escrow Deposits	43,121.42			16,110.00		16,019.50		43,211.92
Reserve for Developer's Site Improvements	163,523.15			198,210.00		208,857.14		152,876.01
Reserve for Regional Contribution - Delanco	57,625.51	33.94		10,706.50		325.00		68,040.95
Reserve for Regional Contribution - Evesham	255,392.65	106.14	14,995.00	8,981.25		111,003.78		168,471.26
Reserve for Special Law Enforcement	27,299.20	22.64	2,685.00	1,959.24		10,681.95		21,284.13
Reserve for Community Center Deposits	800.00						\$ 45,839.48	800.00
Reserve for Business Improvement District Funds	45,839.48			2,476.87				3,861.43
Reserve for Flexible Spending Account	1,384.56				\$ 30,000.00	87,800.00		93,238.82
Reserve for Compensated Absences	63,238.82			265,500.00				343,000.00
Reserve for Tax Title Lien Premiums	165,300.00			153,880.81		166,021.22		12,051.18
Reserve for Tax Title Lien Redemption	10,525.58		13,666.01					
	<u>\$ 1,005,399.17</u>	<u>\$ 175.82</u>	<u>\$ 32,546.01</u>	<u>\$ 3,357,810.75</u>	<u>\$ 30,000.00</u>	<u>\$ 3,317,938.91</u>	<u>\$ 2,855.00</u>	<u>\$ 1,059,298.36</u>
				Received	\$ 30,000.00			
				Encumbered		\$ 19,994.69		
				Disbursed		3,297,944.22		
					<u>\$ 30,000.00</u>	<u>\$ 3,317,938.91</u>		

BOROUGH OF PALMYRA
TRUST OTHER FUND
Statement of Reserve for Encumbrances
For the Year Ended December 31, 2014

Balance December 31, 2013	\$ 32,546.01
Increased by:	
Charges to Miscellaneous Trust Reserves	<u>19,994.69</u>
	52,540.70
Decreased by:	
Prior Year Encumbrances Reclassified	<u>32,546.01</u>
Balance December 31, 2014	<u><u>\$ 19,994.69</u></u>

Exhibit SB-8

TRUST OTHER FUND
Statement of Due Violent Crime Compensation Board
For the Year Ended December 31, 2014

Balance December 31, 2013	\$ 44,704.00
Increased by:	
Due from Public Defender Trust Fund	<u>2,855.00</u>
Balance December 31, 2014	<u><u>\$ 47,559.00</u></u>

SUPPLEMENTAL EXHIBITS

GENERAL CAPITAL FUND

BOROUGH OF PALMYRA
GENERAL CAPITAL FUND
Statement of General Capital Cash - Treasurer
For the Year Ended December 31, 2014

Balance December 31, 2013		\$ 1,383,551.84
Increased by Receipts:		
Due Current Fund - Interest Earnings	\$ 629.13	
Capital Improvement Fund	50,000.00	
Reserve for Payment of Debt Service:		
Premium Received on Notes Issued	27,086.23	
Bond Anticipation Notes	551,125.00	
Improvement Authorization Reimbursement	<u>3,500.00</u>	
		<u>632,340.36</u>
		2,015,892.20
Decreased by Disbursements:		
Improvement Authorizations		<u>1,309,652.79</u>
Balance December 31, 2014		<u><u>\$ 706,239.41</u></u>

BOROUGH OF PALMYRA
GENERAL CAPITAL FUND
Statement of General Capital Cash and Investments
For the Year Ended December 31, 2014

	Receipts		Disbursements		Transfers		Balance (Deficit) Dec. 31, 2014
	Balance (Deficit) Dec. 31, 2013	Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	From	To	
Fund Balance	\$ 16,732.79				\$ 15,000.00		\$ 1,732.79
Capital Improvement Fund	58,139.16		\$ 50,000.00		30,625.00		77,514.16
Due from Current Fund	389.99		629.13		353,750.00		(352,730.88)
Due from Federal and State Grant Fund					89,267.26		(89,267.26)
Reserve for Payment of Debt Service	37,099.06		27,086.23			\$ 443,017.26	507,202.55
Encumbrances	1,020,920.27				1,020,920.27	249,759.60	249,759.60
Improvement Authorizations:							
Ordinance							
<u>Number</u>							
2006-18	220.00						220.00
2007-08							
Purchase of Land							
Various Improvements:							
Acquisition of Fire Dept. Equipment	203.44						203.44
Renovations to Courtroom	6,830.02						6,830.02
Improvement to Legion Field	18,476.79						18,476.79
2007-10							
2008-10							
Various Improvements:							
Construction of Community Center	446.62						446.62
2008 Road Program	7,687.75						7,687.75
Acquisition of Road Department Equipment	5,535.52			\$ 5,535.52			
Acquisition of Police Department Equipment	819.72			273.01			
2009-27							
Various Improvements:							
Improvements to HVAC System					110.00	110.00	546.71
Acquisition of Police Department Equipment	996.80						996.80
2009 Road Program	3,938.64				2,868.98		3,938.64
Improvements to Municipal Building	23,851.68						18,011.88
2011-17							
2011-18							
Construction of Police Storage Unit	7,221.12			8,080.26	1,470.83	3,711.29	7,221.12
Various Improvements:							
2011 Road Program	(44,000.00)						(44,000.00)
Acquisition of Police Department Equipment	7,523.88			48,050.01	4,954.81	53,004.82	1,763.49
Acquisition of Data Processing Equipment	(50.00)				6,710.39	950.00	784.70
Various Infrastructure and Handicapped Improvements	69,072.12				1,852.99	1,852.99	69,072.12
2012-16							
Various Improvements:							
Acquisition of Four Wheel Drive Vehicle	723.61				52,289.61	51,566.00	
Improvements to Community Center	1,587.95				2,254.19	2,254.19	1,587.95
Improvements to Borough Hall	1,806.53						
2012 Road Program	71,693.08			20,954.45			65,693.08
Wheeled Refuse Containers	5,415.83			41,369.56	2,852.00	38,221.56	4,020.27
2013-07				1,395.56			
2013-21							
Various Capital Improvements:							
Acquisition of New Fire Engine and Related Apparatus	23,517.31	\$ 10,450.00		527,557.69		502,982.69	(1,057.69)
Acquisition of Conductive Energy Devices (Tasers)	550.00	25,650.00					11,000.00
Mobile Communication Equipment	(25,546.90)						103.10
Installation of Pedestrian and Traffic Safety Device:							
Cinnaminson Avenue and East Charles Street	1,500.00						30,000.00
Public Works Equipment	(17,364.94)			26,045.88			(8,639.94)
Installation of Pedestrian and Traffic Safety Improvements:							
Interior and Exterior Improvements to Borough Hall	3,300.00			48,256.52	10,836.53	17,770.88	6,906.95
Construction of Car Port for Police Department	(5,824.00)				8,337.50	14,574.00	43,892.35
Improvements to Legion Field and Ethel Hardy Grounds	5,375.00			53,151.00			7,224.00
2013 Road Program	16,250.00			135,366.38	64,454.80		(33,571.18)
	58,513.00		3,500.00	332,551.59		301,927.00	31,388.41

(Continued)

BOROUGH OF PALMYRA
GENERAL CAPITAL FUND
Statement of General Capital Cash and Investments
For the Year Ended December 31, 2014

