

**BOROUGH OF PALMYRA  
COUNTY OF BURLINGTON**

**REPORT OF AUDIT  
FOR THE YEAR ENDED  
DECEMBER 31, 2022**



**BOROUGH OF PALMYRA**  
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**BOROUGH OF PALMYRA**  
**PART I**  
**REPORT OF AUDIT OF FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

## **INDEPENDENT AUDITOR'S REPORT**

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

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

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, 2022 and 2021, 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 asset group of accounts - regulatory basis for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements as listed in the table of contents.

#### ***Unmodified Opinions on Regulatory Basis of Accounting***

In our opinion, the accompanying financial statements referred to above 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, 2022 and 2021, 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 and expenditures - regulatory basis of the various funds, and general fixed asset group of accounts - regulatory basis, for the year ended December 31, 2022, 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.

#### ***Adverse Opinion on Accounting Principles Generally Accepted in the United States of America***

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America* section of our report, the accompanying financial statements referred to above do not present fairly the financial position of the Borough of Palmyra, in the County of Burlington, State of New Jersey, as of December 31, 2022 and 2021, or the results of its operations and changes in fund balance for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions on Regulatory Basis of Accounting***

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

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

As described in note 1 to 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 and pervasive.

***Emphasis of Matter***

***Change in Accounting Principle***

As discussed in note 1 to the financial statements, during the year ended December 31, 2022, the Borough adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. The adoption of this new accounting principle resulted in material note disclosure. As a result of the regulatory basis of accounting, described in the previous paragraph, the implementation of this Statement only required financial statement disclosures. Our opinions are not modified with respect to this matter.

***Consistency of Financial Statements***

Because of the implementation of GASB Statement No. 87, the Borough has determined that lease agreements in which they are the lessor are now disclosed in accordance with the Statement (note 7).

***Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Borough's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

***Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)***

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Borough's ability to continue as a going concern for a reasonable period of time.

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

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough's basic financial statements. The accompanying supplemental statements and schedules presented for the various funds, as listed in the table of contents, 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.

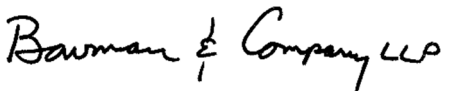
Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements 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 accompanying supplemental statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.



**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2023 on our consideration of the Borough of Palmyra's 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 solely 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 the effectiveness of the Borough of Palmyra's 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 and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



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

Voorhees, New Jersey  
June 19, 2023

**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 statement 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, 2022, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements, and have issued our report thereon dated June 19, 2023. 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. Our report on the financial statements included an emphasis of matter paragraph describing the adoption of a new accounting principle and an additional paragraph on the consistency of financial statements resulting from the new accounting principle.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Borough's internal control over financial reporting (internal control) as a basis for designing 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 the Borough'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 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 or significant deficiencies may exist that were not identified.

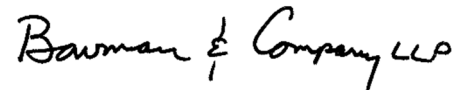
**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Borough'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 financial statements. 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 entity'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 entity'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  
June 19, 2023

**BOROUGH OF PALMYRA**  
**CURRENT FUND**  
**Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis**  
**As of December 31, 2022 and 2021**

	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
<b>ASSETS:</b>			
Regular Fund:			
Cash	SA-1	\$ 4,109,075.46	\$ 7,649,136.20
Cash - Change Fund	SA-2	425.00	425.00
Investment in Bond Anticipation Notes:			
General Capital Fund	SA-1	3,190,000.00	
Sewer Utility Capital Fund	SA-1	608,700.00	
		<u>7,908,200.46</u>	<u>7,649,561.20</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	SA-4	407,102.06	373,460.85
Tax Title Lien Receivable	SA-5	82,065.31	68,380.70
Property Acquired for Taxes - Assessed Valuation	A	300,550.00	300,550.00
Revenue Accounts Receivable	SA-6	4,100.84	2,845.47
Due from Federal and State Grant Fund	A	38,218.04	38,218.04
Due from Animal Control Trust Fund	SB-3		7,154.11
Due from Trust Other - Other Trust Funds	SB-6	2,019.15	2,019.15
Due from Sewer Operating Fund	D,SD-1	3,581.47	2,397.56
		<u>837,636.87</u>	<u>795,025.88</u>
Deferred Charges:			
Special Emergency Authorizations N.J.S.A. 40A:4-55	SA-7	9,000.00	12,000.00
		<u>8,754,837.33</u>	<u>8,456,587.08</u>
Federal and State Grant Fund:			
Cash	SA-1	814,914.76	527,799.80
Federal, State and Other Grants Receivable	SA-19	1,131,237.10	955,998.70
		<u>1,946,151.86</u>	<u>1,483,798.50</u>
		<u>\$ 10,700,989.19</u>	<u>\$ 9,940,385.58</u>

(Continued)

**BOROUGH OF PALMYRA**  
**CURRENT FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis  
 As of December 31, 2022 and 2021

	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
LIABILITIES, RESERVES AND FUND BALANCE:			
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3,SA-8	\$ 839,275.13	\$ 873,746.44
Reserve for Encumbrances	SA-9	188,840.68	193,953.05
Accounts Payable	SA-10	58,981.54	54,275.65
Local School District Taxes Payable	SA-15	1,528,701.96	1,280,567.94
Due State of New Jersey			
Seniors and Veterans Deductions	SA-3	48,720.03	45,970.03
Due to Trust Other Fund:			
Unemployment Compensation Insurance Trust Fund	B,SB-6	10,000.00	10,000.00
Developer's Site Improvements	B,SB-6	45,765.00	45,765.00
Public Defender Trust Fund	B,SB-6	9,183.98	9,183.98
Community Center Refundable Deposits Trust Fund	B,SB-6	100.00	100.00
Prepaid Taxes	SA-11	96,618.82	112,692.55
Due County for Added and Omitted Taxes	SA-14	2,858.26	5,151.88
Due State - Marriage Licenses	SA-16		175.00
Due State - DCA Fees	SA-17	3,209.00	59,727.00
Reserve for Codification of Ordinances	A-3,SA-8	10,302.82	10,302.82
Reserve for Municipal Relief Fund Aid	SA-1	29,120.76	
		<u>2,871,677.98</u>	<u>2,701,611.34</u>
Reserves for Receivables and Other Assets	A	837,636.87	795,025.88
Fund Balance	A-1	<u>5,045,522.48</u>	<u>4,959,949.86</u>
		<u>8,754,837.33</u>	<u>8,456,587.08</u>
Federal and State Grant Fund:			
Due to Current Fund	A	38,218.04	38,218.04
Due to General Capital Fund	C	89,267.26	89,267.26
Reserve for Federal, State and Other Grants:			
Unappropriated	SA-19	1,675.34	262,957.26
Appropriated	SA-20	1,398,094.57	901,773.44
Reserve for Encumbrances	SA-20	418,896.65	191,582.50
		<u>1,946,151.86</u>	<u>1,483,798.50</u>
		<u>\$ 10,700,989.19</u>	<u>\$ 9,940,385.58</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

**BOROUGH OF PALMYRA**  
**CURRENT FUND**  
 Statements of Operations and Changes in Fund Balance - Regulatory Basis  
 For the Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
REVENUE AND OTHER INCOME REALIZED:		
Fund Balance Utilized	\$ 1,350,000.00	\$ 1,211,000.00
Miscellaneous Revenues Anticipated	2,334,032.29	1,842,277.97
Receipts from Delinquent Taxes and Tax Title Liens	364,702.87	392,962.04
Receipts from Current Taxes	19,405,533.71	18,716,238.07
Non-Budget Revenue	143,079.93	398,884.49
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	836,328.61	1,027,785.21
Statutory Excess in Animal Control Fund		2,711.73
Cancellation of Tax Overpayments		4,360.27
Interfunds Liquidated - Animal Control Fund	7,154.11	
	<u>24,440,831.52</u>	<u>23,596,219.78</u>
Total Income		
EXPENDITURES:		
Budget Appropriations:		
Within "CAPS":		
Operations:		
Salaries and Wages	2,792,558.00	2,695,839.00
Other Expenses	3,504,556.25	3,261,440.00
Deferred Charges and Statutory Expenditures	727,025.75	702,880.00
Excluded from "CAPS":		
Operations:		
Salaries and Wages	121,322.00	28,458.97
Other Expenses	1,059,535.59	422,478.22
Capital Improvements	25,000.00	
Municipal Debt Service	1,443,842.50	1,443,016.13
Deferred Charges and Statutory Expenditures	3,000.00	3,000.00
County Taxes	2,115,187.64	2,062,592.44
Due County for Added and Omitted Taxes	2,858.26	5,151.88
Local District School Tax	11,208,189.00	10,711,921.00
Refund of Prior Year Revenue:		
Due to Public Defender Trust Fund		4,903.50
Interfunds Created:		
Due Animal Control Trust Fund		2,711.73
Due Sewer Operating Fund	1,183.91	1,299.12
Prior Year Senior Citizens and Veterans Deductions Disallowed	1,000.00	1,750.00
	<u>23,005,258.90</u>	<u>21,347,441.99</u>
Total Expenditures		
Statutory Excess to Fund Balance	1,435,572.62	2,248,777.79
FUND BALANCE:		
Balance January 1,	<u>4,959,949.86</u>	<u>3,922,172.07</u>
	6,395,522.48	6,170,949.86
Decreased by:		
Utilized as Revenue	<u>1,350,000.00</u>	<u>1,211,000.00</u>
Balance December 31,	<u>\$ 5,045,522.48</u>	<u>\$ 4,959,949.86</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

**BOROUGH OF PALMYRA**  
**CURRENT FUND**  
Statement of Revenues - Regulatory Basis  
For the Year Ended December 31, 2022

	<u>Budget</u>	<u>Anticipated</u> Special N.J.S.A. <u>40A: 4-87</u>	<u>Realized</u>	<u>Excess or</u> <u>(Deficit)</u>
Fund Balance Anticipated	\$ 1,350,000.00		\$ 1,350,000.00	
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	9,000.00		9,576.00	\$ 576.00
Other	1,000.00		1,793.00	793.00
Fees and Permits	8,000.00		13,401.55	5,401.55
Fines and Costs:				
Municipal Court	50,000.00		55,820.25	5,820.25
Interest and Costs on Taxes	55,000.00		74,399.22	19,399.22
Interest on Investments and Deposits	10,000.00		50,437.49	40,437.49
Burlington County Bride Commission in Lieu of Taxes	34,238.00		34,238.43	0.43
Energy Receipts Tax	558,255.00		558,255.00	
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	70,000.00		87,942.00	17,942.00
Public and Private Revenues - Offset With Appropriations:				
Body Armor Replacement Grant		2,624.52	2,624.52	
Body Worn Camera Grant		42,798.00	42,798.00	
Recycling Tonnage Grant		9,691.85	9,691.85	
American Rescue Plan		633,999.48	633,999.48	
Clean Communities Grant		16,616.74	16,616.74	
Safe and Secure Communities Grant		21,322.00	21,322.00	
NJDOT - Walnut and W. Henry Street Project		310,000.00	310,000.00	
Local Recreational Improvement		100,000.00	100,000.00	
American Rescue Plan - Firefighter Grant		26,000.00	26,000.00	
Other Special Items of Revenues:				
Uniform Fire Safety Act	10,000.00		21,904.44	11,904.44
Rental Property Inspection Fees	20,000.00		26,821.00	6,821.00
Municipal Services Act - Street Lighting Reimbursements	7,000.00		35,673.12	28,673.12
Vacant Property Registrations Fees	10,000.00		10,158.41	158.41
Reserve for Payment of Debt Service	80,000.00		80,000.00	
General Capital Fund Surplus	22,000.00		22,000.00	
School Resource Officer - Palmyra BOE	84,000.00		88,559.79	4,559.79
	<u>1,028,493.00</u>	<u>1,163,052.59</u>	<u>2,334,032.29</u>	<u>142,486.70</u>
Receipts from Delinquent Taxes	300,000.00		364,702.87	64,702.87
Amount to be Raised by Taxes for				
Support of Municipal Budget:				
Local Tax for Municipal Purposes				
including Reserve for Uncollected Taxes	6,479,208.01		6,723,211.82	244,003.81
Budget Totals	9,157,701.01	1,163,052.59	10,771,946.98	451,193.38
Non-Budget Revenue			143,079.93	143,079.93
	<u>\$ 9,157,701.01</u>	<u>\$ 1,163,052.59</u>	<u>\$ 10,915,026.91</u>	<u>\$ 594,273.31</u>

(Continued)

**BOROUGH OF PALMYRA**  
**CURRENT FUND**  
Statement of Revenues - Regulatory Basis  
For the Year Ended December 31, 2021

Analysis of Realized Revenue

Allocation of Current Tax Collections:

Revenue from Collections	\$ 19,405,533.71
Allocated to:	
County and School Taxes	<u>13,326,234.90</u>
Amount for Support of Municipal Budget Appropriations	6,079,298.81
Add: Appropriation "Reserve for Uncollected Taxes"	<u>643,913.01</u>
Amount for Support of Municipal Budget Appropriations	<u><u>\$ 6,723,211.82</u></u>

Receipts from Delinquent Taxes:

Delinquent Tax Collections	\$ 363,946.90
Tax Title Lien Collections	<u>755.97</u>
Delinquent Tax Collections	<u><u>\$ 364,702.87</u></u>

Analysis of Non-Budget Revenues

Miscellaneous Revenue not Anticipated:

Receipts:

Cable TV Franchise Fee	\$ 27,117.20
2% Administrative Fee Senior and Veterans Deductions	1,400.00
Administrative Fees	2,145.00
Clothing Recycling Program	90.00
Code Enforcement Violations	50.00
Copy Fees	22.55
Mercantile Licensing	2,805.00
Prior Year Refunds	8,312.07
Property Liens Fees	5,056.90
Property Owner List Fees	320.00
PY OS Checks Cancelled	34.84
Rental of Tower Space	76,406.30
Tax Collector Searches / 6% Year End Penalty	2,635.64
Trash Carts	1,300.00
Use of Vehicle Fees	6,862.50
Miscellaneous	<u>8,521.93</u>
	<u><u>\$ 143,079.93</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, 2022

	<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>	<u>Reserved</u>	
<u>OPERATIONS - WITHIN "CAPS"</u>						
GENERAL GOVERNMENT:						
General Administration						
Salaries and Wages	\$ 92,597.00	\$ 92,597.00	\$ 90,127.93		\$ 2,469.07	
Other Expenses	84,450.00	84,450.00	65,752.80	\$ 441.30	18,255.90	
Mayor and Council						
Salaries and Wages	16,314.00	16,314.00	16,106.61		207.39	
Other Expenses	8,191.00	8,191.00	5,979.71		2,211.29	
Public Relations	2,500.00	2,500.00	78.97		2,421.03	
Borough Clerk						
Salaries and Wages	63,350.00	63,350.00	60,876.98		2,473.02	
Other Expenses	16,096.00	16,096.00	9,702.39	302.99	6,090.62	
Election Costs	8,000.00	8,000.00	6,058.54		1,941.46	
Financial Administration						
Salaries and Wages	91,787.00	91,787.00	90,837.10		949.90	
Other Expenses	12,400.00	12,400.00	10,593.73	1,100.00	706.27	
Audit Services						
Other Expenses	26,250.00	26,250.00	23,650.00		2,600.00	
Collection of Taxes						
Salaries and Wages	57,389.00	57,389.00	52,741.66		4,647.34	
Other Expenses	11,071.00	11,071.00	6,769.63		4,301.37	
Assessment of Taxes						
Salaries and Wages	15,925.00	15,925.00	15,306.18		618.82	
Other Expenses	9,175.00	9,175.00	2,517.56	2,088.30	4,569.14	
Legal Services and Costs						
Other Expenses	113,000.00	113,000.00	75,876.16		37,123.84	
Engineering Services						
Other Expenses	91,000.00	91,000.00	49,055.00	2,255.00	39,690.00	
Grants and Planning						
Other Expenses	47,500.00	87,500.00	43,461.99	25,101.00	18,937.01	
Land Use Administrative Planning Board						
Salaries and Wages	6,698.00	6,698.00	6,600.00		98.00	
Other Expenses	2,850.00	2,850.00	1,752.17		1,097.83	
Municipal Court						
Salaries and Wages	137,626.00	137,626.00	135,668.61		1,957.39	
Other Expenses	15,150.00	15,150.00	3,929.26	100.00	11,120.74	
Public Defender						
Other Expenses	6,600.00	6,600.00	4,200.00		2,400.00	

(Continued)

**BOROUGH OF PALMYRA**  
Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2022

	<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>	<u>Reserved</u>	
<u>OPERATIONS - WITHIN "CAPS" (CONT'D)</u>						
<u>GENERAL GOVERNMENT (CONT'D):</u>						
Insurance						
Liability Insurance	\$ 174,100.00	\$ 168,100.00	\$ 158,191.00		\$ 9,909.00	
Employees Group Insurance	954,000.00	931,838.25	844,857.22		86,981.03	
Unemployment Compensation	100.00	100.00			100.00	
<u>PUBLIC SAFETY:</u>						
Police						
Salaries and Wages	1,591,368.00	1,566,368.00	1,501,718.55		64,649.45	
Other Expenses	123,800.00	123,800.00	43,816.91	\$ 30,276.84	49,706.25	
School Crossing Guards						
Salaries and Wages	79,200.00	64,200.00	46,990.50		17,209.50	
Other Expenses	3,100.00	3,100.00		698.00	2,402.00	
Police and Radio Communications						
Other Expenses	37,200.00	37,200.00	25,280.58	5,676.00	6,243.42	
Office of Emergency Management						
Salaries and Wages	789.00	789.00	788.10		0.90	
Other Expenses	1,696.00	1,696.00	1,056.57		639.43	
Aid to Volunteer Fire Company						
Other Expenses	20,000.00	20,000.00	20,000.00			
Aid to Volunteer Ambulance Company						
Other Expenses	3,500.00	3,500.00	3,500.00			
Fire Department						
Salaries and Wages	31,040.00	21,040.00			21,040.00	
Other Expenses	33,691.00	33,691.00	26,684.97	3,030.81	3,975.22	
Uniform Fire Safety Act						
Salaries and Wages	57,652.00	57,652.00	56,960.98		691.02	
Other Expenses	3,796.00	3,796.00	2,367.05	1,173.79	255.16	
Borough Prosecutor						
Other Expenses	12,000.00	12,000.00	8,100.00		3,900.00	
<u>PUBLIC WORKS FUNCTIONS:</u>						
Streets and Roads Maintenance						
Salaries and Wages	335,706.00	335,706.00	321,479.78		14,226.22	
Other Expenses	65,446.00	65,446.00	28,422.27	8,938.45	28,085.28	
Railroad Landscaping	1,500.00	1,500.00			1,500.00	
Shade Tree						
Salaries and Wages	12,672.00	13,672.00	12,922.49		749.51	
Other Expenses	72,500.00	72,500.00	49,707.50		22,792.50	
Solid Waste Collection						
Other Expenses	285,000.00	297,000.00	258,814.47	34,234.87	3,950.66	
Public Buildings and Grounds						
Salaries and Wages	56,569.00	56,569.00	34,813.22		21,755.78	
Other Expenses	109,731.00	109,731.00	91,438.46	16,166.01	2,126.53	

(Continued)