	Receipts		Disbursements		Transfers		Balance (Deficit) Dec. 31, 2014
	Balance (Deficit) Dec. 31, 2013	Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	From	To	
Improvement Authorizations (Continued):							
Ordinance							
2014-09							
2014-14							
Acquisition of Property				\$ 13,000.00		\$ 15,000.00	\$ 2,000.00
Various Capital Improvements:							
Police Four-Wheel Drive SUV		\$ 48,925.00		5,222.00	38,759.75	2,575.00	7,518.25
Police Speed Monitor Matrix		20,900.00			18,500.00	1,100.00	3,500.00
Police Fingerprint System		24,700.00			24,363.97	1,300.00	1,636.03
Fire Department Carbon Dioxide Meter		1,900.00		1,223.21		100.00	776.79
Security Cameras				4,400.00		10,000.00	10,000.00
2014 Road Program		24,700.00				8,000.00	3,600.00
Community Center Accordion Wall						1,300.00	26,000.00
Replace/Install Gasoline & Diesel Storage Tanks						6,250.00	6,250.00
	<u>\$ 1,383,551.84</u>	<u>\$ 551,125.00</u>	<u>\$ 81,215.36</u>	<u>\$ 1,309,652.79</u>	<u>\$ 1,759,322.13</u>	<u>\$ 1,759,322.13</u>	<u>\$ 706,239.41</u>

BOROUGH OF PALMYRA
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation -- Funded
For the Year Ended December 31, 2014

Balance December 31, 2013			\$	1,168,351.92
Decreased by:				
2014 Budget Appropriations:				
Green Acres Loan Payable	\$	8,402.25		
Serial Bonds		<u>520,000.00</u>		
				<u>528,402.25</u>
Balance December 31, 2014			\$	<u><u>639,949.67</u></u>

BOROUGH OF PALMYRA
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation -- Unfunded
For the Year Ended December 31, 2014

Ordinance Number	Improvement Description	Increased by		Decreased by		Analysis of Balance Dec. 31, 2014		
		Balance Dec. 31, 2013	2014 Authorizations	Payment of Notes	Balance Dec. 31, 2014	Financed by Bond Anticipation Notes	Expended	Unexpended Improvement Authorizations
2006-18	Purchase of Land	\$ 47,500.00			\$ 47,500.00			\$ 47,500.00
2007-08	Various Improvements:							
	Improvements to Legion Field	318,500.00		\$ 200,000.00	118,500.00	\$ 118,500.00		
	2007 Road Program	285,000.00			285,000.00	285,000.00		
	Construction of New Salt Dome Roof	14,706.19			14,706.19	14,706.19		
	Acquisition of Siren	11,500.00			11,500.00	11,500.00		
	Renovations to Courtroom	19,000.00			19,000.00	19,000.00		
	Acquisition of Siren	7,600.00			7,600.00	7,600.00		
2007-10	Improvement to Legion Field	62,000.00			62,000.00	62,000.00		
2008-10	Various Improvements:							
	Construction of Community Center/Redevelopment	2,936,000.00		265,000.00	2,671,000.00	2,671,000.00		
	Improvements to Legion Field	2,280,000.00			2,280,000.00	2,280,000.00		380.00
	2008 Road Program	403,380.00			403,380.00	403,000.00		
2009-27	Various Improvements:							
	Improvements to HVAC System	702,500.00		25,000.00	677,500.00	677,500.00		
	Acquisition of Police Department Equipment	35,910.00			35,910.00	35,900.00		10.00
	2009 Road Program	280,000.00			280,000.00	280,000.00		
	Improvements to Municipal Building	123,500.00			123,500.00	123,000.00		500.00
2011-17	Construction of Police Storage Unit	53,693.81			53,693.81	53,693.81		
2011-18	Various Improvements:							
	2011 Road Program	175,000.00			175,000.00	131,000.00	\$ 44,000.00	
	Acquisition of Police Department Equipment	45,125.00		10,000.00	35,125.00	35,100.00		25.00
	Acquisition of Data Processing Equipment	18,050.00			18,050.00	18,000.00		50.00
	Various Infrastructure and Handicapped Improvements	5,000.00			5,000.00	5,000.00		
2012-16	Various Improvements:							
	Improvements to Community Center	109,000.00			109,000.00	109,000.00		
	Improvements to Borough Hall	128,000.00			128,000.00	128,000.00		
	2012 Road Program	355,437.00			355,437.00	355,400.00		37.00
	Wheeled Refuse Containers	147,250.00			147,250.00	147,200.00		50.00
2013-07	Various Capital Improvements:							
	Acquisition of New Fire Engine and Related Apparatus	503,500.00			503,500.00	500,000.00	1,057.69	2,442.31
2013-21	Acquisition of Conductive Energy Devices (Tasers)	10,450.00			10,450.00	10,450.00		
	Mobile Communication Equipment	25,650.00			25,650.00	25,650.00		
	Installation of Pedestrian and Traffic Safety Devices	28,500.00			28,500.00	28,500.00		
	Cinnaminson Avenue and East Charles Street	25,650.00			25,650.00	17,000.00	8,639.94	10.06
	Public Works Equipment	62,700.00			62,700.00	62,700.00		
	Installation of Pedestrian and Traffic Safety Improvements	166,250.00			166,250.00	80,700.00		85,550.00
	Interior and Exterior Improvements to Borough Hall	102,125.00			102,125.00	55,000.00		47,125.00
	Construction of Car Port for Police Department	308,750.00			308,750.00	150,000.00	33,571.18	125,178.82
	Improvements to Legion Field and Ethel Hardy Grounds	394,535.00			394,535.00	339,675.00		54,860.00
2013 Road Program								
2014-14	Various Capital Improvements:							
	New Four Wheel Drive SUV for the Police Department	\$ 48,925.00			48,925.00	48,925.00		
	Speed Monitor Matrix for the Police Department	20,900.00			20,900.00	20,900.00		
	Automated Fingerprint System for Police Department	24,700.00			24,700.00	24,700.00		
	Carbon Dioxide Meter for Fire Department	1,900.00			1,900.00	1,900.00		
	Security Cameras for Borough Property	190,000.00			190,000.00	190,000.00		190,000.00
	2014 Road Program	152,000.00			152,000.00	152,000.00		152,000.00
	Installation of Accordion Wall at Community Center	24,700.00			24,700.00	24,700.00		
	Gasoline and Diesel Storage Tanks	118,750.00			118,750.00			118,750.00
		<u>\$ 10,191,762.00</u>	<u>\$ 581,875.00</u>	<u>\$ 500,000.00</u>	<u>\$ 10,273,637.00</u>	<u>\$ 9,361,900.00</u>	<u>\$ 87,268.81</u>	<u>\$ 824,468.19</u>
	Budget Appropriation			<u>\$ 500,000.00</u>				(Continued)

BOROUGH OF PALMYRA
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation -- Unfunded
For the Year Ended December 31, 2014

Ordinance Number	Improvement Description	Increased by		Decreased by		Analysis of Balance Dec. 31, 2014		
		Balance Dec. 31, 2013	2014 Authorizations	Payment of Notes	Balance Dec. 31, 2014	Financed by Bond Anticipation Notes	Expended	Unexpended Improvement Authorizations
Improvement Authorizations -- Unfunded								
Less: Unexpended Proceeds of Bond Anticipation Notes Issued:								
2007-08	Various Improvements:							
	Acquisition of Fire Department Equipment						\$ 203.44	
	Renovations to Courtroom						6,830.02	
2007-10	Improvements to Legion Field						18,476.79	
2008-10	Various Improvements:							
	Construction of Community Center/Redevelopment						446.62	
	2008 Road Program						7,687.75	
2009-27	Various Improvements:							
	Acquisition of Police Department Equipment						996.80	
	2009 Road Program						3,938.64	
	Improvements to Municipal Building						18,011.88	
2011-18	Various Improvements:							
	Acquisition of Police Department Equipment						1,763.49	
	Acquisition of Data Processing Equipment						784.70	
2011-17	Various Infrastructure & Handicapped Improvements						5,000.00	
2012-16	Construction of Police Storage Unit						7,221.12	
	Various Improvements:							
	Improvements to Community Center						1,587.95	
	2012 Road Program						65,693.08	
2013-07	Wheeled Refuse Containers						4,020.27	
2013-21	Various Capital Improvements:							
	Acquisition of Conductive Energy Devices (Tasers)						11,000.00	
	Mobile Communication Equipment						103.10	
	Installation of Pedestrian and Traffic Safety Devices						30,000.00	
	Cinnaminson Avenue and East Charles Street						6,906.95	
	Installation of Pedestrian and Traffic Safety Improvements						43,892.35	
	Interior and Exterior Improvements to Borough Hall						7,224.00	
	Construction of Car Port for Police Department						31,388.41	
2013-21	2013 Road Program							
2014-14	Various Capital Improvements:							
	New Four Wheel Drive SUV for the Police Department						7,518.25	
	Speed Monitor Matrix for the Police Department						3,500.00	
	Automated Fingerprint System for Police Department						1,636.03	
	Carbon Dioxide Meter for Fire Department						776.79	
	Security Cameras for Borough Property						10,000.00	
2014-14	2014 Road Program						3,600.00	
	Installation of Accordion Wall at Community Center						26,000.00	
	Gasoline and Diesel Storage Tanks						6,250.00	
							332,458.43	
							\$	824,468.19

BOROUGH OF PALMYRA
GENERAL CAPITAL FUND
Statement of Reserve for Payment of Debt Service
For the Year Ended December 31, 2014

Balance December 31, 2013		\$ 37,099.06
Increased by:		
Due from Current Fund:		
NJ DOT Grant - Charles Street Improvements	\$ 153,750.00	
NJ DOT Grant - Parry Avenue Improvements	<u>200,000.00</u>	
	353,750.00	
Due from Federal and State Grant Fund:		
Collected in Prior Year - 2011 Road Program	89,267.26	
Premium Received on Notes Issued	<u>27,086.23</u>	
		<u>470,103.49</u>
Balance December 31, 2014		<u><u>\$ 507,202.55</u></u>

BOROUGH OF PALMYRA
GENERAL CAPITAL FUND
Statement of Reserve for Encumbrances
For the Year Ended December 31, 2014

Balance December 31, 2013	\$ 1,020,920.27
Increased by:	
Charges to Improvement Authorizations	<u>249,759.60</u>
	1,270,679.87
Decreased by:	
Prior Year Balance Reappropriated	<u>1,020,920.27</u>
Balance December 31, 2014	<u><u>\$ 249,759.60</u></u>

BOROUGH OF PALMYRA
GENERAL CAPITAL FUND
Statement of Improvement Authorizations
For the Year Ended December 31, 2014

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance Dec. 31, 2013		2014 Authorizations	Prior Year Encumbrances/ Contracts Payable Reclassified	Paid or Charged	Balance Dec. 31, 2014	
				Funded	Unfunded				Funded	Unfunded
General Improvements:										
2006-18	Purchase of Land	08/14/06	\$ 50,000.00	\$ 220.00	\$ 47,500.00				\$ 220.00	\$ 47,500.00
2007-08	Various Improvements:									
	Acquisition of Fire Department Equipment	06/11/07	32,000.00		203.44					203.44
	Renovations to Courtroom	06/11/07	20,000.00		6,830.02					6,830.02
2007-10	Improvements to Legion Field	08/13/07	750,000.00		18,476.79			9,143.25		18,476.79
2008-10	Various Improvements:									
	Construction of Community Center/Redevelopment	06/09/08	4,000,000.00		446.62					446.62
	2008 Road Program	06/09/08	500,000.00		8,067.75					8,067.75
	Acquisition of Road Department Equipment	06/09/08	148,000.00	5,535.52						
	Acquisition of Police Department Equipment	06/09/08	52,400.00	819.72				5,535.52		
	Acquisition of Fire Department Equipment	06/09/08	40,000.00				110.00	273.01	546.71	
2009-27	Various Improvements:									
	Improvements to HVAC System	12/14/09	760,000.00					2,868.98		
	Acquisition of Police Department Equipment	12/14/09	37,800.00		1,006.80					1,006.80
	2009 Road Program	12/14/09	300,000.00		3,938.64					3,938.64
	Improvements to Municipal Building	12/14/09	130,000.00		24,351.68			9,551.09		18,511.88
2011-18	Various Improvements:									
	2011 Road Program	08/08/11	300,000.00					53,004.82		
	Acquisition of Police Department Equipment	08/08/11	47,500.00		7,548.88			6,710.39		1,788.49
	Acquisition of Data Processing Equipment	08/08/11	19,000.00					834.70		834.70
	Various Infrastructure & Handicapped Improvements	08/08/11	600,000.00		64,072.12			1,852.99	64,072.12	5,000.00
2011-17	Construction of Police Storage Unit	08/08/11	53,693.00		7,221.12					7,221.12
2012-16	Various Improvements:									
	Acquisition of Four Wheel Drive Vehicle	06/11/12	131,000.00		723.61			52,289.61		
	Improvements to Community Center	06/11/12	120,000.00		1,587.95			2,254.19		1,587.95
	Improvements to Borough Hall	06/11/12	135,000.00		1,806.53			20,954.45		65,730.08
	2012 Road Program	06/11/12	375,000.00		71,730.08			44,221.56		
	Acquisition of Computer Software	12/03/12	8,500.00							
	Wheeled Refuse Containers	04/01/13	155,000.00		5,465.83			1,395.56		4,070.27
2013-21	Various Capital Improvements:									
	Acquisition of New Fire Engine and Related Apparatus	07/15/13	530,000.00		27,017.31			527,557.69		
	Acquisition of Conductive Energy Devices (Tasers)	07/15/13	11,000.00		11,000.00					2,442.31
	Mobile Communication Equipment	07/15/13	27,000.00		103.10					11,000.00
	Installation of Pedestrian and Traffic Safety Devices									103.10
	Cinnamson Avenue and East Charles Street	07/15/13	30,000.00		30,000.00					30,000.00
	Public Works Equipment	07/15/13	27,000.00		8,285.06			26,045.88		10.06
	Installation of Pedestrian and Traffic Safety Improvements	07/15/13	66,000.00		66,000.00			59,093.05		6,906.95
	Interior and Exterior Improvements to Borough Hall	07/15/13	175,000.00		160,426.00			45,557.65		129,442.35
	Construction of Car Port for Police Department	07/15/13	107,500.00		102,125.00			53,151.00		54,349.00
	Improvements to Legion Field and Ethel Hardy Grounds	07/15/13	325,000.00		325,000.00			199,821.18		125,178.82
	2013 Road Program	07/15/13	415,300.00		113,373.00			329,051.59		86,248.41

(Continued)

BOROUGH OF PALMYRA
GENERAL CAPITAL FUND
Statement of Improvement Authorizations
For the Year Ended December 31, 2014