**BOROUGH OF PALMYRA**  
Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2022

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Balance/</u> <u>Canceled</u>
<u>OPERATIONS - WITHIN "CAPS" (CONT'D)</u>						
<u>PUBLIC WORKS FUNCTIONS (CONT'D):</u>						
Vehicle Maintenance						
Other Expenses	\$ 71,500.00	\$ 76,500.00	\$ 52,913.21	\$ 9,902.17	\$ 13,684.62	
Condominium Services Law (C.299, P.L.1989)						
Other Expenses	165,000.00	165,000.00	109,303.88	8,000.00	47,696.12	
<u>HEALTH AND HUMAN SERVICES:</u>						
Board of Health						
Salaries and Wages	250.00	250.00	197.89		52.11	
Other Expenses	475.00	475.00	95.00		380.00	
Animal Control Services						
Other Expenses	11,800.00	11,800.00	4,040.00		7,760.00	
<u>PARKS AND RECREATION FUNCTIONS:</u>						
Parks and Playgrounds						
Other Expenses	42,500.00	42,500.00	9,093.32	14,479.01	18,927.67	
Education Functions						
Community Youth Program						
Other Expenses	3,900.00	3,900.00	3,760.00		140.00	
Celebration of Public Events						
Other Expenses	18,250.00	18,250.00	7,633.59	55.95	10,560.46	
<u>STATE UNIFORM CONSTRUCTION CODE:</u>						
Construction Code Official						
Salaries and Wages	96,092.00	96,092.00	94,835.72		1,256.28	
Other Expenses	8,950.00	11,250.00	9,318.83		1,931.17	
Other Code Enforcement - Zoning Officer						
Salaries and Wages	68,534.00	68,534.00	54,238.11		14,295.89	
Other Expenses	10,650.00	10,650.00	4,651.29		5,998.71	
<u>ACCUMULATED SICK LEAVE COMPENSATION:</u>						
Salaries and Wages	30,000.00	30,000.00	30,000.00			
<u>DEFERRED CHARGES AND STATUTORY</u>						
<u>EXPENDITURES - MUNICIPAL WITHIN "CAPS":</u>						
<u>UNCLASSIFIED:</u>						
Utilities						
Electricity	105,000.00	105,000.00	75,161.15		29,838.85	
Street Lighting	115,000.00	115,000.00	94,902.93		20,097.07	
Telephone	26,000.00	26,000.00	14,904.98		11,095.02	
Water	26,000.00	28,000.00	20,734.95		7,265.05	
Gasoline	77,000.00	87,000.00	66,924.35		20,075.65	
Fire Hydrant Services	110,000.00	110,000.00	99,164.05		10,835.95	
Printing and Postage	14,000.00	14,000.00	9,000.00		5,000.00	

(Continued)

**BOROUGH OF PALMYRA**  
Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2022

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Balance/</u> <u>Canceled</u>
<b>OPERATIONS - WITHIN "CAPS" (CONT'D)</b>						
Landfill and Solid Waste Disposal Costs						
Landfill Fees	\$ 300,000.00	\$ 300,000.00	\$ 221,733.33	\$ 24,000.00	\$ 54,266.67	
Total Operations - Within "CAPS"	6,302,976.00	6,297,114.25	5,298,160.18	188,020.49	810,933.58	-
Detail:						
Salaries and Wages	2,841,558.00	2,792,558.00	2,623,210.41		169,347.59	
Other Expenses	3,461,418.00	3,504,556.25	2,674,949.77	188,020.49	641,585.99	
Statutory Expenditures:						
Contribution to						
Public Employee Retirement System	118,837.00	122,422.14	122,422.14			
Social Security System (O.A.S.I.)	130,000.00	130,000.00	109,582.83		20,417.17	
Police and Firemen's Retirement System	464,327.00	466,603.61	466,603.61			
Define Contribution Retirement System	8,000.00	8,000.00	5,896.70		2,103.30	
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"	721,164.00	727,025.75	704,505.28	-	22,520.47	-
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	7,024,140.00	7,024,140.00	6,002,665.46	188,020.49	833,454.05	-
<b>OPERATIONS - EXCLUDED FROM "CAPS"</b>						
Aid to Library	500.00	500.00	500.00			
Length of Service Award Program	12,305.00	12,305.00	10,663.73	820.19	821.08	
Declared State of Emergency Costs for Coronavirus Response N.J.S.A. 40A:4-45(b) and 40A:4-45.3(bb)						
Office of Emergency Management						
Other Expenses	5,000.00	5,000.00			5,000.00	
Public and Private Programs Offset by Revenue:						
Body Armor Replacement Grant (N.J.S.A. 40A:4-87)		2,624.52	2,624.52			
Body Worn Camera Grant (N.J.S.A. 40A:4-87)		42,798.00	42,798.00			
Recycling Tonnage Grant (N.J.S.A. 40A:4-87)		9,691.85	9,691.85			
NJ Transportation Trust Grant:						
Walnut and W. Henry Street (N.J.S.A. 40A:4-87)		310,000.00	310,000.00			
DCA - Local Recreation Improvement 2021t (N.J.S.A. 40A:4-87)		100,000.00	100,000.00			
American Rescue Plan (N.J.S.A. 40A:4-87)		633,999.48	633,999.48			
American Rescue Plan - Firefighter Grant (N.J.S.A. 40A:4-87)		26,000.00	26,000.00			
Clean Communities Grant (N.J.S.A. 40:4-87)		16,616.74	16,616.74			
Safe and Secure Communities Grant (N.J.S.A. 40A:4-87)		21,322.00	21,322.00			
TOTAL OPERATIONS - EXCLUDED FROM "CAPS"	17,805.00	1,180,857.59	1,174,216.32	820.19	5,821.08	-

(Continued)

**BOROUGH OF PALMYRA**  
Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2022

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Balance/</u> <u>Canceled</u>
<u>OPERATIONS - EXCLUDED FROM "CAPS" (CONT'D)</u>						
Detail:						
Salaries and Wages		\$ 121,322.00	\$ 121,322.00			
Other Expenses	\$ 17,805.00	1,059,535.59	1,052,894.32	\$ 820.19	\$ 5,821.08	
<u>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</u>						
Capital Improvement Fund	25,000.00	25,000.00	25,000.00			
<u>MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</u>						
Payment of Bond Principal	1,210,000.00	1,210,000.00	1,210,000.00			
Interest on Bonds	233,843.00	233,843.00	233,842.50			\$ 0.50
TOTAL MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"	1,443,843.00	1,443,843.00	1,443,842.50	-	-	0.50
<u>DEFERRED CHARGES - EXCLUDED FROM "CAPS"</u>						
Special Emergency Authorizations - 5 Years (N.J.S.A. 40A:4-55)	3,000.00	3,000.00	3,000.00			
TOTAL DEFERRED CHARGES - EXCLUDED FROM "CAPS"	3,000.00	3,000.00	3,000.00	-	-	-
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"	1,489,648.00	2,652,700.59	2,646,058.82	820.19	5,821.08	0.50
SUBTOTAL GENERAL APPROPRIATIONS	8,513,788.00	9,676,840.59	8,648,724.28	188,840.68	839,275.13	0.50
RESERVE FOR UNCOLLECTED TAXES	643,913.01	643,913.01	643,913.01			
TOTAL GENERAL APPROPRIATIONS	\$ 9,157,701.01	\$ 10,320,753.60	\$ 9,292,637.29	\$ 188,840.68	\$ 839,275.13	\$ 0.50
Original Budget		\$ 9,157,701.01				
Appropriation by N.J.S.A. 40A:4-87		1,163,052.59				
		\$ 10,320,753.60				
Federal, State and Other Grants Appropriated			\$ 1,163,052.59			
Deferred Charge:						
Special Emergency Appropriation (N.J.S.A. 40A: 4-53)			3,000.00			
Reserve for Uncollected Taxes			643,913.01			
Reimbursements of Appropriations			(453,050.77)			
Disbursed			7,935,722.46			
			\$ 9,292,637.29			

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

**BOROUGH OF PALMYRA**  
**TRUST FUND**  
 Statements of Assets, Liabilities, and Reserves - Regulatory Basis  
 As of December 31, 2022 and 2021

	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
<b>ASSETS:</b>			
Animal Control Fund:			
Cash	SB-1	\$ 864.17	\$ 13,809.81
Other Funds:			
Cash	SB-1	7,078,343.14	6,645,259.75
Due from Current Fund:			
Unemployment Compensation Insurance Trust Fund	A,SB-6	10,000.00	10,000.00
Developer's Site Improvements	A,SB-6	45,765.00	45,765.00
Public Defender Trust Fund	A,SB-6	9,183.98	9,183.98
Community Center Refundable Deposits Trust Fund	A,SB-6	100.00	100.00
		<u>7,143,392.12</u>	<u>6,710,308.73</u>
Length of Service Award Program:			
Investments - Length of Service Awards Program	SB-2	<u>258,855.38</u>	<u>299,741.48</u>
		<u>\$ 7,403,111.67</u>	<u>\$ 7,023,860.02</u>
<b>LIABILITIES AND RESERVES</b>			
Animal Control Fund:			
Due to State Department of Health	SB-4		\$ 7.20
Reserve for Animal Control Expenditures	SB-5	\$ 864.17	6,648.50
Due to Current Fund	SB-3		<u>7,154.11</u>
		<u>864.17</u>	<u>13,809.81</u>
Other Funds:			
Due to Current Fund - Other Trust Funds	A,SB-6	2,019.15	2,019.15
Payroll Deductions Payable	SB-7	2,380.42	2,561.09
Reserve for COAH Affordable Housing Trust	SB-7	5,886,620.06	5,558,954.65
Reserve for Unemployment Compensation Insurance	SB-7	79,782.87	79,608.70
Reserve for Parking Offenses Adjudication Act	SB-7	441.00	425.00
Reserve for Public Defender	SB-7	839.50	
Reserve for Developer's Escrow Deposits	SB-7	158,593.59	146,898.85
Reserve for Police Outside Employment Trust	SB-7	12,298.56	19,258.56
Reserve for Fire Official	SB-7	23,893.78	22,893.78
Reserve for Regional Contribution - Delanco	SB-7	91,329.47	90,878.06
Reserve for Regional Contribution - Evesham	SB-7	129,680.75	171,675.94
Reserve for Special Law Enforcement	SB-7	12,801.60	12,254.85
Reserve for Community Center Refundable Deposits	SB-7	1,700.00	-
Reserve for Other Recreation Trust Reserves	SB-7	10,371.81	5,225.61
Reserve for Flexible Spending Account	SB-7	3,197.61	3,972.57
Reserve for Compensated Absences	SB-7	165,758.65	150,758.65
Reserve for Tax Title Lien Premiums	SB-7	556,300.00	424,100.00
Reserve for Tax Title Lien Redemptions	SB-7	<u>5,383.30</u>	<u>18,823.27</u>
		<u>7,143,392.12</u>	<u>6,710,308.73</u>
Length of Service Award Program:			
Reserve for Length of Service Awards Program	SB-2	<u>258,855.38</u>	<u>299,741.48</u>
		<u>\$ 7,403,111.67</u>	<u>\$ 7,023,860.02</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

**BOROUGH OF PALMYRA**  
**GENERAL CAPITAL FUND**

Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis  
As of December 31, 2022 and 2021

ASSETS:	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
Cash and Investments	SC-1	\$ 2,877,622.34	\$ 1,159,092.25
Due from Federal and State Grant Fund	A	89,267.26	89,267.26
Deferred Charges to Future Taxation:			
Funded	SC-3	10,105,000.00	11,315,000.00
Unfunded	SC-4	4,095,523.93	2,287,341.71
		<u>\$ 17,167,413.53</u>	<u>\$ 14,850,701.22</u>
LIABILITIES, RESERVES AND FUND BALANCE:			
General Serial Bonds	SC-9	\$ 10,105,000.00	\$ 11,315,000.00
Bond Anticipation Notes	SC-10	3,190,000.00	
Capital Improvement Fund	SC-8	19,909.21	100,134.21
Reserve for Encumbrances	SC-5	1,155,644.05	395,630.21
Improvement Authorizations:			
Funded	SC-7	106,530.71	344,607.32
Unfunded	SC-7	2,058,461.68	1,974,235.66
Reserve for Excess Note Cash	C	2,177.62	2,177.62
Reserve for Payment of Debt Service	SC-6	411,672.46	491,672.46
Fund Balance	C-1	118,017.80	227,243.74
		<u>\$ 17,167,413.53</u>	<u>\$ 14,850,701.22</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

**BOROUGH OF PALMYRA**  
**GENERAL CAPITAL FUND**  
Statement of Fund Balance - Regulatory Basis  
For the Year Ended December 31, 2022

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Balance December 31, 2021			\$ 227,243.74
Increased by:			
Improvement Authorizations - Funded Cancelled			<u>35,274.06</u>
			262,517.80
Decreased by:			
Appropriated to Finance Improvement Authorizations	\$ 122,500.00		
Current Fund Anticipated Revenue	<u>22,000.00</u>		
			<u>144,500.00</u>
Balance December 31, 2022			<u><u>\$ 118,017.80</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, 2022 and 2021

	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
ASSETS:			
Operating Fund:			
Cash	SD-1	<u>\$ 1,265,753.21</u>	<u>\$ 1,336,190.51</u>
Receivables with Full Reserves:			
Sewer Rents Receivable	SD-3	147,031.12	145,388.20
Sewer Liens Receivable	SD-5	<u>2,248.46</u>	<u>1,812.46</u>
		<u>149,279.58</u>	<u>147,200.66</u>
Total Operating Fund		<u>1,415,032.79</u>	<u>1,483,391.17</u>
Capital Fund:			
Cash	SD-1	866,416.74	461,549.90
Fixed Capital	SD-6	13,042,018.41	6,891,518.41
Fixed Capital Authorized and Uncompleted	SD-7	<u>3,140,700.00</u>	<u>7,421,200.00</u>
Total Capital Fund		<u>17,049,135.15</u>	<u>14,774,268.31</u>
		<u>\$ 18,464,167.94</u>	<u>\$ 16,257,659.48</u>

(Continued)

**BOROUGH OF PALMYRA**  
**SEWER UTILITY FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis  
 As of December 31, 2022 and 2021

	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
<b>LIABILITIES, RESERVES AND FUND BALANCE:</b>			
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-3,SD-8	\$ 287,262.30	\$ 171,327.74
Accounts Payable	D	6,714.22	6,714.22
Reserve for Encumbrances	D-3,SD-8	151,251.42	94,368.54
Due to Current Fund	SD-1	3,581.47	2,397.56
Overpaid Sewer Service Charges	SD-4	3,441.82	2,823.24
Accrued Interest on Bonds and Notes	SD-9	26,349.45	26,367.91
		<u>478,600.68</u>	<u>303,999.21</u>
Reserve for Receivables	D	149,279.58	147,200.66
Fund Balance	D-1	<u>787,152.53</u>	<u>1,032,191.30</u>
Total Operating Fund		<u>1,415,032.79</u>	<u>1,483,391.17</u>
Capital Fund:			
Serial Bond Payable	SD-13	2,640,000.00	2,820,000.00
Loans Payable	SD-14	2,073,775.51	2,249,118.72
Bond Anticipation Note	SD-15	608,700.00	
Improvement Authorizations:			
Funded	SD-10		48,197.74
Unfunded	SD-10	1,912,009.61	658,590.27
Reserve for Encumbrances	SD-10	545,929.00	117,331.50
Capital Improvement Fund	D	11,325.00	11,325.00
Reserve for Amortization	SD-11	8,773,169.90	8,417,826.69
Reserve for Deferred Amortization	SD-12	384,975.00	384,975.00
Reserve for Payment of Debt Service	D	23,377.00	23,377.00
Fund Balance	D-4	<u>75,874.13</u>	<u>43,526.39</u>
Total Capital Fund		<u>17,049,135.15</u>	<u>14,774,268.31</u>
		<u>\$ 18,464,167.94</u>	<u>\$ 16,257,659.48</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

**BOROUGH OF PALMYRA**  
**SEWER UTILITY OPERATING FUND**  
 Statements of Operations and Changes in Operating Fund Balance - Regulatory Basis  
 For the Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<b>REVENUE AND OTHER INCOME REALIZED:</b>		
Fund Balance Utilized	\$ 493,870.00	\$ 240,000.00
Rents	1,695,281.22	1,684,609.73
Miscellaneous	19,024.30	271,181.90
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	<u>134,817.07</u>	<u>191,438.37</u>
Total Income	<u>2,342,992.59</u>	<u>2,387,230.00</u>
<b>EXPENDITURES:</b>		
Operating	1,585,782.80	1,286,636.00
Debt Service	436,076.01	441,738.57
Deferred Charges and Statutory Expenditures	72,000.00	72,000.00
Refund of Prior Year Revenue	<u>302.55</u>	<u>3,576.89</u>
Total Expenditures	<u>2,094,161.36</u>	<u>1,803,951.46</u>
Statutory Excess to Fund Balance	248,831.23	583,278.54
<b>FUND BALANCE:</b>		
Balance January 1	<u>1,032,191.30</u>	<u>688,912.76</u>
	1,281,022.53	1,272,191.30
Decreased by:		
Utilized as Revenue	<u>493,870.00</u>	<u>240,000.00</u>
Balance December 31	<u><u>\$ 787,152.53</u></u>	<u><u>\$ 1,032,191.30</u></u>

The accompanying Notes to Financial Statements are an integral part of these statements.

**BOROUGH OF PALMYRA**  
**SEWER UTILITY OPERATING FUND**  
Statement of Revenues - Regulatory Basis  
For the Year Ended December 31, 2022

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	Anticipated <u>Budget</u>	<u>Realized</u>	Excess/ <u>(Deficit)</u>
Operating Surplus Anticipated	\$ 493,870.00	\$ 493,870.00	
Rents	1,600,000.00	1,695,281.22	\$ 95,281.22
Miscellaneous		19,024.30	19,024.30
	<u>\$ 2,093,870.00</u>	<u>\$ 2,208,175.52</u>	<u>\$ 114,305.52</u>

Analysis of Realized Revenues

Miscellaneous:

Receipts:

Interest Earnings	\$ 8,601.96	
Interest and Costs on Delinquent Sewer Charges	9,574.96	
Other	847.38	
	<u>\$ 19,024.30</u>	

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, 2022

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended</u>
	<u>Original</u>	<u>Budget After</u>	<u>Paid or</u>	<u>Encumbrances</u>	<u>Reserved</u>	<u>Balance</u>
	<u>Budget</u>	<u>Modification</u>	<u>Charged</u>			<u>Canceled</u>
Operating:						
Salaries and Wages	\$ 343,961.00	\$ 343,961.00	\$ 332,684.75		\$ 11,276.25	
Other Expenses	1,243,345.00	1,241,821.80	816,878.42	\$ 151,251.42	273,691.96	
Total Operating	1,587,306.00	1,585,782.80	1,149,563.17	151,251.42	284,968.21	-
Debt Service:						
Payment of Bond Principal	180,000.00	180,000.00	180,000.00			
Interest on Bonds	58,370.00	58,370.00	58,367.93			\$ 2.07
Interest on Notes	100.00	1,623.20	1,623.20			
NJEIT Loan Principal	175,344.00	175,344.00	175,343.21			0.79
NJEIT Loan Interest	20,750.00	20,750.00	20,741.67			8.33
Total Debt Service	434,564.00	436,087.20	436,076.01	-	-	11.19
Deferred Charges and Statutory Expenditures:						
Statutory Expenditures:						
Public Employees' Retirement System	45,000.00	45,000.00	45,000.00			
Contributions to Social Security System (O.A.S.I.)	26,500.00	26,500.00	24,705.91		1,794.09	
Unemployment Compensation Insurance	500.00	500.00			500.00	
Total Deferred Charges and Statutory Expenditures	72,000.00	72,000.00	69,705.91	-	2,294.09	-
	<u>\$ 2,093,870.00</u>	<u>\$ 2,093,870.00</u>	<u>\$ 1,655,345.09</u>	<u>\$ 151,251.42</u>	<u>\$ 287,262.30</u>	<u>\$ 11.19</u>
Accrued Interest on Bonds and Notes			\$ 80,732.80			
Disbursed			1,574,612.29			
			<u>\$ 1,655,345.09</u>			

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

**BOROUGH OF PALMYRA**  
SEWER UTILITY CAPITAL FUND  
Statement of Fund Balance -- Regulatory Basis  
For the Year Ended December 31, 2022

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Balance December 31, 2021	\$ 43,526.39
Increased by:	
Cancellation of Improvement Authorizations - Funded	<u>32,347.74</u>
Balance December 31, 2022	<u><u>\$ 75,874.13</u></u>

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 - Regulatory Basis  
For the Year Ended December 31, 2022

	Balance <u>Dec. 31, 2021</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>Dec. 31, 2022</u>
General Fixed Assets:				
Land and Land Improvements	\$ 4,737,455.75			\$ 4,737,455.75
Buildings and Improvements	8,076,539.19		\$ 13,000.00	8,063,539.19
Vehicles	3,170,404.43	\$ 409,552.88		3,579,957.31
Equipment	1,053,065.41	71,804.50		1,124,869.91
	<u>\$ 17,037,464.78</u>	<u>\$ 481,357.38</u>	<u>\$ 13,000.00</u>	<u>\$ 17,505,822.16</u>
Investment in General Fixed Assets	<u>\$ 17,037,464.78</u>	<u>\$ 481,357.38</u>	<u>\$ 13,000.00</u>	<u>\$ 17,505,822.16</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, 2022

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

**Description of Financial Reporting Entity** - The Borough of Palmyra (hereafter referred to as the "Borough") was incorporated as a Borough by an act of the New Jersey legislature on April 19, 1894, from portions of Cinnaminson Township and Riverton Borough. On February 20, 1923, Palmyra was reincorporated as a Borough. The Borough is located in Burlington County, New Jersey, and is located approximately ten miles northeast of the City of Philadelphia. The Borough borders the Delaware River, Riverton Borough, Cinnaminson Township, and Pennsauken Township. According to the 2020 census, the population is 7,438.