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance Dec. 31, 2013		2014 Authorizations	Prior Year Encumbrances/ Contracts Payable Reclassified	Paid or Charged	Balance Dec. 31, 2014	
				Funded	Unfunded				Funded	Unfunded
General Improvements (Continued):										
2014-09 Acquisition of Property		07/21/14	\$ 15,000.00			\$ 15,000.00		\$ 13,000.00	\$ 2,000.00	
2014-14 Various Capital Improvements:										
New Four Wheel Drive SUV for the Police Department		09/15/14	51,500.00			51,500.00		43,981.75		\$ 7,518.25
Speed Monitor Matrix for the Police Department		09/15/14	22,000.00			22,000.00		18,500.00		3,500.00
Automated Fingerprint System for Police Department		09/15/14	26,000.00			26,000.00		24,363.97		1,636.03
Carbon Dioxide Meter for Fire Department		09/15/14	2,000.00			2,000.00		1,223.21		776.79
Security Cameras for Borough Property		09/15/14	200,000.00			200,000.00		4,400.00		200,000.00
2014 Road Program		09/15/14	160,000.00			160,000.00				155,600.00
Installation of Accordion Wall at Community Center		09/15/14	26,000.00			26,000.00				26,000.00
Gasoline and Diesel Storage Tanks		09/15/14	125,000.00			125,000.00				125,000.00
				<u>\$ 76,022.36</u>	<u>\$ 1,055,235.21</u>	<u>\$ 627,500.00</u>	<u>\$ 1,020,920.27</u>	<u>\$ 1,555,912.39</u>	<u>\$ 66,838.83</u>	<u>\$ 1,156,926.62</u>
Deferred Charges to Future Taxation Unfunded										
Capital Improvement Fund						\$ 581,875.00				
Fund Balance						30,625.00				
Disbursed						15,000.00		\$ 1,309,652.79		
Encumbrances								249,759.60		
Refunds								(3,500.00)		
						<u>\$ 627,500.00</u>		<u>\$ 1,555,912.39</u>		

BOROUGH OF PALMYRA
GENERAL CAPITAL FUND
Statement of Green Acres Loan Payable
For the Year Ended December 31, 2014

Balance December 31, 2013	\$ 48,351.92
Decreased by:	
Paid by Budget Appropriation	<u>8,402.25</u>
Balance December 31, 2014	<u><u>\$ 39,949.67</u></u>

BOROUGH OF PALMYRA
GENERAL CAPITAL FUND
Statement of Bond Anticipation Notes
For the Year Ended December 31, 2014

<u>Number</u>	<u>Improvement Description</u>	<u>Date of Original Issue</u>	<u>Date of Issue</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Dec. 31, 2013</u>	<u>Increased</u>	<u>Decreased</u>	<u>Dec. 31, 2014</u>
2007-08	Various Improvements	12/20/07	12/10/13	12/09/14	1.25%	\$ 710,000.00	\$ 510,000.00	\$ 710,000.00	\$ 510,000.00
2007-08	Various Improvements	12/20/07	12/08/14	12/07/15	0.09%				
2007-10	Improvement to Legion Field	12/13/11	12/10/13	12/09/14	1.25%	62,000.00	62,000.00	62,000.00	62,000.00
2007-10	Improvement to Legion Field	12/13/11	12/08/14	12/07/15	0.09%				
2008-10	Various Improvements	06/11/09	05/07/13	05/06/14	1.25%	5,619,000.00	5,354,000.00	5,619,000.00	5,354,000.00
2008-10	Various Improvements	06/11/09	05/06/14	05/05/15	1.00%				
2009-27	Various Improvements	06/07/11	05/07/13	05/06/14	1.25%	986,400.00	961,400.00	986,400.00	961,400.00
2009-27	Various Improvements	06/07/11	05/06/14	05/05/15	1.00%				
2009-27	Various Improvements	12/12/12	12/10/13	12/09/14	1.25%	155,000.00	155,000.00	155,000.00	155,000.00
2009-27	Various Improvements	12/12/12	12/08/14	12/07/15	0.09%				
2011-18	Various Improvements	12/13/11	12/10/13	12/09/14	1.25%	154,000.00	154,000.00	154,000.00	154,000.00
2011-18	Various Improvements	12/13/11	12/08/14	12/07/15	0.09%				
2011-18	Various Improvements	05/07/13	05/07/13	05/06/14	1.25%	45,100.00	35,100.00	45,100.00	35,100.00
2011-18	Various Improvements	05/07/13	05/06/14	05/05/15	1.00%				
2012-16	Various Improvements	09/12/12	05/07/13	05/06/14	1.25%	237,000.00	237,000.00	237,000.00	237,000.00
2012-16	Various Improvements	09/12/12	05/06/14	05/05/15	1.00%				
2012-16	Various Improvements	05/07/13	09/11/13	09/09/14	0.90%	355,400.00	355,400.00	355,400.00	355,400.00
2012-16	Various Improvements	05/07/13	09/09/14	09/08/15	1.00%				
2013-07	Various Improvements	05/07/13	05/07/13	05/06/14	1.25%	147,200.00	147,200.00	147,200.00	147,200.00
2013-07	Various Improvements	05/07/13	05/06/14	05/05/15	1.00%				
2013-21	Various Improvements	09/11/13	09/11/13	09/09/14	0.90%	839,675.00	839,675.00	839,675.00	839,675.00
2013-21	Various Improvements	09/11/13	09/09/14	09/08/15	1.00%				
2013-21	Various Improvements	05/06/14	05/06/14	05/05/15	1.00%	430,000.00	430,000.00	430,000.00	430,000.00
2014-14	Various Improvements	12/08/14	12/08/14	12/07/15	0.90%		121,125.00		121,125.00
						<u>\$ 9,310,775.00</u>	<u>\$ 9,361,900.00</u>	<u>\$ 9,310,775.00</u>	<u>\$ 9,361,900.00</u>
						<u>\$ 8,810,775.00</u>	<u>\$ 8,810,775.00</u>	<u>\$ 8,810,775.00</u>	<u>\$ 8,810,775.00</u>
							551,125.00	500,000.00	
						<u>\$ 9,361,900.00</u>	<u>\$ 9,361,900.00</u>	<u>\$ 9,310,775.00</u>	<u>\$ 9,310,775.00</u>

Renewed
Issued for Cash
Paid by Budget Appropriation

BOROUGH OF PALMYRA**GENERAL CAPITAL FUND**

Statement of General Serial Bonds

For the Year Ended December 31, 2014

<u>Purpose</u>	<u>Date of Original Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds Outstanding Dec. 31, 2014 Date</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2013</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2014</u>
General Bonds 2003	12/01/03	\$ 4,007,700.00		5.000%	\$ 420,000.00	\$ 420,000.00	
General Bonds 2005	12/01/05	1,474,000.00	12/01/15-17 12/01/18-20	4.125% 4.200%	700,000.00	100,000.00	\$ 600,000.00
					<u>\$ 1,120,000.00</u>	<u>\$ 520,000.00</u>	<u>\$ 600,000.00</u>

BOROUGH OF PALMYRA
GENERAL CAPITAL FUND
Statement of Capital Improvement Fund
For the Year Ended December 31, 2014

Balance December 31, 2013	\$ 58,139.16
Increased by:	
Current Fund Budget Appropriation	<u>50,000.00</u>
	108,139.16
Decreased by:	
Improvement Authorizations	<u>30,625.00</u>
Balance December 31, 2014	<u><u>\$ 77,514.16</u></u>

BOROUGH OF PALMYRA
GENERAL CAPITAL FUND
Statement of Bonds and Notes Authorized But Not Issued
For the Year Ended December 31, 2014

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Increased by</u>		<u>Decreased by</u>	
		<u>Balance Dec. 31, 2013</u>	<u>2014 Authorizations</u>	<u>Notes Issued</u>	<u>Balance Dec. 31, 2014</u>
2006-18	Purchase of Land	\$ 47,500.00			\$ 47,500.00
2008-10	2008 Road Program	380.00			380.00
2009-27	Various Improvements:				
	Acquisition of Police Department Equipment	10.00			10.00
	Improvements to Municipal Building	500.00			500.00
2011-18	Various Improvements:				
	2011 Road Program	44,000.00			44,000.00
	Acquisition of Police Department Equipment	25.00			25.00
	Acquisition of Data Processing Equipment	50.00			50.00
2012-16	2012 Road Program	37.00			37.00
2013-07	Wheeled Refuse Containers	50.00			50.00
2013-21	Various Capital Improvements:				
	Acquisition of New Fire Engine and Related Apparatus	3,500.00			3,500.00
	Acquisition of Conductive Energy Devices (Tasers)	10,450.00		\$ 10,450.00	
	Mobile Communication Equipment	25,650.00		25,650.00	
	Installation of Pedestrian and Traffic Safety Devices				
	Cinnaminson Avenue and East Charles Street	28,500.00		28,500.00	
	Public Works Equipment	25,650.00		17,000.00	8,650.00
	Installation of Pedestrian and Traffic Safety Improvements	62,700.00		62,700.00	
	Interior and Exterior Improvements to Borough Hall	166,250.00		80,700.00	85,550.00
	Construction of Car Port for Police Department	102,125.00		55,000.00	47,125.00
	Improvements to Legion Field and Ethel Hardy Grounds	308,750.00		150,000.00	158,750.00
2014-14	2013 Road Program	54,860.00			54,860.00
	Various Capital Improvements:				
	New Four Wheel Drive SUV for the Police Department		\$ 48,925.00	48,925.00	
	Speed Monitor Matrix for the Police Department		20,900.00	20,900.00	
	Automated Fingerprint System for Police Department		24,700.00	24,700.00	
	Carbon Dioxide Meter for Fire Department		1,900.00	1,900.00	
	Security Cameras for Borough Property		190,000.00		190,000.00
	2014 Road Program		152,000.00		152,000.00
	Installation of Accordion Wall at Community Center		24,700.00	24,700.00	
	Gasoline and Diesel Storage Tanks		118,750.00		118,750.00
		<u>\$ 880,987.00</u>	<u>\$ 581,875.00</u>	<u>\$ 551,125.00</u>	<u>\$ 911,737.00</u>

SUPPLEMENTAL EXHIBITS

SEWER UTILITY FUND

BOROUGH OF PALMYRA
SEWER UTILITY FUND
Statement of Sewer Utility Cash -- Treasurer
For the Year Ended December 31, 2014

	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2013	\$ 1,138,086.31	\$ 455,911.00
Increased by Receipts:		
Rents Receivable	\$ 1,487,167.80	
Prepaid Sewer Service Charges	472.23	
Miscellaneous Revenue	16,852.02	
Due Sewer Utility Operating Fund		\$ 235.63
Due from New Jersey Infrastructure Loan		1,776,572.00
Bond Anticipation Notes	1,504,492.05	356,350.00
	<u>2,642,578.36</u>	<u>2,133,157.63</u>
Decreased by Disbursements:		
2014 Budget Appropriations	1,271,226.82	
2013 Appropriation Reserves	98,707.16	
Accrued Interest on Loans and Notes	53,296.84	
Refund of Prior Year Revenue	250.00	
Due from Sewer Utility Operating Fund:		
Payment of Bond Anticipation Notes		6,350.00
Improvement Authorizations	1,423,480.82	1,843,082.46
	<u>1,423,480.82</u>	<u>1,849,432.46</u>
Balance December 31, 2014	<u>\$ 1,219,097.54</u>	<u>\$ 739,636.17</u>

BOROUGH OF PALMYRA
SEWER UTILITY CAPITAL FUND
Analysis of Sewer Capital Cash and Investments
For the Year Ended December 31, 2014

	Receipts			Disbursements			Balance (Deficit) Dec. 31, 2014
	Balance (Deficit) Dec. 31, 2013	Bond Anticipation Notes	Miscellaneous	Miscellaneous	Improvement Authorizations	Transfers From To	
Capital Fund Balance	\$ 43,526.39						\$ 43,526.39
Capital Improvement Fund	30,000.00						30,000.00
Due Sewer Utility Operating	141.12		\$ 235.63	\$ 6,350.00			(5,973.25)
Due from New Jersey Infrastructure Loan			1,776,572.00		\$3,526,750.00		(1,750,178.00)
Encumbrances	157,793.75				157,793.75	\$2,192,463.90	2,192,463.90
Improvement Authorizations:							
Ordinance							
Number							
2007-07	19,979.74						19,979.74
2012-15			\$ 1,414.00		10,849.75	12,263.75	
2013-22					148,001.28	145,530.00	201,998.72
2014-01					1,693,667.18	3,526,750.00	7,818.67
		\$ 356,350.00					
	\$ 455,911.00	\$ 356,350.00	\$ 1,776,807.63	\$ 6,350.00	\$ 1,843,082.46	\$ 5,877,007.65	\$ 739,636.17

BOROUGH OF PALMYRA
SEWER UTILITY OPERATING FUND
Statement of Sewer Service Charges Receivable
For the Year Ended December 31, 2014

Balance December 31, 2013		\$ 148,788.38
Increased by:		
2014 Sewer Charges		<u>1,504,165.15</u>
		1,652,953.53
Decreased by:		
Receipts	\$ 1,487,167.80	
Overpayments Created	(2,879.45)	
Overpayments Applied	1,516.45	
Prior Year Prepaid Sewer Rents Applied	<u>1,229.85</u>	
	1,487,034.65	
Cancelled	1,625.19	
Transfer to Liens	<u>1,300.00</u>	
		<u>1,489,959.84</u>
Balance December 31, 2014		<u><u>\$ 162,993.69</u></u>

Exhibit SD-4

SEWER UTILITY OPERATING FUND
Statement of Sewer Service Charge Liens Receivable
For the Year Ended December 31, 2014

Balance December 31, 2013		\$ 5,648.10
Increased by:		
Transferred from Rents Receivable	\$ 1,300.00	
Added - Assigned by 3rd Party Lienholder	<u>7,438.61</u>	
		<u>8,738.61</u>
Balance December 31, 2014		<u><u>\$ 14,386.71</u></u>

BOROUGH OF PALMYRA
SEWER UTILITY OPERATING FUND
Statement of Overpaid Sewer Service Charges
For the Year Ended December 31, 2014

Balance December 31, 2013	\$ 1,516.45
Increased by:	
Overpayments Created	<u>2,879.45</u>
	4,395.90
Decreased by:	
Applied to Sewer Service Charges	<u>1,516.45</u>
Balance December 31, 2014	<u><u>\$ 2,879.45</u></u>

BOROUGH OF PALMYRA
SEWER UTILITY CAPITAL FUND
 Schedule of Fixed Capital
 For the Year Ended December 31, 2014