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 had no component units as defined by Governmental Accounting Standards Board Statement No. 14, as amended.

**Measurement Focus, Basis of Accounting and Financial Statement Presentation** - The financial statements of the Borough contain all funds and account groups in accordance with the *Requirements of Audit* (the "*Requirements*") 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* 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 accounts for its financial transactions through the use of separate funds and an account group 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 municipally owned sewer operations.

**General Fixed Asset Group of Accounts** - The general fixed asset group of accounts is utilized to account for property, land, buildings, and equipment that have been acquired by other governmental funds.



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

**Budgets and Budgetary Accounting** - The Borough 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; therefore, unrealized gains or losses on investments have not been recorded. Investments recorded in the trust fund for the Borough's length of service awards program, however, are stated at fair value.

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 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.

**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.

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

**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's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Part 200, §200.12), except that the useful life of such property is at least five years. The Borough has adopted a capitalization threshold of \$5,000.00, 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 acquisition value as of the date of the transaction. 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 asset group of accounts, 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 include 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 disposition 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 and equipment, improvements, and contributed capital.

**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 asset group of accounts. If such property is converted to a municipal use, it will be recorded in the general fixed asset group of accounts.

**Deferred Charges** - The recognition of certain expenditures is deferred to future periods. These expenditures, or deferred charges, are generally over-expenditures 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.

**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 sewer utility operating fund represent amounts available for anticipation as revenue in future years' budgets, with certain restrictions.

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

**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 is 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 to 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 the Borough of Palmyra School District. Unpaid property taxes are subject to tax sale in accordance with the statutes.

**School Taxes** - The Borough is responsible for levying, collecting, and remitting school taxes for the Borough of Palmyra School District. Operations is charged for the Borough's share of the amount required to be raised by taxation for the period from July 1 to June 30, increased by the amount deferred at December 31, 2021 and decreased by the amount deferred at December 31, 2022.

**County Taxes** - The municipality is responsible for levying, collecting, and remitting county taxes for the County of Burlington. County taxes are determined on a calendar year by the County Board of Taxation based upon the ratables required to be certified to them on January 10 of each year. 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 immediately 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.

**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 year. Lapsed appropriation reserves are recorded as income.

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

**Long-Term Debt** - Long-term debt, relative to the acquisition of capital assets, is recorded as a liability in the general capital 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.

**Impact of Recently Issued Accounting Principles****Recently Issued and Adopted Accounting Pronouncements**

The Borough implemented the following GASB Statement for the year ended December 31, 2022:

Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to measure and disclose a lease liability and a lessor is required to measure and disclose a lease receivable; thereby enhancing the relevance and consistency of information about governments' leasing activities. As a result of the regulatory basis of accounting previously described in note 1, the implementation of this Statement only required financial statement disclosures. There exists no impact on the financial statements of the Borough.

Because of the implementation of GASB Statement No. 87, the Borough has determined that lease agreements in which they are the lessor are now disclosed in accordance with the Statement (note 7).

**Recently Issued Accounting Pronouncements**

The Governmental Accounting Standards Board (GASB) has issued the following statements that have effective dates that may affect future financial presentations:

Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset, an intangible asset, and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The Statement will become effective for the Borough's year ending December 31, 2023. As a result of the regulatory basis of accounting previously described in note 1, this Statement will have no impact on the financial statements of the Borough, however management is currently evaluating whether or not this Statement will have an impact on the financial statement disclosures of the Borough.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Recently Issued Accounting Pronouncements (Cont'd)**

Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The Statement will become effective for the Borough in the year ending December 31, 2024. As a result of the regulatory basis of accounting previously described in note 1, this Statement will have no impact on the financial statements of the Borough, however management is currently evaluating whether or not this Statement will have an impact on the financial statement disclosures of the Borough.

**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 \$250,000.00 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 agency 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 classified as uninsured and uncollateralized.

As of December 31, 2022, the Borough's bank balances of \$17,246,948.98 were exposed to custodial credit risk as follows:

Insured by FDIC and GUDPA	\$ 16,608,635.06
Uninsured and Uncollateralized	<u>638,313.92</u>
Total	<u>\$ 17,246,948.98</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 calendar years:

**Comparative Schedule of Tax Rates**

	<u>Year Ended</u>				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Tax Rate	<u>\$ 4.134</u>	<u>\$ 3.990</u>	<u>\$ 4.005</u>	<u>\$ 3.879</u>	<u>\$ 3.824</u>
Apportionment of Tax Rate:					
Municipal	\$ 1.352	\$ 1.313	\$ 1.295	\$ 1.243	\$ 1.224
County	.443	.434	.421	.430	.429
Local School	2.339	2.243	2.289	2.206	2.171

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

Five-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four calendar years (cont'd):

**Assessed Valuation**

<u>Year</u>	<u>Amount</u>
2022	\$ 479,125,030.00
2021	477,400,339.00
2020	476,635,339.00
2019	477,382,738.00
2018	476,914,469.00

**Comparison of Tax Levies and Collections**

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2022	\$ 19,838,434.95	\$ 19,405,533.71	97.82%
2021	19,098,623.13	18,716,238.07	98.00%
2020	19,118,875.36	18,622,615.50	97.40%
2019	18,532,750.29	18,050,282.54	97.40%
2018	18,249,366.17	17,802,022.32	97.55%

**Delinquent Taxes and Tax Title Liens**

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2022	\$ 82,065.31	\$ 407,102.06	\$ 489,167.37	2.47%
2021	68,380.70	373,460.85	441,841.55	2.31%
2020	68,129.31	388,381.67	456,510.98	2.39%
2019	41,138.33	415,797.03	456,935.36	2.47%
2018	22,686.19	422,024.99	444,711.18	2.44%

The following comparison is made of the number of tax title liens receivable on December 31 for the current and previous four calendar years:

<u>Year</u>	<u>Number</u>
2022	10
2021	18
2020	19
2019	10
2018	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>
2022	\$ 300,550.00
2021	300,550.00
2020	300,550.00
2019	570,050.00
2018	570,050.00

**Note 5: SEWER UTILITY SERVICE CHARGES**

The following is a five-year comparison of sewer utility service charges (rents) for the current and previous four years:

<u>Balance Beginning of Year</u>					<u>Cash</u>
<u>Year</u>	<u>Receivable</u>	<u>Liens</u>	<u>Levy</u>	<u>Total</u>	<u>Collections</u>
2022	\$ 145,388.20	\$ 1,812.46	\$ 1,697,360.14	\$ 1,844,560.80	\$ 1,695,281.22
2021	151,174.55	1,376.46	1,679,259.38	1,831,810.39	1,684,609.73
2020	148,347.29	980.46	1,619,254.45	1,768,582.20	1,616,950.22
2019	163,642.04	-	1,689,411.38	1,853,053.42	1,703,615.10
2018	165,880.33	385.00	1,650,031.39	1,816,296.72	1,652,269.68

**Note 6: FUND BALANCES APPROPRIATED**

The following schedules detail 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:

**Current Fund**

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2022	\$ 5,045,522.48	\$ 1,600,000.00	31.71%
2021	4,959,949.86	1,350,000.00	27.22%
2020	3,922,172.07	1,211,000.00	30.88%
2019	3,240,343.90	1,314,800.00	40.58%
2018	3,137,595.12	1,364,800.00	43.50%

**Sewer Utility Fund**

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2022	\$ 787,152.53	\$ 637,426.00	80.98%
2021	1,032,191.30	493,870.00	47.85%
2020	688,912.76	240,000.00	34.84%
2019	725,821.45	240,000.00	33.07%
2018	646,936.12	197,637.00	30.55%

**Note 7: LEASES RECEIVABLE**

The Borough, as lessor, has entered into the following lease which meet the requirements of GASB 87:

**Cell Towers Lease** - On January 1, 2019, the Borough entered into a twenty five-year lease agreement for the lease of a cell tower with an incremental borrowing rate of 4.25%. Based on this agreement, the Borough is receiving payments of ranging from \$2,800.00 - \$5,848.00 on a monthly basis through December 31, 2043.

Under the provisions of GASB 87, as of December 31, 2022, the balance of the lease's receivable is \$703,421.09. As a result of the regulatory basis of accounting previously described in note 1, such balance is not recorded on the Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis of the current fund.

The following is a summary of the leases as of December 31, 2022:

<u>Lease Description</u>	<u>Lease Receivable</u>	<u>Lease Revenue</u>	<u>Lease Interest Revenue</u>
Cell Tower	<u>\$ 703,421.09</u>	<u>\$ 609,779.52</u>	<u>\$ 410,994.85</u>

Under the provisions of GASB 87, for the year ended December 31, 2022, the Borough would have recognized \$7,655.22 in a reduction of lease receivable and \$30,072.78 in interest revenue related to the leases. In addition, \$29,037.12 would have been recognized as both lease revenue and a reduction in deferred inflows of resources related to leases.

As a result of the regulatory basis of accounting previously described in note 1, the rental payments collected of \$37,728.00 were reported as revenue in the current fund.



**Note 8: 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, 2022:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current	\$ 43,818.66	\$ 65,048.98
Federal and State Grant		127,485.30
Trust - Other	65,048.98	2,019.15
General Capital	89,267.26	
Sewer Utility - Operating		3,581.47
Totals	<u>\$ 198,134.90</u>	<u>\$ 198,134.90</u>

The interfund receivables and payables above predominately resulted from collections and payments made by certain funds on behalf of other funds. During the year 2023, the Borough expects to liquidate such interfunds, depending upon the availability of cash flow.

**Note 9: PENSION PLANS**

In May of 2023, the New Jersey Division of Local Government Services issued Local Finance Notice 2023-10 which allows local units to disclose the most recently available information as it relates to the New Jersey Division of Pension's reporting on GASB 68. As of the date of this report the information for the period ended June 30, 2022 was not available, therefore the information dated June 30, 2021 is disclosed below.

A substantial number of the Borough's employees participate in one of the following 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, several Borough employees participate in the Defined Contribution Retirement Program ("DCRP"), which is a defined contribution pension plan. This Plan is administered by Empower (formerly Prudential Financial) for 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, required supplementary information and detailed information about the PERS and PFRS plans' fiduciary net position which can be obtained by writing to or at the following website:

State of New Jersey  
Division of Pensions and Benefits  
P.O. Box 295  
Trenton, New Jersey 08625-0295  
<https://www.state.nj.us/treasury/pensions/financial-reports.shtml>

**General Information about the Pension Plans****Plan Descriptions**

**Public Employees' Retirement System** - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan, which was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS' designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the Borough, provided the employee is not required to be a member of another state-administered retirement system or other state pensions fund or local jurisdiction's pension fund. The PERS' Board of Trustees is primarily responsible for the administration of the PERS.

**Note 9: PENSION PLANS (CONT'D)****General Information about the Pension Plans (Cont'd)****Plan Descriptions (Cont'd)**

**Police and Firemen's Retirement System** - The Police and Firemen's Retirement System is a cost-sharing multiple-employer defined benefit pension plan, which was established as of July 1, 1944, under the provisions of N.J.S.A. 43:16A. The PFRS' designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the PFRS is mandatory for substantially all full-time police and firemen of the Borough. The PFRS' Board of Trustees is primarily responsible for the administration of the PFRS.

**Defined Contribution Retirement Program** - The Defined Contribution Retirement Program is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of P.L. 2007, c. 92 and P.L. 2007, c. 103, and expanded under the provisions of P.L. 2008, c. 89 and P.L. 2010, c. 1. The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees enrolled in New Jersey State Police Retirement System (SPRS) or the Police and Firemen's Retirement System (PFRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in PERS after May 21, 2010 who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn salary of at least \$5,000.00 annually.

**Vesting and Benefit Provisions**

**Public Employees' Retirement System** - The vesting and benefit provisions are set by N.J.S.A. 43:15A. The PERS provides retirement, death and disability benefits. All benefits vest after ten years of service.

The following represents the membership tiers for PERS:

**Tier Definition**

- 1 Members who were enrolled prior to July 1, 2007
- 2 Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
- 3 Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
- 4 Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
- 5 Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 years or more of service credit before age 62, and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

**Note 9: PENSION PLANS (CONT'D)****General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions (Cont'd)**

**Police and Firemen's Retirement System** - The vesting and benefit provisions are set by N.J.S.A. 43:16A. The PFRS provides retirement, death and disability benefits. All benefits vest after 10 years of service, except disability benefits, which vest after four years of service.

The following represents the membership tiers for PFRS:

**Tier Definition**

- 1 Members who were enrolled prior to May 22, 2010
- 2 Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
- 3 Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service up to 30 years plus 1% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (tiers 1 and 2 members) and 60% (tier 3 members) of final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years. Members may elect deferred retirement benefits after achieving ten years of service, in which case benefits would begin at age 55 equal to 2% of final compensation for each year of service.

**Defined Contribution Retirement Program** - Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and non-forfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and non-forfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

**Contributions**

**Public Employees' Retirement System** - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate is currently 7.50% of base salary, effective July 1, 2018. The rate for members who are eligible for the Prosecutors Part of PERS (P.L. 2001, C. 366) is 10.0%. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

The Borough's contractually required contribution rate for the year ended December 31, 2021 was 16.15% of the Borough's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2021, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2021 is \$141,205.00, and is payable by April 1, 2022. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. For the prior year measurement date of June 30, 2020, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2020 was \$140,394.00, which was paid on April 1, 2021.

Employee contributions to the Plan for the year ended December 31, 2021 were \$67,781.89.

**Note 9: PENSION PLANS (CONT'D)****General Information about the Pension Plans (Cont'd)****Contributions (Cont'd)**

**Police and Firemen's Retirement System** - The contribution policy for PFRS is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate is currently 10.0% of base salary. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability.

*Special Funding Situation Component* - Under N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The legislation, which legally obligates the State, is as follows: Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed on behalf of the local participating employers under this legislation is considered to be a *special funding situation* as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the Plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to disclose in the notes to the financial statements of the local participating employers related to this legislation.

The Borough's contractually required contribution rate for the year ended December 31, 2021 was 39.00% of the Borough's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Based on the most recent PFRS measurement date of June 30, 2021, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2021 is \$464,327.00, and is payable by April 1, 2022. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. For the prior year measurement date of June 30, 2020, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2020 was \$435,492.00, which was paid on April 1, 2021.

Employee contributions to the Plan for the year ended December 31, 2021 were \$119,064.50.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the Borough, for the year ended December 31, 2021 was 5.98% of the Borough's covered payroll.

Based on the most recent PFRS measurement date of June 30, 2021 the State's contractually required contribution, on-behalf of the Borough, to the pension plan for the year ended December 31, 2021 was \$71,146.00, and is payable by April 1, 2022. For the prior year measurement date of June 30, 2020, the State's contractually required contribution, on-behalf of the Borough, to the pension plan for the year ended December 31, 2020 was \$60,152.00, which was paid on April 1, 2021.

**Defined Contribution Retirement Program** - The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. 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 contributes 3% of the employees' base salary, for each pay period.

For the year ended December 31, 2022, employee contributions totaled \$8,031.81, and the Borough's contributions were \$5,896.70. There were no forfeitures during the year.

**Note 9: PENSION PLANS (CONT'D)****Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions****Public Employees' Retirement System**

**Pension Liability** - As of December 31, 2021, the Borough's proportionate share of the PERS net pension liability was \$1,428,368.00. The net pension liability was measured as of June 30, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2021. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2021 measurement date, the Borough's proportion was .0120573003%, which was a decrease of .0007763810% from its proportion measured as of June 30, 2020.

**Pension (Benefit) Expense** - For the year ended December 31, 2021, the Borough's proportionate share of the PERS pension (benefit) expense, calculated by the Plan as of the June 30, 2021 measurement date was (\$247,968.00). This (benefit) expense is not recognized by the Borough because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2021 is \$140,394.00 and was paid by April 1, 2021.

**Police and Firemen's Retirement System**

**Pension Liability** - As of December 31, 2021, the Borough's and State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

Borough's Proportionate Share of Net Pension Liability	\$ 2,912,004.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Borough	<u>819,001.00</u>
	<u><u>\$ 3,731,005.00</u></u>

**Pension Liability** - The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2021. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. For the June 30, 2021 measurement date, the Borough's proportion was .0398405163%, which was an increase of .0008588334% from its proportion measured as of June 30, 2020. Likewise, at June 30, 2021, the State of New Jersey's proportion, on-behalf of the Borough, was .0398405170%, which was an increase of .0008588341% from its proportion, on-behalf of the Borough, measured as of June 30, 2020.

**Pension (Benefit) Expense** - For the year ended December 31, 2021, the Borough's proportionate share of the PFRS pension (benefit) expense, calculated by the Plan as of the June 30, 2021 measurement date was (\$323,849.00). This (benefit) expense is not recognized by the Borough because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2021 is \$435,492.00 and was paid by April 1, 2021.

**Note 9: PENSION PLANS (CONT'D)****Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Police and Firemen's Retirement System (Cont'd)**

**Pension (Benefit) Expense (Cont'd)** - For the year ended December 31, 2021, the State's proportionate share of the PFRS pension (benefit) expense, associated with the Borough, calculated by the Plan as of the June 30, 2021 measurement date, was \$91,213.00. This on-behalf (benefit) expense is not recognized by the Borough because of the regulatory basis of accounting as described in note 1.

**Deferred Outflows of Resources and Deferred Inflows of Resources** - As of December 31, 2021, the Borough had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources			Deferred Inflows of Resources		
	PERS	PFRS	Total	PERS	PFRS	Total
Differences between Expected and Actual Experience	\$ 22,527.00	\$ 33,222.00	\$ 55,749.00	\$ 10,225.00	\$ 348,828.00	\$ 359,053.00
Changes of Assumptions	7,439.00	15,495.00	22,934.00	508,508.00	872,714.00	1,381,222.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	-	-	376,270.00	1,240,900.00	1,617,170.00
Changes in Proportion and Differences between Borough Contributions and Proportionate Share of Contributions	178,061.00	441,213.00	619,274.00	416,854.00	212,714.00	629,568.00
Borough Contributions Subsequent to the Measurement Date	70,603.00	232,164.00	302,767.00	-	-	-
	<u>\$ 278,630.00</u>	<u>\$ 722,094.00</u>	<u>\$ 1,000,724.00</u>	<u>\$ 1,311,857.00</u>	<u>\$ 2,675,156.00</u>	<u>\$ 3,987,013.00</u>

Deferred outflows of resources in the amounts of \$70,603.00 and \$232,164.00 for PERS and PFRS, respectively, will be included as a reduction of the net pension liability during the year ending December 31, 2022. These amounts were based on an estimated April 1, 2023 contractually required contribution, prorated from the pension plans' measurement date of June 30, 2021 to the Borough's year end of December 31, 2021.

**Note 9: PENSION PLANS (CONT'D)****Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

**Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)** - The Borough will amortize the other deferred outflows of resources and deferred inflows of resources related to pensions over the following number of years:

	<b>PERS</b>		<b>PFRS</b>	
	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Differences between Expected and Actual Experience				
Year of Pension Plan Deferral:				
June 30, 2016	5.57	-	-	5.58
June 30, 2017	5.48	-	5.59	-
June 30, 2018	-	5.63	5.73	-
June 30, 2019	5.21	-	-	5.92
June 30, 2020	5.16	-	5.90	-
June 30, 2021	-	5.13	-	6.17
Changes of Assumptions				
Year of Pension Plan Deferral:				
June 30, 2016	5.57	-	5.58	-
June 30, 2017	-	5.48	-	5.59
June 30, 2018	-	5.63	-	5.73
June 30, 2019	-	5.21	-	5.92
June 30, 2020	-	5.16	-	5.90
June 30, 2021	5.13	-	6.17	-
Difference between Projected and Actual Earnings on Pension Plan Investments				
Year of Pension Plan Deferral:				
June 30, 2017	-	5.00	-	5.00
June 30, 2018	-	5.00	-	5.00
June 30, 2019	-	5.00	-	5.00
June 30, 2020	-	5.00	-	5.00
June 30, 2021	-	5.00	-	5.00
Changes in Proportion				
Year of Pension Plan Deferral:				
June 30, 2016	5.57	5.57	5.58	5.58
June 30, 2017	5.48	5.48	5.59	5.59
June 30, 2018	5.63	5.63	5.73	5.73
June 30, 2019	5.21	5.21	5.92	5.92
June 30, 2020	5.16	5.16	5.90	5.90
June 30, 2021	5.13	5.13	6.17	6.17

**Note 9: PENSION PLANS (CONT'D)****Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

**Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)** - Other amounts included as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in future periods as follows:

<b><u>Year Ending Dec 31,</u></b>	<b><u>PERS</u></b>	<b><u>PFRS</u></b>	<b><u>Total</u></b>
2022	\$ (402,471.00)	\$ (751,925.00)	\$ (1,154,396.00)
2023	(278,512.00)	(552,429.00)	(830,941.00)
2024	(250,940.00)	(386,090.00)	(637,030.00)
2025	(167,666.00)	(447,611.00)	(615,277.00)
2026	(4,241.00)	(40,318.00)	(44,559.00)
Thereafter	-	(6,853.00)	(6,853.00)
	<u>\$ (1,103,830.00)</u>	<u>\$ (2,185,226.00)</u>	<u>\$ (3,289,056.00)</u>

**Actuarial Assumptions**

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2021. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	<b><u>PERS</u></b>	<b><u>PFRS</u></b>
Inflation Rate:		
Price	2.75%	2.75%
Wage	3.25%	3.25%
Salary Increases: <sup>(1)</sup>		
Through 2026	2.00% - 6.00%	
Thereafter	3.00% - 7.00%	
Through All Future Years		3.25% - 15.25%
Investment Rate of Return	7.00%	7.00%
Period of Actuarial Experience		
Study upon which Actuarial Assumptions were Based	July 1, 2014 - June 30, 2018	July 1, 2013 - June 30, 2018

<sup>(1)</sup> based on years of service



**Note 9: PENSION PLANS (CONT'D)****Actuarial Assumptions (Cont'd)****Public Employees' Retirement System**

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

**Police and Firemen's Retirement System**

Pre-retirement mortality rates were based on the PubS-2010 amount-weighted mortality table with a 105.6% adjustment for males and 102.5% adjustment for females. For healthy annuitants, mortality rates were based on the PubS-2010 amount-weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females. Disability rates were based on the PubS-2010 amount-weighted mortality table with a 152.0% adjustment for males and 109.3% adjustment for females. Mortality improvement is based on Scale MP-2021.

For both PERS and PFRS, in accordance with State statute, the long-term expected rate of return on Plan investments (7.00% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS' and PFRS' target asset allocation as of June 30, 2021 are summarized in the table that follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.09%
Non-US Developed Markets Equity	13.50%	8.71%
Emerging Market Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Estate	8.00%	9.15%
Real Assets	3.00%	7.40%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%
	<u>100.00%</u>	

**Note 9: PENSION PLANS (CONT'D)****Actuarial Assumptions (Cont'd)****Discount Rate –**

**Public Employees' Retirement System** - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.16% as of the June 30, 2021 measurement date based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from Plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity would be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all projected benefit payments to determine the total pension liability.

**Police and Firemen's Retirement System** - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 2.16% as of June 30, 2021 measurement date based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from Plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all projected benefit payments to determine the total pension liability.

**Sensitivity of Proportionate Share of Net Pension Liability to Changes in the Discount Rate**

**Public Employees' Retirement System (PERS)** - The following presents the Borough's proportionate share of the net pension liability as of the June 30, 2021 measurement date, calculated using a discount rate of 7.00%, as well as what the Borough's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
Borough's Proportionate Share of the Net Pension Liability	<u>\$ 1,945,148.00</u>	<u>\$ 1,428,368.00</u>	<u>\$ 989,807.00</u>

**Note 9: PENSION PLANS (CONT'D)****Sensitivity of Proportionate Share of Net Pension Liability to Changes in the Discount Rate (Cont'd)**

**Police and Firemen's Retirement System (PFRS)** - As previously mentioned, PFRS has a special funding situation, where the State of New Jersey pays a portion of the Borough's annual required contribution. As such, the net pension liability as of the June 30, 2021 measurement date, for the Borough and the State of New Jersey, calculated using a discount rate of 7.00%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used, is as follows:

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
Borough's Proportionate Share of the Net Pension Liability	\$ 4,421,787.00	\$ 2,912,004.00	\$ 1,655,273.00
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Borough	1,243,627.00	819,001.00	465,545.00
	<u>\$ 5,665,414.00</u>	<u>\$ 3,731,005.00</u>	<u>\$ 2,120,818.00</u>

**Pension Plan Fiduciary Net Position**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension (benefit) expense, information about the respective fiduciary net position of the PERS and PFRS and additions to/deductions from PERS and PFRS' respective fiduciary net position have been determined on the same basis as they are reported by PERS and PFRS. Accordingly, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Note 9: PENSION PLANS (CONT'D)****Supplementary Pension Information**

In accordance with GASBS 68, the following information is also presented for the PERS and PFRS pension plans. These schedules are presented to illustrate the requirements to show information for 10 years; however, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

***Schedule of the Proportionate Share of the Net Pension Liability - Public Employees' Retirement System (PERS) (Last Nine Plan Years)***

	<b>Measurement Date Ended June 30,</b>				
	<b><u>2021</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>
Borough's Proportion of the Net Pension Liability	0.0120573003%	0.0128336813%	0.0144558666%	0.0126026851%	0.0131832790%
Borough's Proportionate Share of the Net Pension Liability	\$ 1,428,368.00	\$ 2,092,838.00	\$ 2,604,728.00	\$ 2,481,406.00	\$ 3,068,857.00
Borough's Covered Payroll (Plan Measurement Period)	\$ 854,500.00	\$ 887,180.00	\$ 1,027,272.00	\$ 923,656.00	\$ 898,664.00
Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	167.16%	235.90%	253.56%	268.65%	341.49%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.33%	58.32%	56.27%	53.60%	48.10%
	<b>Measurement Date Ended June 30,</b>				
	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>	
Borough's Proportion of the Net Pension Liability	0.0141762747%	0.0125491461%	0.0117651258%	0.0111464203%	
Borough's Proportionate Share of the Net Pension Liability	\$ 4,198,606.00	\$ 2,817,032.00	\$ 2,202,753.00	\$ 2,130,302.00	
Borough's Covered Payroll (Plan Measurement Period)	\$ 975,224.00	\$ 815,400.00	\$ 819,512.00	\$ 768,916.00	
Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	430.53%	345.48%	268.79%	277.05%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	40.14%	47.93%	52.08%	48.72%	

**Note 9: PENSION PLANS (CONT'D)****Supplementary Pension Information (Cont'd)*****Schedule of Contributions - Public Employees' Retirement System (PERS) (Last Nine Years)***

	Year Ended December 31,				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Borough's Contractually Required Contribution	\$ 141,205.00	\$ 140,394.00	\$ 140,613.00	\$ 125,356.00	\$ 122,129.00
Borough's Contribution in Relation to the Contractually Required Contribution	<u>(141,205.00)</u>	<u>(140,394.00)</u>	<u>(140,613.00)</u>	<u>(125,356.00)</u>	<u>(122,129.00)</u>
Borough's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Borough's Covered Payroll (Calendar Year)	\$ 874,426.00	\$ 856,358.00	\$ 908,265.00	\$ 995,538.00	\$ 945,016.00
Borough's Contributions as a Percentage of Covered Payroll	16.15%	16.39%	15.48%	12.59%	12.92%
	Year Ended December 31,				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	
Borough's Contractually Required Contribution	\$ 125,940.00	\$ 107,889.00	\$ 96,990.00	\$ 83,986.00	
Borough's Contribution in Relation to the Contractually Required Contribution	<u>(125,940.00)</u>	<u>(107,889.00)</u>	<u>(96,990.00)</u>	<u>(83,986.00)</u>	
Borough's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
Borough's Covered Payroll (Calendar Year)	\$ 920,107.00	\$ 975,024.00	\$ 829,481.00	\$ 796,077.00	
Borough's Contributions as a Percentage of Covered Payroll	13.69%	11.07%	11.69%	10.55%	

**Note 9: PENSION PLANS (CONT'D)****Supplementary Pension Information (Cont'd)*****Schedule of Proportionate Share of the Net Pension Liability - Police and Firemen's Retirement System (PFRS) (Last Nine Plan Years)***

	<b>Measurement Date Ended June 30,</b>				
	<b><u>2021</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>
Borough's Proportion of the Net Pension Liability	0.0398405163%	0.0389816829%	0.0380915715%	0.0354076555%	0.0398784903%
Borough's Proportionate Share of the Net Pension Liability	\$ 2,912,004.00	\$ 5,036,948.00	\$ 4,661,577.00	\$ 4,791,240.00	\$ 6,156,468.00
State's Proportionate Share of the Net Pension Liability associated with the Borough	819,001.00	781,711.00	736,072.00	650,811.00	689,576.00
Total	<u>\$ 3,731,005.00</u>	<u>\$ 5,818,659.00</u>	<u>\$ 5,397,649.00</u>	<u>\$ 5,442,051.00</u>	<u>\$ 6,846,044.00</u>
Borough's Covered Payroll (Plan Measurement Period)	\$ 1,396,616.00	\$ 1,289,972.00	\$ 1,303,184.00	\$ 1,254,908.00	\$ 1,277,080.00
Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	208.50%	390.47%	357.71%	381.80%	482.07%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.26%	63.52%	65.00%	62.48%	58.60%
	<b>Measurement Date Ended June 30,</b>				
	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>	
Borough's Proportion of the Net Pension Liability	0.0382384984%	0.0364642544%	0.0328532955%	0.0326857557%	
Borough's Proportionate Share of the Net Pension Liability	\$ 7,304,531.00	\$ 6,073,674.00	\$ 4,132,640.00	\$ 4,345,276.00	
State's Proportionate Share of the Net Pension Liability associated with the Borough	613,399.00	532,641.00	445,016.00	405,033.00	
Total	<u>\$ 7,917,930.00</u>	<u>\$ 6,606,315.00</u>	<u>\$ 4,577,656.00</u>	<u>\$ 4,750,309.00</u>	
Borough's Covered Payroll (Plan Measurement Period)	\$ 1,222,196.00	\$ 1,127,212.00	\$ 1,023,832.00	\$ 1,086,020.00	
Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	597.66%	538.82%	403.64%	400.11%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.01%	56.31%	62.41%	58.70%	

**Note 9: PENSION PLANS (CONT'D)****Supplementary Pension Information (Cont'd)*****Schedule of Contributions - Police and Firemen's Retirement System (PFRS) (Last Nine Years)***

	Year Ended December 31,				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Borough's Contractually Required Contribution	\$ 464,327.00	\$ 435,492.00	\$ 384,767.00	\$ 346,162.00	\$ 352,932.00
Borough's Contribution in Relation to the Contractually Required Contribution	(464,327.00)	(435,492.00)	(384,767.00)	(346,162.00)	(352,932.00)
Borough's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Borough's Covered Payroll (Calendar Year)	\$ 1,190,645.00	\$ 1,329,165.00	\$ 1,322,027.00	\$ 1,277,134.00	\$ 1,212,308.00
Borough's Contributions as a Percentage of Covered Payroll	39.00%	32.76%	29.10%	27.10%	29.11%
	Year Ended December 31,				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	
Borough's Contractually Required Contribution	\$ 311,774.00	\$ 296,400.00	\$ 252,336.00	\$ 238,468.00	
Borough's Contribution in Relation to the Contractually Required Contribution	(311,774.00)	(296,400.00)	(252,336.00)	(238,468.00)	
Borough's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
Borough's Covered Payroll (Calendar Year)	\$ 1,276,214.00	\$ 1,190,751.00	\$ 1,138,016.00	\$ 1,029,661.00	
Borough's Contributions as a Percentage of Covered Payroll	24.43%	24.89%	22.17%	23.16%	

**Note 9: PENSION PLANS (CONT'D)****Supplementary Pension Information (Cont'd)****Other Notes to Supplementary Pension Information*****Public Employees' Retirement System (PERS)*****Changes in Benefit Terms**

The June 30, 2021 measurement date included one change to the plan provisions. Chapter 140, P.L. 2021 reopened the Worker's Compensation Judges (WCJ) Part of PERS and transferred WCJs from the defined contribution retirement program (DCRP) and regular part of PERS into the WCJ Part of PERS.

**Changes in Assumptions**

The discount rate used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	7.00%	2017	5.00%
2020	7.00%	2016	3.98%
2019	6.28%	2015	4.90%
2018	5.66%	2014	5.39%

The long-term expected rate of return used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	7.00%	2017	7.00%
2020	7.00%	2016	7.65%
2019	7.00%	2015	7.90%
2018	7.00%	2014	7.90%

The mortality assumption was updated upon direction from the Division of Pensions and Benefits.

***Police and Firemen's Retirement System (PFRS)*****Changes in Benefit Terms**

None

**Changes in Assumptions**

The discount rate used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	7.00%	2017	6.14%
2020	7.00%	2016	5.55%
2019	6.85%	2015	5.79%
2018	6.51%	2014	6.32%



**Note 9: PENSION PLANS (CONT'D)****Supplementary Pension Information (Cont'd)****Other Notes to Supplementary Pension Information (Cont'd)*****Police and Firemen's Retirement System (PFRS) (Cont'd)*****Changes in Assumptions (Cont'd)**

The long-term expected rate of return used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	7.00%	2017	7.00%
2020	7.00%	2016	7.65%
2019	7.00%	2015	7.90%
2018	7.00%	2014	7.90%

The mortality assumption was updated upon direction from the Division of Pensions and Benefits.

**Note 10: LENGTH OF SERVICE AWARDS PROGRAM**

**Plan Description** - The Borough's length of service awards program (the "Plan"), which is a defined contribution plan reported in the Borough's trust fund, was created by a Borough Resolution adopted on December 3, 2001 pursuant to Section 457(e)(11)(B) 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 accumulated assets of the Plan are not administered through a trust that meets the criteria of paragraph 4 of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*.

The voters of the Borough approved the adoption of the Plan at the general election held on November 8, 2001, and the first year of eligibility for entrance into the length of service awards program by qualified volunteers was calendar year 2002. The Plan provides tax deferred income benefits to emergency service volunteers of the Palmyra Fire Department, and is administered by Lincoln National Life Insurance Company ("Plan Administrator"), a State of New Jersey approved length of service awards program provider. The Borough's practical involvement in administering the Plan is essentially limited to verifying the eligibility of each participant and remitting the funds to the Plan Administrator.

The tax deferred income benefits for emergency service volunteers of the Palmyra Fire Department, consisting of the volunteer fire department, come from contributions made solely by the governing body of the Borough, on behalf of those volunteers who meet the criteria of the Plan created by that governing body. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

**Note 10: LENGTH OF SERVICE AWARDS PROGRAM (CONT'D)**

**Plan Amendments** - The Borough may make minor amendments to the provisions of the Plan at any time, provided, however, that no amendment affects the rights of participants or their beneficiaries regarding vested accumulated deferrals at the time of the amendment. The Plan can only be amended by resolution of the governing body of the Borough, and the following procedures must be followed: (a) any amendment to the Plan shall be submitted for review and approval by the Director of Local Government Services, State of New Jersey (the "Director") prior to implementation by the Borough's governing body, provided, however, that any amendment required by the IRS, may be adopted by the Borough's governing body without the advance approval of the Director (although such amendment shall be filed with the Director); (b) the documentation submitted to the Director shall identify the regulatory authority for the amendment and the specific language of the change; and (c) the Borough shall adopt the amendment by resolution of the governing body, and a certified copy of the resolution shall be forwarded to the Director. The Borough may amend the Plan agreement to accommodate changes in the Internal Revenue Code, Federal statutes, state laws or rules or operational experience. In cases of all amendments to the Plan, the Borough shall notify all participants in writing prior to making any amendment to the Plan.

**Contributions** - If an active member meets the year of active service requirement, a length of service awards program must provide a benefit between the minimum contribution of \$100.00 and a maximum contribution of \$1,150.00 per year. While the maximum amount is established by statute, it is subject to periodic increases that are related to the consumer price index (N.J.S.A. 40A:14-185(f)). The Division of Local Government Services of the State of New Jersey will issue the permitted maximum annually.

The Borough elected to contribute \$820.28 for the year ended December 31, 2022, per eligible volunteer, into the Plan, depending on how many years the volunteer has served. Participants direct the investment of the contributions into various investment options offered by the Plan. The Borough has no authorization to direct investment contributions on behalf of eligible volunteers nor has the ability to purchase or sell investment options offered by the Plan. The types of investment options, and the administering of such investments, rests solely with the Plan Administrator.

For the year ended December 31, 2022, the Borough's total expenditure to the Plan was \$10,663.73.

**Participant Accounts** - Each participant's account is credited with the Borough's contribution and Plan earnings, and charged with administrative expenses. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. The Borough has placed the amounts deferred, including earnings, in an account maintained by a third-party administrator for the exclusive benefit of the Plan participants and their beneficiaries. The contributions from the Borough to the Plan, and the related earnings, are not irrevocable, and such funds are not legally protected from the creditors of the Borough. These funds, however, are not available for funding the operations of the Borough.

**Vesting** - The Borough, in accordance with N.J.S.A. 40A:14-188 and N.J.A.C. 5:30-11.63 may make a yearly contribution to the length of service awards program account in the deferred income program for an active volunteer who has satisfied the requirements for receipt of an award, but the volunteer shall not be able to receive a distribution of the funds until the completion of a five year vesting period or be in accordance with changes to vesting conveyed through the issuance of a Local Finance Notice and/or publication of a public notice in the New Jersey Register, with payment of that benefit only being as otherwise permitted by the Plan.

**Payment of Benefits** - Upon separation from volunteer service, retirement or disability, termination of the Plan, participants may select various payout options of vested accumulated deferrals, which include lump sum, periodic, or annuity payments. In the case of death, with certain exceptions, any amount invested under the participant's account is paid to the beneficiary or the participant's estate.

In the event of an unforeseeable emergency, as outlined in the Plan document, a participant or a beneficiary entitled to vested accumulated deferrals may request the local plan administrator to payout a portion of vested accumulated deferrals.

**Note 10: LENGTH OF SERVICE AWARDS PROGRAM (CONT'D)**

**Forfeited Accounts** - For the year ended December 31, 2022, no accounts were forfeited.

**Investments** - The investments of the length of service awards program reported in the trust - other funds on the statements of assets, liabilities, reserves, and fund balance - regulatory basis are recorded at fair value.

**Plan Information** - Additional information about the Borough's length of service awards program can be obtained by contacting the Plan Administrator.

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS**

In May of 2023, the New Jersey Division of Local Government Services issued Local Finance Notice 2023-10 which allows local units to disclose the most recently available information as it relates to the New Jersey Division of Pension's reporting on GASB 75. As of the date of this report the information for the period ended June 30, 2022 was not available, therefore the information dated June 30, 2021 is disclosed below.