<u>Description</u>	Balance <u>Dec. 31, 2013 & 2014</u>
Pumping Station & Structures	\$ 6,148,552.41
Garage	234,650.00
Equalization Tanks	46,350.00
Chlorinator	5,350.00
Filter System	35,000.00
Pick Up Truck & Dump Truck	63,077.00
Sewer Rodder	<u>12,966.00</u>
	<u><u>\$ 6,545,945.41</u></u>

BOROUGH OF PALMYRA
SEWER UTILITY CAPITAL FUND
Statement of Fixed Capital Authorized and Uncompleted
For the Year Ended December 31, 2014

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Ordinance Date</u>	<u>Amount</u>	<u>Balance Dec. 31, 2013</u>	<u>Increased by 2014 Authorization</u>	<u>Balance Dec. 31, 2014</u>
2007-07	Improvements to Sewer System	06/11/07	\$ 500,000.00	\$ 500,000.00		\$ 500,000.00
2012-15	Acquisition of Equipment	06/11/12	300,000.00	300,000.00		300,000.00
2013-22	Improvements to Sewer System and Acquisition of Equipment	07/15/13	350,000.00	350,000.00		350,000.00
2014-01	Improvements to Sewer System and Acquisition of Equipment	01/21/14	4,529,000.00		\$ 4,529,000.00	4,529,000.00
				<u>\$ 1,150,000.00</u>	<u>\$ 4,529,000.00</u>	<u>\$ 5,679,000.00</u>

BOROUGH OF PALMYRA
SEWER UTILITY OPERATING FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2014

	<u>Balance Dec. 31, 2013</u>		<u>Balance</u>		<u>Lapsed</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>After</u>	<u>Disbursed</u>	<u>to Fund</u>
			<u>Transfers</u>		<u>Balance</u>
Operations:					
Salaries and Wages		\$ 84,262.20	\$ 84,262.20		\$ 84,262.20
Other Expenses	\$ 68,154.19	180,246.70	248,400.89	\$ 98,707.16	149,693.73
Statutory Expenditures:					
Social Security System		7,480.79	7,480.79		7,480.79
	<u>\$ 68,154.19</u>	<u>\$ 271,989.69</u>	<u>\$ 340,143.88</u>	<u>\$ 98,707.16</u>	<u>\$ 241,436.72</u>

BOROUGH OF PALMYRA
SEWER UTILITY OPERATING FUND
Statement of Accrued Interest on Loans and Notes
For the Year Ended December 31, 2014

Balance December 31, 2013					\$ 6,475.89
Increased by:					
Charged to Budget Appropriation:					
Interest on Bonds			\$ 56,990.14		
Interest on Notes			<u>9,177.75</u>		
					<u>66,167.89</u>
					72,643.78
Decreased by:					
Interest Paid:					
Interest on Bonds			43,913.06		
Interest on Notes			<u>9,383.78</u>		
					<u>53,296.84</u>
Balance December 31, 2014					<u><u>\$ 19,346.94</u></u>

Analysis of Accrued Interest December 31, 2014

	Principal Outstanding <u>Dec. 31, 2014</u>	Interest Rate	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
Serial Bond						
\$ 720,000.00	4.125%	12/01/14	12/31/14	1 month	<u>\$ 2,497.50</u>	
Bond Anticipation Notes:						
\$ 200,000.00	0.90%	12/08/14	12/31/14	23 Days	113.42	
300,000.00	1.00%	05/06/14	12/31/14	239 Days	1,964.38	
350,000.00	1.00%	09/09/14	12/31/14	113 Days	1,083.56	
350,000.00	0.90%	12/08/14	12/31/14	23 Days	<u>198.49</u>	
					<u>3,359.86</u>	
Loans:						
865,000.00	Various	08/01/14	12/01/14	5 months	<u>13,489.58</u>	
					<u>\$ 19,346.95</u>	

BOROUGH OF PALMYRA
SEWER UTILITY CAPITAL FUND
Statement of Improvement Authorizations
For the Year Ended December 31, 2014

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance Dec. 31, 2013		2014 Authorizations	Prior Year Encumbrances Reclassified	Paid or Charged	Balance Dec. 31, 2014	
				Funded	Unfunded				Funded	Unfunded
2007-07	Improvements to Sewer System	06/11/07	\$ 500,000.00		\$ 19,979.74		\$ 12,263.75	\$ 12,263.75		\$ 19,979.74
2012-15	Acquisition of Equipment	06/11/12	300,000.00							
2013-22	Improvements to Sewer System and Acquisition of Equipment	07/15/13	350,000.00		204,470.00		145,530.00	148,001.28		201,998.72
2014-01	Improvements to Sewer System and Acquisition of Equipment	01/21/14	4,529,000.00			\$ 4,529,000.00		3,875,281.33		653,718.67
				\$ -	\$ 224,449.74	\$ 4,529,000.00	\$ 157,793.75	\$ 4,035,546.36	\$ -	\$ 875,697.13
	Disbursed							\$ 1,843,082.46		
	Encumbrances							2,192,463.90		
								<u>\$ 4,035,546.36</u>		

BOROUGH OF PALMYRA
SEWER UTILITY CAPITAL FUND
Statement of Reserve for Amortization
For the Year Ended December 31, 2014

Balance December 31, 2013			\$ 5,705,945.41
Increased by:			
Sewer Bonds Paid by Budget Appropriation	\$	120,000.00	
Loans Paid by Budget Appropriation		90,228.81	
Bond Anticipation Notes Paid by Budget Appropriation		<u>6,350.00</u>	
			<u>216,578.81</u>
Balance December 31, 2014			<u><u>\$ 5,922,524.22</u></u>

BOROUGH OF PALMYRA
SEWER UTILITY CAPITAL FUND
Schedule of Deferred Reserve for Amortization
For the Year Ended December 31, 2014

Ordinance <u>Number</u>	<u>Improvement Description</u>	Ordinance <u>Date</u>	Balance <u>Dec. 31, 2013 & 2014</u>
2007-07	Improvements to Sewer System	12/11/06	<u>\$ 300,000.00</u>

BOROUGH OF PALMYRA
SEWER UTILITY CAPITAL FUND
Statement of Bond Anticipation Notes
For the Year Ended December 31, 2014

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Original Issue</u>	<u>Date of Issue</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2013</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Balance Dec. 31, 2014</u>
2007-07	Improvements to Sewer System	12/20/07	12/10/13	12/09/14	1.25%	\$ 200,000.00			
2007-07	Improvements to Sewer System	12/20/07	12/08/14	12/07/15	0.90%	\$ 200,000.00	\$ 193,650.00	\$ 200,000.00	\$ 193,650.00
2012-15	Acquisition of Equipment	09/12/12	05/07/13	05/06/14	1.25%	300,000.00			
2012-15	Acquisition of Equipment	09/12/12	05/06/14	05/05/15	1.00%	300,000.00	300,000.00	300,000.00	300,000.00
2013-22	Improvements to and Acquisition of Equipment	09/11/13	09/11/13	05/06/14	0.90%	350,000.00			
2013-22	Improvements to and Acquisition of Equipment	09/11/13	09/09/14	09/08/15	1.00%	350,000.00	350,000.00	350,000.00	350,000.00
2014-01	Improvements to and Acquisition of Equipment	12/08/14	12/08/14	12/07/15	0.90%		356,350.00		356,350.00
						<u>\$ 850,000.00</u>	<u>\$ 1,200,000.00</u>	<u>\$ 850,000.00</u>	<u>\$ 1,200,000.00</u>
	Renewed								
	Paid by Budget Appropriation						\$ 843,650.00	\$ 843,650.00	
	Issued for Cash						356,350.00	6,350.00	
							<u>\$ 1,200,000.00</u>	<u>\$ 850,000.00</u>	<u>\$ 850,000.00</u>