**General Information about the State Health Benefit Local Government Retired Employees Plan**

**Plan Description and Benefits Provided** - The Borough contributes to the State Health Benefits Local Government Retired Employees Plan (the "Plan"), which is a cost-sharing multiple-employer defined benefit other postemployment benefit ("OPEB") plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. The Plan meets the definition of an equivalent arrangement as defined in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions* (GASB Statement No. 75); therefore, assets are accumulated to pay associated benefits. For additional information about the Plan, please refer to the State of New Jersey (the "State"), Division of Pensions and Benefits' (the "Division") annual financial statements, which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

The Plan provides medical and prescription drug to retirees and their covered dependents of the participating employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees. Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations agreement.

In accordance with Chapter 330, P.L. 1997, which is codified in N.J.S.A 52:14-17.32i, the State provides medical and prescription coverage to local police officers and firefighters, who retire with 25 years of service or on a disability from an employer who does not provide postretirement medical coverage. Local employers were required to file a resolution with the Division in order for their employees to qualify for State-paid retiree health benefits coverage under Chapter 330. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****General Information about the State Health Benefit Local Government Retired Employees Plan (Cont'd)**

**Plan Description and Benefits Provided (Cont'd)** - Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

**Contributions** - The funding policy for the OPEB plan is pay-as-you-go; therefore, there is no prefunding of the liability. However, due to premium rates being set prior to each calendar year, there is a minimal amount of net position available to cover benefits in future years. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are collected from the State of New Jersey, participating local employers, and retired members.

The Borough was billed monthly by the Plan and paid \$263,946.59, for the year ended December 31, 2021, representing 12.78% of the Borough's covered payroll. During the year ended December 31, 2021, retirees were required to contribute \$15,856.73 to the Plan.

**OPEB Liability, OPEB (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources**

**OPEB Liability** - At December 31, 2021, the Borough's proportionate share of the net OPEB liability was \$9,720,602.00.

The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021.

The Borough's proportion of the net OPEB liability was based on the ratio of the Plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2020 through June 30, 2021. For the June 30, 2021 measurement date, the Borough's proportion was .054004%, which was a decrease of .005497% from its proportion measured as of the June 30, 2020 measurement date.

**OPEB (Benefit) Expense** - At December 31, 2021, the Borough's proportionate share of the OPEB (benefit) expense, calculated by the Plan as of the June 30, 2021 measurement date, is (\$236,183.00). This (benefit) expense is not recognized by the Borough because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2021, the Borough made contributions to the Plan totaling \$263,946.59.

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****OPEB Liability, OPEB (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)**

**Deferred Outflows of Resources and Deferred Inflows of Resources** - At December 31, 2021, the Borough had deferred outflows of resources and deferred inflows of resources from the following sources:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Differences between Expected and Actual Experience	\$ 218,119.00	\$ 2,033,693.00
Changes of Assumptions	1,398,338.00	1,718,231.00
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	4,648.00	-
Changes in Proportion	377,844.00	2,035,059.00
Contributions Subsequent to the Measurement Date	140,601.43	-
	<u>\$ 2,139,550.43</u>	<u>\$ 5,786,983.00</u>

Deferred outflows of resources in the amount of \$140,601.43 will be included as a reduction of the Borough's net OPEB liability during the year ending December 31, 2022.

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****OPEB Liability, OPEB (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)**

**Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)** - The Borough will amortize the above other deferred outflows of resources and deferred inflows of resources related to the OPEB liability over the following number of years:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience		
June 30, 2018	-	8.14
June 30, 2019	-	8.05
June 30, 2020	7.87	-
June 30, 2021	-	7.82
Changes of Assumptions		
Year of OPEB Plan Deferral:		
June 30, 2017	-	8.04
June 30, 2018	-	8.14
June 30, 2019	-	8.05
June 30, 2020	7.87	-
June 30, 2021	7.82	-
Net Difference between Projected and Actual Investment Earnings on OPEB Plan Investments		
Year of OPEB Plan Deferral:		
June 30, 2017	5.00	-
June 30, 2018	5.00	-
June 30, 2019	5.00	-
June 30, 2020	5.00	-
June 30, 2021	5.00	-
Changes in Proportion		
Year of OPEB Plan Deferral:		
June 30, 2017	8.04	8.04
June 30, 2018	8.14	8.14
June 30, 2019	8.05	8.05
June 30, 2020	7.87	7.87
June 30, 2021	7.82	7.82

Other amounts included as deferred outflows of resources and deferred inflows of resources related to the OPEB liability will be recognized in future periods as follows:

<b><u>Year Ending Dec. 31,</u></b>	
2022	\$ (922,987.00)
2023	(923,750.00)
2024	(924,448.00)
2025	(619,180.00)
2026	(263,680.00)
Thereafter	(133,989.00)
	<u>\$ (3,788,034.00)</u>

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****Actuarial Assumptions**

The actuarial assumptions vary for each plan member depending on the pension plan in which the member is enrolled. The actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021, used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate	2.50%
Salary Increases *	
PERS:	
Initial Fiscal Year Applied:	
Rate through 2026	2.00% to 6.00%
Rate Thereafter	3.00% to 7.00%
PFRS:	
Rate for all Future Years	3.25% to 15.25%

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\* salary increases are based on years of service within the respective Plan

PERS mortality rates were based on Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021.

PFRS mortality rates were based on Pub-2010 Safety classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021.

Actuarial assumptions used in the valuation were based on the results of the PFRS and PERS experience studies prepared for July 1, 2013 to June 30, 2018 and July 1, 2014 to June 30, 2018, respectively.

100% of active members are considered to participate in the Plan upon retirement.

All of the Plan's investments are in the State of New Jersey Cash Management Fund (the "CMF"). The New Jersey Division of Investments manages the CMF, which is available on a voluntary basis for investment by State and certain non-State participants. The CMF is considered to be an investment trust fund as defined in GASB Statement No. 31, *Certain Investments and External Investment Pools*. The CMF invests in U.S. government and agency obligations, commercial paper, corporate obligations and certificates of deposit. Units of ownership in the CMF may be purchased or redeemed on any given business day (excluding State holidays) at the unit cost of value of \$1.00. Participant shares are valued on a fair value basis. The CMF pays interest to participants on a monthly basis.

**Discount Rate** - The discount rate used to measure the OPEB liability at June 30, 2021 was 2.16%. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****Actuarial Assumptions (Cont'd)**

**Health Care Trend Assumptions** - The health care trend assumptions used is as follows:

<b>Fiscal Year Ending</b>	<b>Annual Rate of Increase</b>			
	<b>Medical Trend</b>			<b>Prescription Drug Trend</b>
	<b>Pre-65</b>	<b>PPO Post-65</b>	<b>HMP Post-65</b>	
2021	5.65%	13.08%	13.76%	6.75%
2022	5.55%	3.34%	3.22%	6.50%
2023	5.45%	0.52%	0.17%	6.25%
2024	5.35%	7.56%	7.79%	6.00%
2025	5.20%	14.43%	15.23%	5.50%
2026	5.00%	12.55%	13.19%	5.00%
2027	4.75%	8.95%	9.29%	4.75%
2028	4.50%	5.92%	6.04%	4.50%
2029	4.50%	5.38%	5.46%	4.50%
2030	4.50%	4.86%	4.89%	4.50%
2031	4.50%	4.55%	4.56%	4.50%
2032 and Later	4.50%	4.50%	4.50%	4.50%

**Sensitivity of the Net OPEB Liability to Changes in the Discount Rate**

The net OPEB liability, calculated using a discount rate of 2.16%, as well as using a discount rate that is 1% lower or 1% higher than the current rate used, is as follows:

	<b>1% Decrease (1.16%)</b>	<b>Current Discount Rate (2.16%)</b>	<b>1% Increase (3.16%)</b>
Borough's Proportionate Share of the Net OPEB Liability	<u>\$ 11,439,284.00</u>	<u>\$ 9,720,602.00</u>	<u>\$ 8,358,510.00</u>

**Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate**

The net OPEB liability, using a healthcare cost trend rate that is 1% lower or 1% higher than the current healthcare cost trend rate used, is as follows:

	<b>1% Decrease</b>	<b>Healthcare Cost Trend Rate</b>	<b>1% Increase</b>
Borough's Proportionate Share of the Net OPEB Liability	<u>\$ 8,110,256.00</u>	<u>\$ 9,720,602.00</u>	<u>\$ 11,821,904.00</u>

**OPEB Plan Fiduciary Net Position**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB (benefit) expense, information about the respective fiduciary net position of the State Health Benefits Local Government Retired Employees Plan and additions to/deductions from the Plan's respective fiduciary net position have been determined on the same basis as they are reported by the Plan. Accordingly, contributions (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.



**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****Supplementary OPEB Information**

In accordance with GASBS No. 75, the following information is also presented for the State Health Benefits Local Government Retired Employees Plan. These schedules are presented to illustrate the requirements to show information for 10 years; however, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

**Schedule of the Borough's Proportionate Share of the Net OPEB Liability (Last Five Plan Years)**

	Measurement Date Ended June 30,				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Borough's Proportion of the Net OPEB Liability	0.054004%	0.059501%	0.057229%	0.060832%	0.061001%
Borough's Proportionate Share of the Net OPEB Liability	\$ 9,720,602.00	\$ 10,678,414.00	\$ 7,752,281.00	\$ 9,530,317.00	\$ 12,453,835.00
Borough's Covered Payroll (Plan Measurement Period)	\$ 2,098,642.00	\$ 2,263,787.00	\$ 2,238,917.00	\$ 2,198,811.00	\$ 2,210,315.00
Borough's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	463.19%	471.71%	346.25%	433.43%	563.44%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.28%	0.91%	1.98%	1.97%	1.03%

**Schedule of the Borough's Contributions (Last Five Years)**

	Year Ended December 31,				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Borough's Required Contributions	\$ 263,946.59	\$ 223,837.30	\$ 221,442.80	\$ 379,655.51	\$ 394,486.25
Borough's Contributions in Relation to the Required Contribution	(263,946.59)	(223,837.30)	(221,442.80)	(379,655.51)	(394,486.25)
Borough's Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Borough's Covered Payroll (Calendar Year)	\$ 2,065,071.00	\$ 2,185,523.00	\$ 2,230,292.00	\$ 2,272,672.00	\$ 2,157,324.00
Borough's Contributions as a Percentage of Covered Payroll	12.78%	10.24%	9.93%	16.71%	18.29%

**Other Notes to Supplementary OPEB Information**

**Changes in Benefit Terms** - The actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021, included changes due to employers adopting and /or changing Chapter 48 provisions.

**Changes in Assumptions** - The discount rate used as of the June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	2.16%	2018	3.87%
2020	2.21%	2017	3.58%
2019	3.50%		

The expected investment rate of return is based on guidance provided by the State. These expected rates of return are the same as the discount rates listed above.

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****Other Notes to Supplementary OPEB Information (Cont'd)**

In addition to changes in the discount rate, other factors that affected the valuation of the net OPEB liability included changes in the trend and updated mortality improvement assumptions.

In October 2021, the Society of Actuaries (SOA) released an updated set of life expectancy mortality improvement assumptions, Scale MP-2021. The MP-2021 scale reflects more recent mortality data for the U.S. population.

**Note 12: COMPENSATED ABSENCES**

Under the existing policy of the Borough, 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 Administrator. 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 (\$15,000.00).

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 (\$15,000.00).

The Borough does not record accrued expenses related to compensated absences. It is estimated that as of December 31, 2022, Borough employees who have met the above criteria, have accrued benefits for compensated absences valued at \$371,626.66.

The Borough has established a Compensated Absence Trust Fund to set aside funds for the future payments of compensated absences. At December 31, 2022 the balance of the trust fund is \$165,758.65.

**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: CAPITAL DEBT****General Improvement Bonds**

General Improvement Bonds, Series 2015 - On September 8, 2015, the Borough issued \$9,830,000.00 of general improvement bonds, with interest rates ranging from 3.0% - 4.0%. The purpose of the bonds is to fund various capital ordinances. The final maturity of the bonds is March 1, 2028.

General Improvement Bonds, Series 2020 - On December 10, 2020, the Borough issued \$5,245,000.00 of general improvement bonds, with interest rates ranging from 0.5% - 2.0%. The purpose of the bonds is to fund various capital ordinances. The final maturity of the bonds is November 1, 2031.

The following schedule represents the remaining debt service, through maturity, for the general improvement bonds:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 1,240,000.00	\$ 208,155.00	\$ 1,448,155.00
2024	1,265,000.00	181,642.50	1,446,642.50
2025	1,295,000.00	154,380.00	1,449,380.00
2026	1,325,000.00	126,290.00	1,451,290.00
2027	1,365,000.00	97,225.00	1,462,225.00
2028-2031	<u>3,615,000.00</u>	<u>150,450.00</u>	<u>3,765,450.00</u>
Totals	<u>\$ 10,105,000.00</u>	<u>\$ 918,142.50</u>	<u>\$ 11,023,142.50</u>

**Note 14: CAPITAL DEBT (CONT'D)****Sewer Utility Debt – Utility Improvement Bonds**

Sewer Utility Improvement Bonds, Series 2015 - On September 8, 2015, the Borough issued \$1,845,000.00 of general improvement bonds, with interest rates ranging from 3.0% - 4.0%. The purpose of the bonds is to fund various capital ordinances. The final maturity of the bonds is March 1, 2035.

Sewer Utility Improvement Bonds, Series 2020 - On December 10, 2020, the Borough issued \$1,522,000.00 of general improvement bonds, with interest rates ranging from 0.5% - 2.0%. The purpose of the bonds is to fund various capital ordinances. The final maturity of the bonds is November 1, 2034.

The following schedule represents the remaining debt service, through maturity, for the sewer utility improvement bonds.

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 180,000.00	\$ 56,726.26	\$ 236,726.26
2024	190,000.00	54,201.26	244,201.26
2025	195,000.00	51,523.76	246,523.76
2026	195,000.00	48,771.26	243,771.26
2027	200,000.00	45,943.76	245,943.76
2028-2032	1,080,000.00	159,590.65	1,239,590.65
2033-2035	600,000.00	25,856.25	625,856.25
Totals	<u>\$ 2,640,000.00</u>	<u>\$ 442,613.20</u>	<u>\$ 3,082,613.20</u>

**Sewer Utility Debt – New Jersey Environmental Infrastructure Loans**

On May 21, 2014, the Borough entered into a loan agreement with the New Jersey Environmental Infrastructure Trust to provide \$2,661,750.00, at no interest, from the fund loan, and \$865,000.00 with interest ranging from 3.0% - 5.0% from the trust loan. The proceeds were used to finance various capital ordinances. Semiannual debt payments are due February 1st and August 1st through 2033.

The following schedule represents the remaining debt service, through maturity, for the New Jersey Environmental Infrastructure loans:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 180,343.21	\$ 19,575.00	\$ 199,918.21
2024	180,343.21	17,325.00	197,668.21
2025	185,343.21	15,075.00	200,418.21
2026	185,343.21	13,575.00	198,918.21
2027	185,343.21	12,075.00	197,418.21
2028-2032	961,716.05	36,225.00	997,941.05
2033	195,343.41	1,950.00	197,293.41
Totals	<u>\$ 2,073,775.51</u>	<u>\$ 115,800.00</u>	<u>\$ 2,189,575.51</u>

**Note 14: CAPITAL DEBT (CONT'D)**

The following schedule represents the Borough's summary of debt for the current and two previous years:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
<b><u>Issued</u></b>			
General:			
Bonds, Loans and Notes	\$ 13,295,000.00	\$ 11,315,000.00	\$ 12,505,000.00
Sewer Utility:			
Bonds, Loans and Notes	<u>5,322,475.51</u>	<u>5,069,118.72</u>	<u>5,426,461.93</u>
Total Issued	<u>18,617,475.51</u>	<u>16,384,118.72</u>	<u>17,931,461.93</u>
<b><u>Authorized but not Issued</u></b>			
General:			
Bonds, Loans and Notes	905,523.93	2,287,341.71	1,601,251.71
Sewer Utility:			
Bonds, Loans and Notes	<u>1,720,525.00</u>	<u>459,225.00</u>	<u>525.00</u>
Total Authorized but not Issued	<u>2,626,048.93</u>	<u>2,746,566.71</u>	<u>1,601,776.71</u>
Total Issued and Authorized but not Issued	<u>21,243,524.44</u>	<u>19,130,685.43</u>	<u>19,533,238.64</u>
<b><u>Deductions</u></b>			
General:			
Reserve for Payment of Debt	411,672.46	491,672.46	571,672.46
Excess Note Cash	2,177.62	2,177.62	2,177.62
Sewer Utility:			
Self-Liquidating	<u>7,043,000.51</u>	<u>5,528,343.72</u>	<u>5,426,986.93</u>
Total Deductions	<u>7,456,850.59</u>	<u>6,022,193.80</u>	<u>6,000,837.01</u>
<b>Net Debt</b>	<u>\$ 13,786,673.85</u>	<u>\$ 13,108,491.63</u>	<u>\$ 13,532,401.63</u>

**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 2.411%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
School Purposes	\$ 5,075,000.00	\$ 5,075,000.00	
Self-Liquidating	7,043,000.51	7,043,000.51	
General	<u>14,200,523.93</u>	<u>413,850.08</u>	\$ 13,786,673.85
	<u>\$ 26,318,524.44</u>	<u>\$ 12,531,850.59</u>	<u>\$ 13,786,673.85</u>

Net debt \$13,786,673.85 divided by the equalized valuation basis per N.J.S.A.40A:2-2, as amended, \$571,941,865.67, equals 2.411%.

**Note 14: CAPITAL DEBT (CONT'D)****Summary of Statutory Debt Condition - Annual Debt Statement (Cont'd)****Borrowing Power Under N.J.S.A. 40A:2-6 as Amended**

3 1/2% of Equalized Valuation Basis (Municipal)	\$	20,017,965.30
Less: Net Debt		<u>13,786,673.85</u>
Remaining Borrowing Power	\$	<u><u>6,231,291.45</u></u>

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

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest and Other Investment Income, and Other Charges for the Year		\$	2,208,175.52
Deductions:			
Operating and Maintenance Costs	\$	1,657,782.80	
Debt Service		<u>436,076.01</u>	
Total Deductions			<u>2,093,858.81</u>
Excess in Revenue	\$		<u><u>114,316.71</u></u>

**Note 15: ARBITRAGE REBATE**

The Tax Reform Act of 1986 placed restriction on investments of the proceeds of certain tax-exempt bonds issued after December 31, 1986. Specifically, investment earnings which are above arbitrage bond yield are required to be rebated to the United States Treasury Department within sixty days of the end of the fifth bond year. A bond year is defined, at the option of the issuing entity, as either the date of the first anniversary of bond settlement or the issuing entity's year end.

<u>Settlement Date</u>	<u>Amount</u>	<u>Liability</u>
September 8, 2015	\$11,675,000.00	(1)
December 10, 2020	6,767,000.00	(1)

- (1) The rebate calculations this bond is required to be made at least once every five years. However, the Borough has not prepared the rebate calculation for purposes of determining any contingent liability for rebate. It is anticipated that when such calculation is made, the liability, if any, will be appropriated in that year's general budget.

**Note 16: SCHOOL TAXES**

The Borough of 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:

	<b><u>Balance December 31,</u></b>	
	<b><u>2022</u></b>	<b><u>2021</u></b>
Balance of Tax	\$ 5,592,216.96	\$ 5,344,082.94
Deferred	<u>4,063,515.00</u>	<u>4,063,515.00</u>
Taxes Payable	<u><u>\$ 1,528,701.96</u></u>	<u><u>\$ 1,280,567.94</u></u>

**Note 17: RISK MANAGEMENT**

The Borough is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

**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:

<b><u>Year</u></b>	<b><u>Borough Contributions</u></b>	<b><u>Employee Contributions</u></b>	<b><u>Interest Earnings</u></b>	<b><u>Amount Reimbursed</u></b>	<b><u>Ending Balance</u></b>
2022	\$ -	\$ 4,926.84	\$ 360.25	\$ 5,112.92	\$ 79,782.87
2021	10,000.00	4,424.27	66.97	5,471.59	79,608.70
2020	30,000.00	4,045.82	163.49	12,038.16	70,589.05

There were no unreimbursed payments on behalf of the Borough at December 31, 2022.