BOROUGH OF PALMYRA
SEWER UTILITY CAPITAL FUND
Statement of Due from New Jersey Infrastructure Loan
For the Year Ended December 31, 2014

Increased by:	
Loan Agreements	\$ 3,526,750.00
Decreased by:	
Receipts	<u>1,776,572.00</u>
Balance December 31, 2014	<u><u>\$ 1,750,178.00</u></u>

BOROUGH OF PALMYRA
SEWER UTILITY CAPITAL FUND
Statement of General Serial Bonds
For the Year Ended December 31, 2014

<u>Purpose</u>	<u>Date of Original Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2013</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2014</u>
			<u>Date</u>	<u>Outstanding Dec. 31, 2014</u> <u>Amount</u>				
Sewer Bonds 2005	12/01/05	\$ 1,615,000.00	12/01/15-17	\$ 120,000.00	4.125%			
			12/01/18-20	120,000.00	4.200%	\$ 840,000.00	\$ 120,000.00	\$ 720,000.00

BOROUGH OF PALMYRA
SEWER UTILITY CAPITAL FUND
Statement of Loans Payable
For the Year Ended December 31, 2014

<u>Purpose</u>	<u>Date of Original Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds Outstanding Dec. 31, 2014</u>	<u>Interest Rate</u>	<u>Issued</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2014</u>
			<u>Date</u> <u>Amount</u>				
N.J. Environmental Infrastructure Loan	05/21/14	\$ 865,000.00	08/01/15-16	3.000%			
			08/01/17	5.000%			
			08/01/18-19	5.000%			
			08/01/20-22	5.000%			
			08/01/23-24	5.000%			
			08/01/25-27	3.000%			
			08/01/28-30	3.000%			
			08/01/31	3.000%			
			08/01/32	3.125%			
			08/01/33	3.250%			
					\$ 865,000.00	\$	865,000.00
N.J. Environmental Infrastructure Loan	05/21/14	2,661,750.00	(1)	NIL	2,661,750.00	\$ 90,228.81	2,571,521.19
					<u>\$ 3,526,750.00</u>	<u>\$ 90,228.81</u>	<u>\$ 3,436,521.19</u>

99 (1) Semiannual Principal Payments due February 1 and August 1.

BOROUGH OF PALMYRA
SEWER UTILITY CAPITAL FUND
 Statement of Sewer Bonds and Notes Authorized But Not Issued
 For the Year Ended December 31, 2014

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Increased by</u>		<u>Decreased by</u>		<u>Balance Dec. 31, 2014</u>
		<u>2014</u>	<u>Authorizations</u>	<u>Notes Issued</u>	<u>Loans Issued</u>	
2014-01	Improvements to Sewer System and Acquisition of Equipment	\$	<u>4,529,000.00</u>	\$	<u>356,350.00</u>	\$
				\$	<u>3,526,750.00</u>	\$
						<u>645,900.00</u>

BOROUGH OF PALMYRA
PART 2
SINGLE AUDIT
FOR THE YEAR ENDED DECEMBER 31, 2014

REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133 AND STATE OF NEW JERSEY CIRCULAR 15-08-OMB

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Council
Borough of Palmyra
Palmyra, New Jersey 08065

Report on Compliance for Major State Program

We have audited the Borough of Palmyra's, in the County of Burlington, State of New Jersey, compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement and the New Jersey State Grant Compliance Supplement that could have a direct and material effect on the Borough's major state program for the year ended December 31, 2014. The Borough's major state program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Borough's major state program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations; and State of New Jersey Circular 15-08-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards, OMB Circular A-133 and State of New Jersey Circular 15-08-OMB require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the Borough's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major state program. However, our audit does not provide a legal determination of the Borough's compliance.

Opinion on Major State Program

In our opinion, the Borough of Palmyra complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major state program for year ended December 31, 2014.

Report on Internal Control Over Compliance

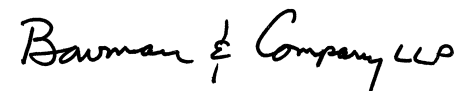
Management of Borough of Palmyra is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Borough's internal control over compliance with the types of requirements that could have a direct and material effect the major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and State of New Jersey Circular 15-08-OMB, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Borough of Palmyra's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and State of New Jersey Circular 15-08-OMB. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Robert P. Nehila, Jr.
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
April 23, 2015

13650

BOROUGH OF PALMYRASchedule of Expenditures of State Financial Assistance
For the Year Ended December 31, 2014

State Grantor/ Program Title	State GMIS Number	Program or Award Amount	Matching Contribution	Grant Period From To	
<u>N.J. Department of Environmental Protection</u>					
Clean Communities Program	765-042-4900-004	\$ 13,609.04	N/A	01/01/13	12/31/14
Clean Communities Program	765-042-4900-004	Various	N/A		Unknown
Hazardous Discharge Site Remediation Grant	516-042-4815-003	Various	N/A		Unknown
New Jersey Environmental Infrastructure Trust Program	042-4860-510-009 / S340030-04	3,526,750.00	N/A		Project Completion
Recycling Tonnage Grant	752-042-4900-001	Various	N/A		Unknown
<u>N.J. Department of Treasury</u>					
Passed Through the County of Burlington:					
Municipal Drug Alliance Program	100-082-2000-004	Various	Unknown		Unknown
<u>N.J. Department of Health and Senior Services</u>					
Alcohol Education and Rehabilitation	760-098-9735-001	1,654.24	N/A	01/01/13	12/31/14
Alcohol Education and Rehabilitation	760-098-9735-001	Various	N/A		Unknown
<u>N.J. Department of Law and Public Safety</u>					
Tactical Body Armor Grant	718-066-1020-001	Various	N/A		Unknown
Drunk Driving Enforcement Grant	100-066-6400-xxx	3,364.30	N/A	01/01/13	12/31/14
Drunk Driving Enforcement Grant	100-066-6400-xxx	Various	N/A		Unknown
Juvenile Justice Commission Grant	Unknown	Various	N/A		Unknown
<u>Other Grants</u>					
Burlington County Park Improvement Grant	Unknown	Various	N/A		Unknown
Exercise Program Improvement Grant	Unknown	Various	N/A		Unknown
Centers of Place	Unknown	Various	N/A		Unknown
Clean Shores	Unknown	Various	N/A		Unknown
DVRPC - Traffic Calming Grant	Unknown	Various	N/A		Unknown

Total State Financial AssistanceFederal and State Grant Fund
Sewer Utility Capital Fund

Adjustments represent cancelled grants and prior year encumbrances reclassified.

The accompanying Notes to the Financial Statements and the Schedule of Expenditures of State Financial Assistance are an integral part of this schedule.