**Joint Insurance Pool** - The Borough is a member of the Burlington County Insurance Pool Joint Insurance Fund and the Municipal Excess Liability Joint Insurance Fund. The Fund provides its members with the following coverage:

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 17: RISK MANAGEMENT (CONT'D)**

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

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2022, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following fund(s):

<u>Description</u>	<u>Balance</u> <u>December 31, 2022</u>	<u>2023</u> <u>Budget</u> <u>Appropriation</u>
Current Fund:		
Special Emergency Authorization	\$ 9,000.00	\$ 3,000.00

The appropriations in the 2023 Budget as adopted are not less than that required by the statutes.

**Note 19: CONTINGENCIES**

**Grantor Agencies** - Amounts received or receivable from grantor agencies could be subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Borough expects such amount, if any, to be immaterial.

**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.

**Note 20: CONCENTRATIONS**

The Borough depends on financial resources flowing from, or associated with, both the federal government and the State of New Jersey. As a result of this dependency, the Borough is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and State laws and federal and State appropriations.



**Note 21: SUBSEQUENT EVENTS**

**Authorization of Debt** - Subsequent to December 31, the Borough authorized additional bonds and notes as follows:

<u>Purpose</u>	<u>Adoption</u>	<u>Authorization</u>
<b>General Improvements:</b>		
Various Improvements to Legion Field	05/15/23	\$ 403,750.00

**COVID-19** - On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the “COVID-19 outbreak”) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Borough’s financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Borough is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for calendar year 2023.

## **SUPPLEMENTAL EXHIBITS**

**SUPPLEMENTAL EXHIBITS**

**CURRENT FUND**

**BOROUGH OF PALMYRA**  
**CURRENT FUND**  
Statement of Current Cash - Treasurer  
For the Year Ended December 31, 2022

	<u>Current Fund</u>	<u>Federal and State Grant Fund</u>
Balance December 31, 2021	\$ 7,649,136.20	\$ 527,799.80
Increased by Receipts:		
Taxes Receivable	\$ 19,588,538.06	
Tax Overpayments	18,333.58	
Prepaid Taxes	96,618.82	
Tax Title Liens Receivable	755.97	
Revenue Accounts Receivable	1,169,795.79	
Miscellaneous Revenue Not Anticipated	143,079.93	
Refunds of Current Year Appropriations	453,050.77	
Due State of New Jersey - Veterans' and Senior Citizens' Deductions	70,000.00	
Due State of New Jersey - Marriage Licenses	525.00	
Due State of New Jersey - DCA Fees	9,308.00	
Due from Animal Control Fund	7,154.11	
Due from Trust Fund Other - Payroll	3,600.00	
Reserve for Municipal Relief Fund Aid	29,120.76	
Contra	43,462.50	
Unappropriated Grants Received		\$ 1,675.34
Federal, State and Other Grants Receivable		724,856.93
	<u>21,633,343.29</u>	<u>726,532.27</u>
	29,282,479.49	1,254,332.07
Decreased by Disbursements:		
2022 Appropriations	7,935,722.46	
2021 Appropriation Reserves	226,234.99	
Accounts Payable	430.00	
County Taxes Payable	2,115,187.64	
Due County for Added and Omitted Taxes	5,151.88	
Local School Taxes Payable	10,960,054.98	
Tax Overpayments	18,333.58	
Due State of New Jersey - Marriage Licenses	700.00	
Due State of New Jersey - DCA Fees	65,826.00	
Due to Trust Fund Other - Payroll	3,600.00	
Investment in Bond Anticipation Notes:		
General Capital Fund	3,190,000.00	
Sewer Utility Capital Fund	608,700.00	
Contra	43,462.50	
Federal, State and Other Grants - Appropriated		439,417.31
	<u>25,173,404.03</u>	<u>439,417.31</u>
Balance December 31, 2022	<u><u>\$ 4,109,075.46</u></u>	<u><u>\$ 814,914.76</u></u>

**BOROUGH OF PALMYRA**  
CURRENT FUND  
Schedule of Change Funds  
As of December 31, 2022

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<u>Office</u>	<u>Amount</u>
Administration / Tax Office	\$ 325.00
Municipal Court	<u>100.00</u>
	<u><u>\$ 425.00</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, 2022

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Balance December 31, 2021		\$	45,970.03
Increased by:			
Prior Year Deductions Disallowed by Collector	\$	1,000.00	
Receipts		<u>70,000.00</u>	
			<u>71,000.00</u>
			116,970.03
Decreased by:			
Deductions per Tax Billing		66,000.00	
2022 Deductions Allowed by Collector		<u>6,000.00</u>	
		72,000.00	
Less:			
2022 Deductions Disallowed by Collector		<u>3,750.00</u>	
			<u>68,250.00</u>
Balance December 31, 2022		\$	<u><u>48,720.03</u></u>

**BOROUGH OF PALMYRA**  
**CURRENT FUND**  
Statement of Taxes Receivable and Analysis of Property Tax Levy  
For the Year Ended December 31, 2022

	Balance Dec. 31, 2021	2022 Levy	Added Taxes	2021	Collected 2022	Due from State of New Jersey	Canceled	Transferred to Tax Title Liens	Transferred to /from Arrears	Balance Dec. 31, 2022
Arrears	\$ 9,724.61				\$ 5,831.72				\$ 200.00	\$ 4,092.89
2020	624.64				624.64					
2021	363,111.60		\$ 1,020.00		357,490.54		\$ 6,539.14			101.92
	373,460.85	-	1,020.00	-	363,946.90	-	6,539.14	-	200.00	4,194.81
2022		\$ 19,838,434.95		\$ 112,692.55	19,224,591.16	\$ 68,250.00	15,353.41	\$ 14,440.58	(200.00)	402,907.25
	<u>\$ 373,460.85</u>	<u>\$ 19,838,434.95</u>	<u>\$ 1,020.00</u>	<u>\$ 112,692.55</u>	<u>\$ 19,588,538.06</u>	<u>\$ 68,250.00</u>	<u>\$ 21,892.55</u>	<u>\$ 14,440.58</u>	<u>\$ -</u>	<u>\$ 407,102.06</u>

Analysis of 2022 Property Tax Levy

Tax Yield:

General Purpose	\$ 19,802,584.65
Added / Omitted Taxes	26,672.59
Miscellaneous Added Taxes	9,177.71
	<u>\$ 19,838,434.95</u>

Tax Levy:

Local District School Tax	\$ 11,208,189.00
County Taxes:	
County Tax	\$ 1,813,307.19
County Library Tax	161,271.98
County Open Space Preservation	140,608.47
Due County for Added and Omitted Taxes	<u>2,858.26</u>
	2,118,045.90
Local Tax for Municipal Purposes	6,479,208.01
Add: Additional Tax Levied	<u>32,992.04</u>
	<u>6,512,200.05</u>
	<u>\$ 19,838,434.95</u>

**BOROUGH OF PALMYRA**  
CURRENT FUND  
Statement of Tax Title Liens  
For the Year Ended December 31, 2022

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Balance December 31, 2021	\$ 68,380.70
Increased by:	
Transfers from Taxes Receivable	<u>14,440.58</u>
	82,821.28
Decreased by:	
Collections	<u>755.97</u>
Balance December 31, 2022	<u><u>\$ 82,065.31</u></u>



**BOROUGH OF PALMYRA**  
**CURRENT FUND**  
Statement of Revenue Accounts Receivable  
For the Year Ended December 31, 2022

	<u>Balance</u> <u>Dec. 31, 2021</u>	<u>Accrued in</u> <u>2022</u>	<u>Realized</u>	<u>Balance</u> <u>Dec. 31, 2022</u>
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages		\$ 9,576.00	\$ 9,576.00	
Other		1,793.00	1,793.00	
Fees and Permits		13,401.55	13,401.55	
Fines and Costs:				
Municipal Court	\$ 2,845.47	57,075.62	55,820.25	\$ 4,100.84
Interest and Costs on Taxes		74,399.22	74,399.22	
Interest on Investments and Deposits		50,437.49	50,437.49	
Burlington County Bridge Commission in Lieu of Taxes		34,238.43	34,238.43	
Energy Receipts Tax		558,255.00	558,255.00	
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		87,942.00	87,942.00	
Other Special Items:				
Uniform Fire Safety Act		21,904.44	21,904.44	
Rental Property Inspection Fees		26,821.00	26,821.00	
Municipal Services Act - Street Lighting Reimbursements		35,673.12	35,673.12	
Vacant Property Registrations Fees		10,158.41	10,158.41	
Reserve for Payment of Debt Service		80,000.00	80,000.00	
General Capital Fund Surplus		22,000.00	22,000.00	
School Resource Officer - Palmyra BOE		88,559.79	88,559.79	
	<u>\$ 2,845.47</u>	<u>\$ 1,083,675.28</u>	<u>\$ 1,170,979.70</u>	<u>\$ 4,100.84</u>
Cash Receipts			\$ 1,169,795.79	
Interest and Cost on Taxes Due From:				
Sewer Utility Operating Fund			1,183.91	
			<u>\$ 1,170,979.70</u>	

**BOROUGH OF PALMYRA**  
**CURRENT FUND**  
Statement of Special Emergency Authorizations N.J.S.A. 40A:4-55  
For the Year Ended December 31, 2022

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<u>Date Authorized</u>	<u>Purpose</u>	<u>Original Amount Authorized</u>	<u>1/5 of Amount Authorized</u>	<u>Balance Dec. 31, 2021</u>	<u>Budget Appropriation</u>	<u>Balance Dec. 31, 2022</u>
8/17/2020	Codification of Ordinances	\$ 15,000.00	\$ 3,000.00	<u>\$ 12,000.00</u>	<u>\$ 3,000.00</u>	<u>\$ 9,000.00</u>

**BOROUGH OF PALMYRA**  
**CURRENT FUND**  
Statement of Appropriation Reserves  
For the Year Ended December 31, 2022

	Balance December 31, 2021				
	<u>Encumbered</u>	<u>Reserved</u>	<u>Balance After Modification</u>	<u>Paid or Charged</u>	<u>Lapsed to Fund Balance</u>
<b>OPERATIONS - WITHIN "CAPS"</b>					
<b>GENERAL GOVERNMENT:</b>					
General Administration					
Salaries and Wages		\$ 548.88	\$ 548.88		\$ 548.88
Other Expenses	\$ 3,601.22	13,956.63	17,557.85	\$ 5,738.32	11,819.53
Mayor and Council					
Salaries and Wages		708.32	708.32		708.32
Other Expenses	315.16	4,855.11	5,170.27	615.16	4,555.11
Public Relations		2,143.50	2,143.50		2,143.50
Borough Clerk					
Salaries and Wages		741.72	741.72		741.72
Other Expenses	896.04	1,725.84	2,621.88	987.89	1,633.99
Election Costs	1,515.89	1,133.70	2,649.59	1,515.89	1,133.70
Financial Administration					
Salaries and Wages		5,041.96	5,041.96		5,041.96
Other Expenses	1,572.98	524.35	2,097.33	1,500.23	597.10
Audit Services					
Other Expenses		3,880.00	3,880.00		3,880.00
Collection of Taxes					
Salaries and Wages		1,703.63	1,703.63		1,703.63
Other Expenses	363.47	2,849.55	3,213.02	363.47	2,849.55
Assessment of Taxes					
Salaries and Wages		4.98	4.98		4.98
Other Expenses	1,052.00	5,183.77	6,235.77		6,235.77
Legal Services and Costs					
Other Expenses	2,278.50	75,513.59	77,792.09	5,595.75	72,196.34
Engineering Services					
Other Expenses	8,015.00	23,336.20	31,351.20	11,192.50	20,158.70
Grants and Planning					
Other Expenses	790.00	8,122.40	8,912.40	8,827.90	84.50
Land Use Administrative Planning Board					
Salaries and Wages		50.54	50.54		50.54
Other Expenses		938.18	938.18		938.18
Municipal Court					
Salaries and Wages		564.62	564.62		564.62
Other Expenses	82.58	9,773.89	9,856.47	120.38	9,736.09
Insurance					
Liability Insurance		10,704.75	10,704.75		10,704.75
Employees Group Insurance		54,481.99	54,481.99	1,763.52	52,718.47
<b>PUBLIC SAFETY:</b>					
Police					
Salaries and Wages		92,466.97	92,466.97	(21,322.00)	113,788.97
Other Expenses	5,790.46	66,804.68	72,595.14	13,336.17	59,258.97
School Crossing Guards					
Salaries and Wages		42,821.26	42,821.26		42,821.26
Other Expenses		2,209.50	2,209.50		2,209.50
Police and Radio Communications					
Other Expenses	1,794.27	14,602.84	16,397.11	848.33	15,548.78
Office of Emergency Management					
Other Expenses	82.58	1,857.44	1,940.02	82.58	1,857.44
Fire Department					
Other Expenses	8,080.18	2,210.89	10,291.07	6,089.91	4,201.16
Uniform Fire Safety Act					
Salaries and Wages		736.01	736.01		736.01
Other Expenses	82.58	1,465.33	1,547.91	82.58	1,465.33
Borough Prosecutor					
Other Expenses	10,500.00	1,500.00	12,000.00	10,500.00	1,500.00

(Continued)

**BOROUGH OF PALMYRA**  
**CURRENT FUND**  
Statement of Appropriation Reserves  
For the Year Ended December 31, 2022

	Balance December 31, 2021				
	<u>Encumbered</u>	<u>Reserved</u>	<u>Balance After Modification</u>	<u>Paid or Charged</u>	<u>Lapsed to Fund Balance</u>
<b>OPERATIONS - WITHIN "CAPS" (CONT'D)</b>					
<b>PUBLIC WORKS FUNCTIONS:</b>					
Streets and Roads Maintenance					
Salaries and Wages		\$ 36,210.74	\$ 36,210.74		\$ 36,210.74
Other Expenses	\$ 154.46	19,132.20	19,286.66	\$ 1,395.69	17,890.97
Railroad Landscaping		1,500.00	1,500.00		1,500.00
Shade Tree					
Salaries and Wages		673.56	673.56		673.56
Other Expenses	7,755.00	37,782.50	45,537.50	10,395.00	35,142.50
Solid Waste Collection					
Other Expenses	28,298.93	32,261.85	60,560.78	34,048.93	26,511.85
Public Buildings and Grounds					
Salaries and Wages		17,833.86	17,833.86		17,833.86
Other Expenses	25,086.06	19,255.22	44,341.28	27,612.12	16,729.16
Vehicle Maintenance					
Other Expenses	5,840.54	12,157.32	17,997.86	5,906.10	12,091.76
Condominium Services Law (C.299, P.L.1989)					
Other Expenses	19,198.71	14,188.82	33,387.53	20,419.38	12,968.15
<b>HEALTH AND HUMAN SERVICES:</b>					
Board of Health					
Salaries and Wages		225.00	225.00		225.00
Other Expenses		475.00	475.00		475.00
Animal Control Services					
Other Expenses		2,580.00	2,580.00	900.00	1,680.00
<b>PARKS AND RECREATION FUNCTIONS:</b>					
Parks and Playgrounds					
Other Expenses	7,819.57	12,773.31	20,592.88	8,399.70	12,193.18
Education Functions					
Community Youth Program					
Other Expenses		1,340.00	1,340.00	350.00	990.00
Contribution to Tri-Boro Senior Citizen Club					
Other Expenses		2,000.00	2,000.00		2,000.00
Celebration of Public Events					
Other Expenses	536.09	1,888.91	2,425.00	208.66	2,216.34
<b>STATE UNIFORM CONSTRUCTION CODE:</b>					
Construction Code Official					
Salaries and Wages		7,074.70	7,074.70		7,074.70
Other Expenses	623.11	3,935.82	4,558.93	1,466.67	3,092.26
Other Code Enforcement - Zoning Officer					
Salaries and Wages		13,820.78	13,820.78		13,820.78
Other Expenses		7,702.61	7,702.61		7,702.61
<b>DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS":</b>					
<b>UNCLASSIFIED:</b>					
Utilities					
Electricity	4,306.99	34,220.09	38,527.08	10,653.02	27,874.06
Street Lighting	8,749.28	22,296.84	31,046.12	17,549.04	13,497.08
Telephone	1,680.89	2,097.74	3,778.63	716.95	3,061.68
Water		10,465.54	10,465.54	847.80	9,617.74
Gasoline	9,983.39	7,614.23	17,597.62	15,044.37	2,553.25
Fire Hydrant Services		13,429.04	13,429.04	8,747.44	4,681.60
Printing and Postage		4,780.54	4,780.54		4,780.54
Landfill and Solid Waste Disposal Costs					
Landfill Fees	24,000.00	24,532.57	48,532.57	18,871.43	29,661.14
Statutory Expenditures:					
Contribution to					
Public Employee Retirement System		1,287.00	1,287.00		1,287.00
Social Security System (O.A.S.I.)		25,223.06	25,223.06		25,223.06
Police and Firemen's Retirement System		29.97	29.97		29.97
Define Contribution Retirement System		4,252.12	4,252.12		4,252.12
Aid to Library		500.00	500.00		500.00
Length of Service Award Program	3,107.12	0.18	3,107.30		3,107.30
Response N.J.S.A. 40A:4-45(b) and 40A:4-45.3(bb)					
Office of Emergency Management					
Other Expenses		23,042.30	23,042.30		23,042.30
<b>Total</b>	<b>\$ 193,953.05</b>	<b>\$ 873,746.44</b>	<b>\$ 1,067,699.49</b>	<b>\$ 231,370.88</b>	<b>\$ 836,328.61</b>
Disbursed				\$ 226,234.99	
Transferred to Accounts Payable				5,135.89	
				<b>\$ 231,370.88</b>	

**BOROUGH OF PALMYRA**  
**CURRENT FUND**  
Statement of Reserve for Encumbrances  
For the Year Ended December 31, 2022

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Balance December 31, 2021	\$ 193,953.05
Increased by:	
Current Year Encumbrances:	
Current Fund Appropriations	<u>188,840.68</u>
	382,793.73
Decreased by:	
Prior Year Encumbrances Reclassified:	
Current Fund Appropriations	<u>193,953.05</u>
Balance December 31, 2022	<u><u>\$ 188,840.68</u></u>

**Exhibit SA-10**

**BOROUGH OF PALMYRA**  
**CURRENT FUND**  
Statement of Accounts Payable  
For the Year Ended December 31, 2022

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Balance December 31, 2021	\$ 54,275.65
Increased by:	
Transfers from 2021 Appropriation Reserves	<u>5,135.89</u>
	59,411.54
Decreased by:	
Disbursements	<u>430.00</u>
Balance December 31, 2022	<u><u>\$ 58,981.54</u></u>

**BOROUGH OF PALMYRA**  
**CURRENT FUND**  
Statement of Prepaid Taxes  
For the Year Ended December 31, 2022

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Balance December 31, 2021	\$ 112,692.55
Increased by:	
Collections - 2023 Taxes	<u>96,618.82</u>
	209,311.37
Decreased by:	
Application to 2022 Taxes	<u>112,692.55</u>
Balance December 31, 2022	<u><u>\$ 96,618.82</u></u>

## Exhibit SA-12

**CURRENT FUND**  
Statement of Tax Overpayments  
For the Year Ended December 31, 2022

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Balance December 31, 2021	\$ -
Increased by:	
Overpayments Collected	<u>18,333.58</u>
	18,333.58
Decreased by:	
Overpayments Refunded	<u>18,333.58</u>
Balance December 31, 2022	<u><u>\$ -</u></u>

**BOROUGH OF PALMYRA**  
**CURRENT FUND**  
Statement of County Taxes  
For the Year Ended December 31, 2022

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Increased by:			
2022 Levy:			
General County	\$	1,813,307.19	
County Library Tax		161,271.98	
County Open Space Tax		<u>140,608.47</u>	
			\$ 2,115,187.64
Decreased by:			
Disbursements			<u>\$ 2,115,187.64</u>

## Exhibit SA-14

**CURRENT FUND**  
Statement of Amount Due to County for Added Taxes  
For the Year Ended December 31, 2022

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Balance December 31, 2021	\$	5,151.88
Increased by:		
County Share of 2022 Added Assessments		<u>2,858.26</u>
		8,010.14
Decreased by:		
Disbursements		<u>5,151.88</u>
Balance December 31, 2022	\$	<u>2,858.26</u>