<u>Balance Dec. 31, 2013</u>	<u>Receipts or Revenue Recognized</u>	<u>Expenditures</u>	<u>Adjustments</u>	<u>Balance Dec. 31, 2014</u>	<u>Memo Cash Receipts</u>	<u>Cumulative Expenditures</u>
\$ 10,050.93	\$ 13,609.04	\$ 5,230.52		\$ 8,378.52	\$ 13,609.04	
130,128.37		10,792.93	\$ 742.00	126,120.87		\$ 10,792.93
		4,007.50				4,007.50
24,500.82	1,776,572.00	1,776,572.00		11,153.72	1,776,572.00	1,776,572.00
		13,347.10				13,347.10
164,680.12	1,790,181.04	1,809,950.05	742.00	145,653.11	1,790,181.04	1,804,719.53
19,879.73	-	30.99	30.99	19,879.73	-	30.99
	1,654.24			1,654.24	1,654.24	
7,690.34		80.00		7,610.34		80.00
7,690.34	1,654.24	80.00	-	9,264.58	1,654.24	-
4,662.28		785.96		3,876.32		785.96
	3,346.30			3,346.30		
4,416.71		3,263.79	155.00	1,307.92		3,263.79
9,900.00				9,900.00		
18,978.99	3,346.30	4,049.75	155.00	18,430.54	-	4,049.75
2,516.50				2,516.50		
2,608.80		556.44		2,052.36		556.44
24,825.00				24,825.00		
10,446.75				10,446.75		
32,000.00				32,000.00		
72,397.05	-	556.44	-	71,840.61	-	556.44
\$ 283,626.23	\$ 1,795,181.58	\$ 1,814,667.23	\$ 927.99	\$ 265,068.57	\$ 1,791,835.28	\$ 1,809,356.71
\$ 283,626.23	\$ 18,609.58	\$ 38,095.23	\$ 927.99	\$ 265,068.57	\$ 15,263.28	\$ 32,784.71
	1,776,572.00	1,776,572.00			1,776,572.00	1,776,572.00
\$ 283,626.23	\$ 1,795,181.58	\$ 1,814,667.23	\$ 927.99	\$ 265,068.57	\$ 1,791,835.28	\$ 1,809,356.71

BOROUGH OF PALMYRA
Notes to Schedule of Expenditures of State Financial Assistance
For the Year Ended December 31, 2014

Note 1: **GENERAL**

The accompanying schedule of expenditures of state financial assistance presents the activity of all state financial assistance programs of the Borough of Palmyra, County of Burlington, State of New Jersey. The Borough is defined in the Notes to the Financial Statements, Note 1.

Note 2: **BASIS OF ACCOUNTING**

The accompanying schedule of expenditures of state financial assistance is presented using the modified accrual basis of accounting as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services, which is described in the Notes to the Financial Statements, Note 1.

Note 3: **RELATIONSHIP TO FINANCIAL STATEMENTS**

Amounts reported in the accompanying schedule agree with amounts reported in the Borough's financial statements. Expenditures from awards are reported in the Borough's financial statements as follows:

<u>Fund</u>	<u>State</u>
Federal and State Grant Fund	\$38,095.23
Sewer Utility Capital Fund	<u>1,776,572.00</u>
	<u>\$1,814,667.23</u>

Note 4: **MAJOR PROGRAMS**

Major programs are identified in the Summary of Auditor's Results section of the Schedule of Findings and Questioned Costs.

BOROUGH OF PALMYRA

PART 3

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED DECEMBER 31, 2014

BOROUGH OF PALMYRA
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2014

Section 1- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	<u>Unmodified</u>
Internal control over financial reporting:	
Material weakness(es) identified?	_____ yes <u>X</u> no
Significant deficiency(ies) identified?	_____ yes <u>X</u> none reported
Noncompliance material to financial statements noted?	_____ yes <u>X</u> no

Federal Awards - (This Section Not Applicable)

Internal control over major programs:	
Material weakness(es) identified?	_____ yes _____ no
Significant deficiency(ies) identified?	_____ yes _____ none reported
Type of auditor's report issued on compliance for major programs	_____
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133?	_____ yes _____ no

Identification of major programs:

CFDA Number(s)

Name of Federal Program or Cluster

Dollar threshold used to determine Type A programs	\$ _____
Auditee qualified as low-risk auditee?	_____ yes _____ no

BOROUGH OF PALMYRA
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2014

Section 1- Summary of Auditor's Results (Cont'd)

State Financial Assistance

Internal control over major programs:

Material weakness(es) identified? _____ yes X no

Significant deficiency(ies) identified? _____ yes X none reported

Type of auditor's report issued on compliance for major programs

Unmodified

Any audit findings disclosed that are required to be reported in
accordance with Section 510(a) of OMB Circular A-133 or
New Jersey Circular 15-08-OMB?

_____ yes X no

Identification of major programs:

GMIS Number(s)

Name of State Program

042-4860-510-009

New Jersey Environmental Infrastructure Grant - S340030-04

Dollar threshold used to determine Type A programs

\$300,000

Auditee qualified as low-risk auditee?

_____ yes X no

BOROUGH OF PALMYRA
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2014

Section 2- Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Government Auditing Standards and with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

No Current Year Findings

BOROUGH OF PALMYRA
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2014

Section 3- Schedule of Federal Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major Federal programs, as required by OMB Circular A-133.

This Section Not Applicable

BOROUGH OF PALMYRA
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2014

Section 4- Schedule of State Financial Assistance Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major State programs, as required by OMB Circular A-133 and State of New Jersey Circular 15-08-OMB.

No Current Year Findings

BOROUGH OF PALMYRA
Summary Schedule of Prior Year Audit Findings
And Questioned Costs as Prepared by Management

This section identifies the status of prior year findings related to the financial statements and Federal Awards and State Financial Assistance that are required to be reported in accordance with Government Auditing Standards, OMB Circular A-133 and State of New Jersey Circular 15-08-OMB.

FINANCIAL STATEMENT FINDINGS

No Prior Year Findings

FEDERAL AWARDS

This Section Not Applicable

STATE FINANCIAL ASSISTANCE PROGRAMS

This Section Not Applicable

BOROUGH OF PALMYRA
Officials in Office and Surety Bonds

The following officials were in office during the period under audit:

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>
Karen A. Scheffler	Mayor	
Carol Riener	President of Council	
Michelle Arnold	Councilor	
Robert Bostock	Councilor	
Michele Dobbs	Councilor	
Howard Norcross	Councilor	
Adam Nowicki	Councilor	
John Gural, Jr.	Borough Administrator	
Barbara A. Sheipe	Borough Clerk, Dog License Clerk, Registrar of Vital Statistics	(A)
Donna Condo	Chief Financial Officer (Appointed as QPA 6/2/14)	(A)
Kareemah Press	Payroll/Finance Clerk	(A)
Tanyika L. Johns	Tax Collector	(A)
Mindie Weiner	Deputy Tax Collector	(A)
Marie Nagle	Deputy Municipal Clerk, Deputy Registrar of Vital Statistics	(A)
Rita Jackson	Tax Clerk, Sewer Rent Clerk	(A)
Corey Ahart	Municipal Court Judge	(A)
Tracy McGill	Court Administrator	(A)
Donna Browne	Deputy Court Administrator	(A)
Tracy Kilmer	Construction Code Official, Zoning Officer, Fire Official and Inspector	(A)
Glenn McMahon	Assessor	
Environmental Resolutions, Inc.	Engineer	
Ted Rosenberg, Esq.	Solicitor	

(A) Public Employees Honesty Blanket Bond with Burlington County Municipal Joint Insurance Fund and Municipal Excess Liability Fund of \$1,000,000.00

APPRECIATION

I express my appreciation for the assistance and courtesies rendered by the Borough officials during the course of the audit.

Respectfully submitted,

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

A handwritten signature in black ink, appearing to read "R.P. 3" or "R.P. Jr.", written in a cursive style.

Robert P. Nehila, Jr.
Certified Public Accountant
Registered Municipal Accountant