**BOROUGH OF PALMYRA**  
**CURRENT FUND**  
Statement of Local District School Tax  
For the Year Ended December 31, 2022

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Balance December 31, 2021		
School Tax Payable	\$ 1,280,567.94	
School Tax Deferred	<u>4,063,515.00</u>	
		\$ 5,344,082.94
Increased by:		
Levy - School Year July 1, 2022 to June 30, 2023		<u>11,208,189.00</u>
		16,552,271.94
Decreased by:		
Disbursements		<u>10,960,054.98</u>
Balance December 31, 2022		
School Tax Payable	1,528,701.96	
School Tax Deferred	<u>4,063,515.00</u>	
		<u>\$ 5,592,216.96</u>
2022 Liability for Local District School Tax:		
Tax Paid		\$ 10,960,054.98
Add: Tax Payable December 31, 2022		<u>1,528,701.96</u>
		12,488,756.94
Less: Tax Payable December 31, 2021		<u>1,280,567.94</u>
Amount Charged to 2022 Operations		<u>\$ 11,208,189.00</u>



**BOROUGH OF PALMYRA**  
**CURRENT FUND**  
Statement of Due to State of New Jersey  
Marriage License Fees  
For the Year Ended December 31, 2022

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Balance December 31, 2021	\$ 175.00
Increased by:	
Receipts	<u>525.00</u>
	700.00
Decreased by:	
Disbursements	<u>700.00</u>
Balance December 31, 2022	<u><u>\$ -</u></u>

## Exhibit SA-17

**CURRENT FUND**  
Statement of Due to State of New Jersey - DCA Fees  
For the Year Ended December 31, 2022

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Balance December 31, 2021	\$ 59,727.00
Increased by:	
Receipts	<u>9,308.00</u>
	69,035.00
Decreased by:	
Disbursements	<u>65,826.00</u>
Balance December 31, 2022	<u><u>\$ 3,209.00</u></u>

**BOROUGH OF PALMYRA**  
**FEDERAL AND STATE GRANT FUND**  
Statement of Federal and State Grants Receivable  
For the Year Ended December 31, 2022

<u>Program</u>	<u>Balance Dec. 31, 2021</u>	<u>Anticipated Revenue</u>	<u>Received</u>	<u>Balance Dec. 31, 2022</u>
Federal Grants:				
American Rescue Plan - Public Health Expenditure		\$ 633,999.48	\$ 633,999.48	
American Rescue Plan - Firefighter Grant		26,000.00		\$ 26,000.00
Over the Limit/Drive Sober Grants	\$ 55.00			55.00
Community Development Block Grant	<u>100,000.00</u>		<u>40,000.00</u>	<u>60,000.00</u>
Total Federal Grants	<u>100,055.00</u>	<u>659,999.48</u>	<u>673,999.48</u>	<u>86,055.00</u>
State Grants:				
New Jersey Department of Transportation:				
Temple Boulevard Reconstruction - 2019	127,500.00			127,500.00
Temple Boulevard Enhancements - 2018 TAP Program	343,000.00			343,000.00
5th and Arch Street - 2020	62,500.00			62,500.00
Spring Garden Street - 2021	240,000.00		180,000.00	60,000.00
Walnut and W.Henry Street Project		310,000.00		310,000.00
New Jersey Department of Environmental Protection:				
Clean Communities Program		16,616.74	16,616.74	
Recycling Tonnage Grant	7,943.70	9,691.85	9,691.85	7,943.70
Tactical Body Armor Grant		2,624.52	2,624.52	
Body Worn Camera Grant		42,798.00	8,559.60	34,238.40
Safe and Secure Communities Grant		21,322.00	21,322.00	
DCA - Local Recreation Improvement 2021		<u>100,000.00</u>		<u>100,000.00</u>
Total State Grants	<u>780,943.70</u>	<u>503,053.11</u>	<u>238,814.71</u>	<u>1,045,182.10</u>
Local Grants:				
Burlington County Park Improvement	<u>75,000.00</u>		<u>75,000.00</u>	
Total Federal State and Local Grants	<u>\$ 955,998.70</u>	<u>\$ 1,163,052.59</u>	<u>\$ 987,814.19</u>	<u>\$ 1,131,237.10</u>
Appropriation by NJS 40A:4-87 (Chapter 159's)		\$ 1,163,052.59		
Receipts			724,856.93	
Unappropriated Grants Realized as Revenue			<u>262,957.26</u>	
		<u>\$ 1,163,052.59</u>	<u>\$ 987,814.19</u>	

**BOROUGH OF PALMYRA**  
**FEDERAL AND STATE GRANT FUND**  
Statement of Reserve for Federal and State Grants - Unappropriated  
For the Year Ended December 31, 2022

<u>Program</u>	<u>Balance Dec. 31, 2021</u>	<u>Realized in Budget</u>	<u>Grants Received</u>	<u>Balance Dec. 31, 2022</u>
Federal Grants:				
American Rescue Plan (ARP)	\$ 260,332.74	\$ 260,332.74		\$ -
	<u>260,332.74</u>	<u>260,332.74</u>	<u>-</u>	<u>-</u>
State Grants:				
Tactical Body Armor Grant	2,624.52	2,624.52	\$ 1,359.48	1,359.48
Municipal Court Alcohol Education Rehabilitation Fund			315.86	315.86
	<u>2,624.52</u>	<u>2,624.52</u>	<u>1,675.34</u>	<u>1,675.34</u>
Total Federal and State Unappropriated Grants	<u>\$ 262,957.26</u>	<u>\$ 262,957.26</u>	<u>\$ 1,675.34</u>	<u>\$ 1,675.34</u>

**BOROUGH OF PALMYRA**  
**FEDERAL AND STATE GRANT FUND**  
Statement of Reserve for Federal and State Grants - Appropriated  
For the Year Ended December 31, 2022

<u>Program</u>	<u>Balance Dec. 31, 2021</u>	<u>Transferred from 2022 Budget Appropriation</u>	<u>Prior Year Encumbrances Reclassified</u>	<u>Paid or Charged</u>	<u>Balance Dec. 31, 2022</u>
Federal Grants:					
Department of Justice - Bulletproof Vest	\$ 0.01				\$ 0.01
American Rescue Plan - Public Health Expenditure		\$ 633,999.48	\$ 113,334.00	\$ 173,834.00	573,499.48
American Rescue Plan - Firefighter Grant		26,000.00			26,000.00
Community Development Block Grant	49,200.00		40,000.00	46,200.00	43,000.00
Total Federal Grants	49,200.01	659,999.48	153,334.00	220,034.00	642,499.49
State Grants:					
Drunk Driving Enforcement Grant	14,344.49				14,344.49
New Jersey Department of Transportation:					
Temple Boulevard Enhancements - 2019	343,000.00			299,704.15	43,295.85
Spring Garden Street - 2021	240,000.00			240,000.00	
Walnut and W. Henry Street Projects		310,000.00			310,000.00
Municipal Court Alcohol Education Rehabilitation Fund	12,540.26			875.00	11,665.26
New Jersey Department of Environmental Protection:					
Clean Communities Program	86,602.16	16,616.74		3,683.54	99,535.36
Tactical Body Armor Grant	6,904.20	2,624.52		3,444.00	6,084.72
Body Worn Camera Grant		42,798.00			42,798.00
Recycling Tonnage Grant		9,691.85	2,750.00	12,430.77	11.08
Hazardous Discharge Site Remediation Fund	127,860.32		35,498.50	35,498.50	127,860.32
DCA - Local Recreation Improvement 2021		100,000.00			100,000.00
Safe and Secure Communities Grant	21,322.00	21,322.00		42,644.00	
Total State Grants	852,573.43	503,053.11	38,248.50	638,279.96	755,595.08
Total Federal State and Local Grants	\$ 901,773.44	\$ 1,163,052.59	\$ 191,582.50	\$ 858,313.96	\$ 1,398,094.57
Appropriation by 40A:4-87		\$ 1,163,052.59			
Disbursed				\$ 439,417.31	
Encumbered				418,896.65	
		\$ 1,163,052.59		\$ 858,313.96	

**SUPPLEMENTAL EXHIBITS**

**TRUST FUND**

**BOROUGH OF PALMYRA**  
**TRUST FUND**  
Statement of Trust Cash - Treasurer  
For the Year Ended December 31, 2022

	<u>Animal Control</u>	<u>Other</u>
Balance December 31, 2021	\$ 13,809.81	\$ 6,645,259.75
Increased by Receipts:		
Reserve for Animal Control Fund	\$ 2,391.00	
Due State - Registration Fees	453.60	
Due Current Fund		\$ 3,600.00
Reserve for Payroll Deductions Payable		1,181,171.49
Reserve for Net Payroll		1,964,359.42
Reserve for COAH Affordable Housing Trust		327,665.41
Reserve for Unemployment Compensation Insurance		5,287.09
Reserve for Parking Offenses Adjudication Act		16.00
Reserve for Public Defender		839.50
Reserve for Developer's Escrow Deposits		330,342.20
Reserve for Police Outside Employment Trust		35,350.00
Reserve for Fire Official		1,000.00
Reserve for Regional Contribution - Delanco		451.41
Reserve for Regional Contribution - Evesham		28,502.97
Reserve for Community Center Refundable Deposits		2,100.00
Reserve for Special Law Enforcement		546.75
Reserve for Flexible Spending		2,849.98
Reserve for Other Recreation Trust Reserves		7,448.81
Reserve for Compensated Absences		30,000.00
Reserve for Tax Title Lien Premiums		351,300.00
Reserve for Tax Title Lien Redemption		217,048.99
Contra		5,086.68
	<u>2,844.60</u>	<u>4,494,966.70</u>
	16,654.41	11,140,226.45
Decreased by Disbursements:		
Reserve for Animal Control Fund	8,175.33	
Due State - Registration Fees	460.80	
Due Current Fund	7,154.11	3,600.00
Reserve for Payroll Deductions Payable		1,181,352.16
Reserve for Net Payroll		1,964,359.42
Reserve for Unemployment Compensation Insurance		5,112.92
Reserve for Flexible Spending		3,624.94
Reserve for Developer's Escrow Deposits		318,647.46
Reserve for Police Outside Employment Trust		42,310.00
Reserve for Regional Contribution - Evesham		70,498.16
Reserve for Community Center Refundable Deposits		400.00
Reserve for Other Recreation Trust Reserves		2,302.61
Reserve for Compensated Absences		15,000.00
Reserve for Tax Title Lien Premiums		219,100.00
Reserve for Tax Title Lien Redemption		230,488.96
Contra		5,086.68
	<u>15,790.24</u>	<u>4,061,883.31</u>
Balance December 31, 2022	<u>\$ 864.17</u>	<u>\$ 7,078,343.14</u>

**BOROUGH OF PALMYRA**  
**TRUST OTHER FUND**  
Statement of Investments - Length of Service Awards Program  
For the Year Ended December 31, 2022

---

Balance December 31, 2021		\$ 299,741.48
Increased by:		
Borough Contributions		<u>10,663.64</u>
		310,405.12
Decreased by:		
Unrealized Loss on Investments	\$ 50,874.74	
Administration Expenses	<u>675.00</u>	
		<u>51,549.74</u>
Balance December 31, 2022		<u><u>\$ 258,855.38</u></u>

Schedule of Investments, December 31, 2022

<u>Description</u>	<u>Amount</u>
Fixed Annuity Contract	\$ 52,173.29
Mutual Funds:	
Large Cap Value Funds	4,884.08
Large Cap Blended Funds	98,761.22
Large Cap Growth Funds	12,913.06
Mid Cap Value Funds	15,260.12
Mid Cap Growth Funds	37,579.48
Small Cap Growth Funds	11,839.88
Bonds	4,296.61
Target Date Funds	<u>21,147.64</u>
	<u><u>\$ 258,855.38</u></u>

**BOROUGH OF PALMYRA**  
**ANIMAL CONTROL FUND**  
Statement of Due to Current Fund  
For the Year Ended December 31, 2022

---

Balance December 31, 2021	\$ 7,154.11
Decreased by Disbursements:	
Current Year Interfund Liquidated	<u>7,154.11</u>
Balance December 31, 2022	<u><u>\$ -</u></u>

## Exhibit SB-4

ANIMAL CONTROL FUND  
Statement of Due to State of New Jersey  
For the Year Ended December 31, 2022

---

Balance December 31, 2021	\$ 7.20
Increased by:	
Receipts	<u>453.60</u>
	460.80
Decreased by:	
Disbursements	<u>460.80</u>
Balance December 31, 2022	<u><u>\$ -</u></u>



**BOROUGH OF PALMYRA**  
**ANIMAL CONTROL FUND**  
Statement of Reserve for Animal Control Fund Expenditures  
For the Year Ended December 31, 2022

---

Balance December 31, 2021		\$ 6,648.50
Increased by:		
Receipts - Animal License Fees		<u>2,391.00</u>
		9,039.50
Decreased by:		
Expenditures Under R.S.4:19.11	<u>\$ 8,175.33</u>	<u>8,175.33</u>
Balance December 31, 2022		<u><u>\$ 864.17</u></u>

<u>License Fees Collected</u>		
<u>Year</u>		<u>Amount</u>
2020		\$ 2,740.00
2021		<u>3,674.00</u>
		<u><u>\$ 6,414.00</u></u>

**BOROUGH OF PALMYRA**  
**TRUST OTHER FUND**  
Statement of Due From / (To) Current Fund  
For the Year Ended December 31, 2022

---

Balance December 31, 2021	\$ 63,029.83
Increased by:	
Interfund Received	<u>3,600.00</u>
	66,629.83
Decreased by:	
Interfunds Liquidated	<u>3,600.00</u>
Balance December 31, 2022	<u><u>\$ 63,029.83</u></u>

Analysis of Balance - December 31, 2022

Due To Current Fund:		
Trust Other Fund	\$ (1.22)	
Professional Escrow Trust Fund	(4.51)	
Performance Trust Fund	(1,109.68)	
Flexible Spending Trust Fund	<u>(903.74)</u>	
Total Due to Current Fund		\$ (2,019.15)
Due From Current Fund:		
Unemployment Trust Fund	10,000.00	
Developer's Site Improvements Trust Fund	45,765.00	
Public Defender Trust Fund	9,183.98	
Community Center Refundable Deposits Trust Fund	<u>100.00</u>	
Total Due from Current Fund		<u>65,048.98</u>
		<u><u>\$ 63,029.83</u></u>

**BOROUGH OF PALMYRA**  
**TRUST OTHER FUND**  
Statement of Miscellaneous Trust Reserves  
For the Year Ended December 31, 2022

		<u>Increased by</u>		<u>Decreased by</u>	
	<u>Balance</u> <u>Dec. 31, 2021</u>	<u>Interest</u> <u>Earnings</u>	<u>Other</u> <u>Receipts</u>	<u>Disbursements</u>	<u>Balance</u> <u>Dec. 31, 2022</u>
Reserve for:					
Payroll Deductions Payable	\$ 2,561.09		\$ 1,181,171.49	\$ 1,181,352.16	\$ 2,380.42
Net Payroll			1,964,359.42	1,964,359.42	
COAH Affordable Housing Trust	5,558,954.65	\$ 29,084.14	298,581.27		5,886,620.06
Unemployment Compensation Insurance	79,608.70	360.25	4,926.84	5,112.92	79,782.87
Parking Offenses Adjudication Act	425.00		16.00		441.00
Public Defender			839.50		839.50
Developer's Escrow Deposits	146,898.85		330,342.20	318,647.46	158,593.59
Police Outside Employment Trust	19,258.56		35,350.00	42,310.00	12,298.56
Fire Official	22,893.78		1,000.00		23,893.78
Regional Contribution - Delanco	90,878.06	451.41			91,329.47
Regional Contribution - Evesham	171,675.94	742.72	27,760.25	70,498.16	129,680.75
Special Law Enforcement	12,254.85	63.15	483.60		12,801.60
Community Center Refundable Deposits			2,100.00	400.00	1,700.00
Other Recreation Trust Reserves	5,225.61	48.81	7,400.00	2,302.61	10,371.81
Flexible Spending Account	3,972.57		2,849.98	3,624.94	3,197.61
Compensated Absences	150,758.65		30,000.00	15,000.00	165,758.65
Tax Title Lien Premiums	424,100.00		351,300.00	219,100.00	556,300.00
Tax Title Lien Redemption	18,823.27		217,048.99	230,488.96	5,383.30
	<u>\$ 6,708,289.58</u>	<u>\$ 30,750.48</u>	<u>\$ 4,455,529.54</u>	<u>\$ 4,053,196.63</u>	<u>\$ 7,141,372.97</u>

**SUPPLEMENTAL EXHIBITS**

**GENERAL CAPITAL FUND**

**BOROUGH OF PALMYRA**  
**GENERAL CAPITAL FUND**  
Statement of General Capital Cash - Treasurer  
For the Year Ended December 31, 2022

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Balance December 31, 2021		\$ 1,159,092.25
Increased by Receipts:		
Bond Anticipation Notes Issued	\$ 3,190,000.00	
Capital Improvement Fund	25,000.00	
	<u>3,215,000.00</u>	<u>3,215,000.00</u>
		4,374,092.25
Decreased by Disbursements:		
Current Fund Anticipated Revenue:		
Reserve for Payment of Debt Service	\$ 80,000.00	
General Capital Fund Surplus	22,000.00	
Improvement Authorizations	<u>1,394,469.91</u>	<u>1,496,469.91</u>
Balance December 31, 2022		<u><u>\$ 2,877,622.34</u></u>

**BOROUGH OF PALMYRA**  
**GENERAL CAPITAL FUND**  
Statement of General Capital Cash and Investments  
For the Year Ended December 31, 2022

		Receipts		Disbursements		Transfers		
		Balance (Deficit) Dec. 31, 2021	Bond Anticipation Notes Issued	Improvement Authorizations	Miscellaneous	From	To	Balance (Deficit) Dec. 31, 2022
			Miscellaneous					
Fund Balance		\$ 227,243.74			\$ 22,000.00	\$ 122,500.00	\$ 35,274.06	\$ 118,017.80
Capital Improvement Fund		100,134.21	\$ 25,000.00			105,225.00		19,909.21
Due Federal and State Grant Fund		(89,267.26)						(89,267.26)
Reserve for Payment of Debt Service		491,672.46			80,000.00			411,672.46
Reserve for Excess Note Cash		2,177.62						2,177.62
Reserve for Encumbrances		395,630.21				395,630.21	1,155,644.05	1,155,644.05
Improvement Authorizations:								
Ordinance								
<u>Number</u>								
2009-27	Various Improvements:							
	Improvements to Municipal Building	35.00						35.00
2013-07	Wheeled Refuse Containers	(50.00)						(50.00)
2013-21	Various Capital Improvements:							
	Acquisition of New Fire Engine and Related Apparatus	(1,057.69)						(1,057.69)
	2013 Road Program	(54,860.00)						(54,860.00)
2015-13	Various Capital Improvements:							
	Acquisition of Security System / Cameras	(283.00)						(283.00)
	Promotional and Devl. Activities Brownfield Devl. Area	7,487.91						7,487.91
	Police Acquisition and Installation of Lights for Car Port	(140.00)						(140.00)
	Police Scheduling System	(85.00)						(85.00)
	Police Server Replacement	(2.26)						(2.26)
	New Fire Chief Vehicle	(124.52)						(124.52)
	Fire Department Personal Protective Gear	(1,556.00)						(1,556.00)
	Fire Department Grounds Radios	(832.00)				1,543.00		(2,375.00)
	Legion Field Improvements	(24,921.70)						(24,921.70)
2016-07	Various Capital Improvements:							
	Development Activities Brownfield Development Area	(7,500.00)				20,000.00	20,000.00	(7,500.00)
	Acquisition of Computer System Hardware / Software	(8,643.11)						(8,643.11)
	Police Four Wheel Drive Vehicle	(340.51)						(340.51)
	Police Variable Message Board for Public Safety	(95.00)						(95.00)
	Police Equipment for DUI Enforcement	1,200.00				1,200.00		
	Recorder and Biometric Secured Laptop for School Resource Officer	(696.35)						(696.35)
	Fire Department Equipment: T-Ram, Thermal Imager/Ventilation Saw	(452.29)						(452.29)
	Public Works Single Axle Dump Truck	(852.00)						(852.00)
	Public Works General Road Improvements	2,060.75			\$ 2,060.75			
2017-10	Various Capital Improvements:							
	Improvements to Borough Hall - Police Department	(24,216.85)		60,000.00	44,037.44		7,349.00	(905.29)
	Improvements to Community Center - Installation of Security Measures	158.51						158.51
	Acquisition and Installation of Security System/Cameras	(12.07)						(12.07)
	Acquisition of Computer System Hardware / Software	(21,240.33)		23,750.00	2,509.67			(0.00)
	Acquisition of 64-bit Virtual Server	(408.61)						(408.61)
	Police Department: Acquisition of Four-wheel Drive Vehicle	(1.00)						(1.00)
	Police Department: Lockers Men's/Women's	(2,500.00)						(2,500.00)
	Fire Department: Acquisition of Ladder Truck	(281.42)						(281.42)
	Fire Department: Acquisition of 400 Feet +/- of 5 inch hose	3,000.00				3,000.00		
	Fire Department: Rapid Intervention Air Pack	5,000.00				5,000.00		
	Public Works: Repair/Replace Street Signs	1,000.00		19,000.00	20,000.00			

(Continued)

**BOROUGH OF PALMYRA**  
**GENERAL CAPITAL FUND**  
Statement of General Capital Cash and Investments  
For the Year Ended December 31, 2022

		Receipts			Disbursements		Transfers		
		Balance (Deficit) Dec. 31, 2021		Bond Anticipation Notes Issued	Improvement Authorizations	Miscellaneous	From	To	Balance (Deficit) Dec. 31, 2022
Improvement Authorizations: Ordinance Number		Miscellaneous							
2018-09	Various Capital Improvements:								
	General Road Improvements on Borough Roads	\$ 1,889.87			\$ 5,970.25		\$ 9,377.25	\$ 14,839.75	\$ 1,382.12
	Improvements to Bandshell located in Grove Park	854.00					854.00		
2019-06	Various Capital Improvements:								
	Reconstruction and/or Repaving of Various Borough Streets				30,517.57		6,855.00	37,372.57	
	Police Department: Traffic Trailer, Tasers, In-Car Computers/Cameras	16,616.06					16,616.06		
	Public Works Department: Vehicle Diagnostic Tablet and a 7 Ton Axel Trainer	501.00					501.00		
	Public Works Department: Vehicle Lift System and a Utility Loader	(562.97)							(562.97)
2020-03	Intersection Landscape Improvements	60.00					60.00		
2020-05	Acquisition of Laptops with Secure Remote Access Implementation Improvements	2,949.01			(2,509.67)				5,458.68
2020-06	Purchase of Equipment and Various Capital Improvements:								
	Acquisition of Computer Equipment	(35,200.00)	\$ 57,950.00				8,950.00	8,950.00	22,750.00
	Acquisition of Various Equipment for Police Department	(9,381.50)	9,250.00						(131.50)
	Reconstruction and/or Repaving of Various Borough Streets	258,220.21	805,000.00	741,051.08			524,887.54	288,043.55	85,325.14
	Acquisition of Various Equipment for Fire Department	(35,689.20)	35,000.00						(689.20)
2021-10	Purchase of Equipment and Various Capital Improvements:								
	Improvements to Municipal Buildings and Grounds	2,750.00	52,250.00						55,000.00
	Acquisition of War Memorial Flag Poles	(41,267.00)	41,267.00	2,450.34				2,450.34	
	Police Department: Four Wheel Drive Vehicles and Upgrades to IT System	11,325.00	91,675.00				36,693.92		66,306.08
	Fire Department: Personal Protective Gear, Response Vehicle, SCBA								
	Equipment, Air Bottles/Cylinders	(39,853.67)	104,433.00	122,944.88				16,625.00	(41,740.55)
	Public Works Department: Leaf Collection System, Mower, Bucket for Case								
	Front End Loader	17,000.00							17,000.00
	Construction of a Storm Water Basin	12,500.00							12,500.00
2022-05	Purchase of Equipment and Various Capital Improvements:								
	Improvements to Municipal Buildings and Grounds		178,125.00	767.50			83,232.50	64,375.00	158,500.00
	Acquisition of Vehicles, Police and Construction Code							45,500.00	45,500.00
	Roadway and Draining Improvements		581,400.00	58,971.42				30,800.00	553,228.58
	Public Works Truck and Equipment		217,000.00	27,128.01			191,877.00	23,950.00	21,944.99
	Police Department Equipment		89,300.00				3,841.51	4,700.00	90,158.49
	Fire Department Equipment		38,000.00					2,000.00	40,000.00
	Improvements to Stormwater Pump Systems		121,600.00					6,400.00	128,000.00
	Redevelopment Project		95,000.00					5,000.00	100,000.00
2022-08	Acquisition of Used Front End Loader Trash Truck				15,000.00			15,000.00	
2022-09	Acquisition of Certain Capital Equipment:								
	Acquisition of a Refurbished Fully Automated Side-Load Trash Truck		570,000.00	323,570.67			276,429.33	30,000.00	
		\$ 1,159,092.25	\$ 25,000.00	\$ 3,190,000.00	\$ 1,394,469.91	\$ 102,000.00	\$ 1,814,273.32	\$ 1,814,273.32	\$ 2,877,622.34

**BOROUGH OF PALMYRA**  
**GENERAL CAPITAL FUND**  
Statement of Deferred Charges to Future Taxation - Funded  
For the Year Ended December 31, 2022

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Balance December 31, 2021	\$ 11,315,000.00
Decreased by:	
2022 Budget Appropriations:	
Serial Bonds	<u>1,210,000.00</u>
Balance December 31, 2022	<u><u>\$ 10,105,000.00</u></u>



**BOROUGH OF PALMYRA**  
**GENERAL CAPITAL FUND**  
Statement of Deferred Charges to Future Taxation - Unfunded  
For the Year Ended December 31, 2022

Ordinance Number	Improvement Description	Balance Dec. 31, 2021	Increased by	Decreased by	Balance Dec. 31, 2022	Analysis of Balance Dec. 31, 2022		Unexpended Improvement Authorizations
			2022 Authorizations	Cancellation of Appropriations		Financed by Bond Anticipation Notes	Expended	
2013-07	Wheeled Refuse Containers	\$ 50.00			\$ 50.00		\$ 50.00	
2013-21	Various Capital Improvements:							
	Acquisition of New Fire Engine and Related Apparatus	1,057.69			1,057.69		1,057.69	
	2013 Road Program	54,860.00			54,860.00		54,860.00	
2015-13	Various Capital Improvements:							
	Acquisition of Security System / Cameras	283.00			283.00		283.00	
	Police Acquisition and Installation of Lights for Car Port	140.00			140.00		140.00	
	Police Scheduling System	85.00			85.00		85.00	
	Police Server Replacement	2.26			2.26		2.26	
	New Fire Chief Vehicle	124.52			124.52		124.52	
	Fire Department Personal Protective Gear	1,556.00			1,556.00		1,556.00	
	Fire Department Grounds Radios	2,375.00			2,375.00		2,375.00	
	Legion Field Improvements	92,075.88			92,075.88		24,921.70	\$ 67,154.18
2016-07	Various Capital Improvements:							
	Development Activities Brownfield Development Area	237,500.00			237,500.00		7,500.00	230,000.00
	Acquisition of Computer System Hardware / Software	8,643.11			8,643.11		8,643.11	
	Police Four Wheel Drive Vehicle	340.51			340.51		340.51	
	Police Variable Message Board for Public Safety	95.00			95.00		95.00	
	Police Equipment for DUI Enforcement	22,800.00		\$ 22,800.00				
	Police Acquisition and Installation of In-Car Computers, Traffic Control Recorder and Biometric Secured Laptop for School Resource Officer	696.35			696.35		696.35	
	Fire Department Equipment: T-Ram, Thermal Imager							
	Ventilation Saw	452.29			452.29		452.29	
	Public Works Single Axle Dump Truck	852.00			852.00		852.00	
2017-10	Various Capital Improvements:							
	Improvements to Borough Hall - Police Department	66,600.00			66,600.00	\$ 60,000.00	905.29	5,694.71
	Improvements to Community Center - Installation of Security Measures	66,500.00			66,500.00			66,500.00
	Acquisition and Installation of Security System/Cameras	12.07			12.07		12.07	
	Acquisition of Computer System Hardware / Software	23,750.00			23,750.00	23,750.00		
	Acquisition of 64-bit Virtual Server	408.61			408.61		408.61	
	Police Department: Acquisition of Four-wheel Drive Vehicle	1.00			1.00		1.00	
	Police Department: Lockers Men's/Women's	2,500.00			2,500.00		2,500.00	
	Fire Department: Acquisition of Ladder Truck	281.42			281.42		281.42	
	Public Works: Repair/Replace Street Signs	19,000.00			19,000.00	19,000.00		
2018-09	Various Capital Improvements:							
	Improvements to Bandshell Located in Grove Park	33,000.00		33,000.00				
2019-06	Various Capital Improvements:							
	Police Department: Traffic Trailer, Tasers, In-Car Computers and Cameras	31,300.00		31,300.00				
	Public Works Department: Vehicle Lift System and a Utility Loader	15,100.00		14,537.03	562.97		562.97	

(Continued)

**BOROUGH OF PALMYRA**  
**GENERAL CAPITAL FUND**  
Statement of Deferred Charges to Future Taxation - Unfunded  
For the Year Ended December 31, 2022

Ordinance Number	Improvement Description	Increased by		Decreased by		Analysis of Balance Dec. 31, 2022		Unexpended Improvement Authorizations
		Balance Dec. 31, 2021	2022 Authorizations	Cancellation of Appropriations	Balance Dec. 31, 2022	Financed by Bond Anticipation Notes	Expended	
2020-06	Purchase of Equipment and Various Capital Improvements:							
	Acquisition of Computer Equipment	\$ 57,950.00			\$ 57,950.00	\$ 57,950.00		
	Acquisition of Various Equipment for Police Department	9,500.00		\$ 118.50	9,381.50	9,250.00	\$ 131.50	
	Reconstruction and/or Repaving of Various Borough Streets	805,000.00			805,000.00	805,000.00		
	Acquisition of Various Equipment for Fire Department	46,360.00		10,670.80	35,689.20	35,000.00	689.20	
2021-10	Purchase of Equipment and Various Capital Improvements:							
	Improvements to Municipal Buildings and Grounds	52,250.00			52,250.00	52,250.00		
	Acquisition of War Memorial Flag Poles	118,750.00		77,483.00	41,267.00	41,267.00		
	Police Department: Four Wheel Drive Vehicles and Upgrades to IT System	91,675.00			91,675.00	91,675.00		
	Fire Department: Personal Protective Gear, Response Vehicle, SCBA Equipment, Air Bottles/Cylinders	147,915.00		1,183.45	146,731.55	104,433.00	41,740.55	\$ 558.00
	Public Works Department: Leaf Collection System, Mower, Bucket for Case Front End Loader	38,000.00			38,000.00			38,000.00
	Construction of a Storm Water Basin	237,500.00			237,500.00			237,500.00
2022-05	Purchase of Equipment and Various Capital Improvements:							
	Improvements to Municipal Buildings and Grounds		\$ 178,125.00		178,125.00	178,125.00		
	Acquisition of Vehicles, Police and Construction Code		104,500.00		104,500.00			104,500.00
	Roadway and Draining Improvements		585,200.00		585,200.00	581,400.00		3,800.00
	Public Works Truck and Equipment		217,550.00		217,550.00	217,000.00		550.00
	Police Department Equipment		89,300.00		89,300.00	89,300.00		
	Fire Department Equipment		38,000.00		38,000.00	38,000.00		
	Improvements to Stormwater Pump Systems		121,600.00		121,600.00	121,600.00		
	Redevelopment Project		95,000.00		95,000.00	95,000.00		
2022-09	Acquisition of Certain Capital Equipment:							
	Acquisition of a Refurbished Fully Automated Side-Load Trash Truck		570,000.00		570,000.00	570,000.00		
		<u>\$ 2,287,341.71</u>	<u>\$ 1,999,275.00</u>	<u>\$ 191,092.78</u>	<u>\$ 4,095,523.93</u>	<u>\$ 3,190,000.00</u>	<u>\$ 151,267.04</u>	<u>\$ 754,256.89</u>
	Improvement Authorizations -- Unfunded							\$ 2,058,461.68
	Less: Unexpended Proceeds of Bond Anticipation Notes Issued:							
	<u>Ordinance Number</u>							
2020-06	Purchase of Equipment and Various Capital Improvements:							
	Acquisition of Computer Equipment						\$ 22,750.00	
	Reconstruction and/or Repaving of Various Borough Streets						85,325.14	
2021-10	Purchase of Equipment and Various Capital Improvements:							
	Improvements to Municipal Buildings and Grounds						52,250.00	
	Police Department: Four Wheel Drive Vehicles and Upgrades to IT System						66,306.08	
2022-05	Purchase of Equipment and Various Capital Improvements:							
	Improvements to Municipal Buildings and Grounds						158,500.00	
	Roadway and Draining Improvements						553,228.58	
	Public Works Truck and Equipment						21,944.99	
	Police Department Equipment						89,300.00	
	Fire Department Equipment						38,000.00	
	Improvements to Stormwater Pump Systems						121,600.00	
	Redevelopment Project						95,000.00	
								1,304,204.79
								<u>\$ 754,256.89</u>

**BOROUGH OF PALMYRA**  
**GENERAL CAPITAL FUND**  
Statement of Reserve for Encumbrances  
For the Year Ended December 31, 2022

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Balance December 31, 2021	\$ 395,630.21
Increased by:	
Charges to Improvement Authorizations	<u>1,155,644.05</u>
	1,551,274.26
Decreased by:	
Prior Year Encumbrances Reclassified:	
Improvement Authorizations	<u>395,630.21</u>
Balance December 31, 2022	<u><u>\$ 1,155,644.05</u></u>

## Exhibit SC-6

GENERAL CAPITAL FUND  
Statement of Reserve for Payment of Debt Service  
For the Year Ended December 31, 2022

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Balance December 31, 2021	\$ 491,672.46
Decreased by:	
Current Fund Anticipated Revenue	<u>80,000.00</u>
Balance December 31, 2022	<u><u>\$ 411,672.46</u></u>

**BOROUGH OF PALMYRA**  
**GENERAL CAPITAL FUND**  
Statement of Improvement Authorizations  
For the Year Ended December 31, 2022

Ordinance Number	Improvement Description	Ordinance		Balance Dec. 31, 2021		2022 Authorizations	Prior Year Encumbrances/ Contracts Payable Reclassified	Paid or Charged	Canceled	Balance Dec. 31, 2022	
		Date	Amount	Funded	Unfunded					Funded	Unfunded
General Improvements:											
2009-27	Various Improvements: Improvements to Municipal Building	12/14/09	\$ 130,000.00	\$ 35.00						\$ 35.00	
2015-13	Various Capital Improvements: Promotional and Development Activities Brownfield Devl. Area	08/17/15	100,000.00	7,487.91						7,487.91	
	Fire Department Grounds Radios	08/17/15	2,500.00		\$ 1,543.00			\$ 1,543.00			
	Legion Field Improvements	08/17/15	125,000.00		67,154.18						\$ 67,154.18
2016-07	Various Capital Improvements: Development Activities Brownfield Development Area	06/25/16	250,000.00		230,000.00	\$ 20,000.00	\$ 20,000.00				230,000.00
	Police Equipment for DUI Enforcement	06/25/16	24,000.00	1,200.00	22,800.00				24,000.00		
	Public Works General Road Improvements	06/25/16	350,000.00	2,060.75				2,060.75			
2017-10	Various Capital Improvements: Improvements to Borough Hall - Police Department	09/18/17	100,000.00		42,383.15		7,349.00	44,037.44			5,694.71
	Improvements to Community Center - Installation of Security Measures	09/18/17	70,000.00	158.51	66,500.00					158.51	66,500.00
	Acquisition of Computer System Hardware / Software	09/18/17	25,000.00		2,509.67			2,509.67			
	Fire Department: Acquisition of 400 Feet +/- of 5 inch hose	09/18/17	3,000.00	3,000.00					3,000.00		
	Fire Department: Rapid Intervention Air Pack	09/18/17	5,000.00	5,000.00					5,000.00		
	Public Works: Repair/Replace Street Signs	09/18/17	20,000.00	1,000.00	19,000.00			20,000.00			
2018-09	Various Capital Improvements: General Road Improvements on Borough Roads	08/06/18	600,000.00	1,889.87		14,839.75		15,347.50		1,382.12	
	Improvements to Band Shell Located in Grove Park	08/06/18	155,000.00	854.00	33,000.00				33,854.00		
2019-06	Various Capital Improvements: Reconstruction and/or Repaving of Various Borough Streets	06/03/19	1,200,000.00			37,372.57		37,372.57			
	Police Department: Traffic Trailer, Tasers, In-Car Computers and Cameras	06/03/19	104,000.00	16,616.06	31,300.00				47,916.06		
	Public Works Department: Vehicle Diagnostic Tablet and a 7 Ton Axel Trainer	06/03/19	11,700.00	501.00					501.00		
	Public Works Department: Vehicle Lift System and a Utility Loader	06/03/19	106,000.00		14,537.03				14,537.03		
2020-03	Intersection Landscape Improvements	05/18/20	25,000.00	60.00					60.00		
2020-05	Acquisition of Laptops with Secure Remote Access Implementation Improvements	06/15/20	22,000.00	2,949.01				(2,509.67)		5,458.68	
2020-06	Purchase of Equipment and Various Capital Improvements: Acquisition of Computer Equipment	07/24/20	61,000.00		22,750.00	8,950.00	8,950.00				22,750.00
	Acquisition of Various Equipment for Police Department	07/24/20	10,000.00		118.50				118.50		
	Reconstruction and/or Repaving of Various Borough Streets	07/24/20	1,900,000.00	258,220.21	805,000.00	288,043.55	1,265,938.62				85,325.14
	Acquisition of Various Equipment for Fire Department	07/24/20	48,800.00		10,670.80				10,670.80		
2021-10	Purchase of Equipment and Various Capital Improvements: Improvements to Municipal Buildings and Grounds	08/16/21	55,000.00	2,750.00	52,250.00					2,750.00	52,250.00
	Acquisition of War Memorial Flag Poles	08/16/21	125,000.00		77,483.00	2,450.34	2,450.34		77,483.00		
	Police Department: Four Wheel Drive Vehicles and Upgrades to IT System	08/16/21	103,000.00	11,325.00	91,675.00			30,193.92	6,500.00		66,306.08
	Fire Department: Personal Protective Gear, Response Vehicle, SCBA Equipment, Air Bottles/Cylinders	08/16/21	155,700.00		108,061.33	16,625.00	122,944.88		1,183.45		558.00
	Public Works Department: Leaf Collection System, Mower, Bucket for Case Front End Loader	08/16/21	55,000.00	17,000.00	38,000.00					17,000.00	38,000.00
	Construction of a Storm Water Basin	08/16/21	250,000.00	12,500.00	237,500.00					12,500.00	237,500.00
2022-05	Purchase of Equipment and Various Capital Improvements: Improvements to Municipal Buildings and Grounds	08/15/22	242,500.00			\$ 242,500.00		84,000.00			158,500.00
	Acquisition of Vehicles, Police and Construction Code	08/15/22	150,000.00			150,000.00				45,500.00	104,500.00
	Roadway and Draining Improvements	08/15/22	616,000.00			616,000.00		58,971.42			557,028.58
	Public Works Truck and Equipment	08/15/22	241,500.00			241,500.00		219,005.01			22,494.99
	Police Department Equipment	08/15/22	94,000.00			94,000.00		3,841.51		858.49	89,300.00
	Fire Department Equipment	08/15/22	40,000.00			40,000.00				2,000.00	38,000.00
	Improvements to Stormwater Pump Systems	08/15/22	128,000.00			128,000.00				6,400.00	121,600.00
	Redevelopment Project	08/15/22	100,000.00			100,000.00				5,000.00	95,000.00
2022-08	Acquisition of Used Front End Loader Trash Truck	10/17/22	15,000.00			15,000.00		15,000.00			
2022-09	Acquisition of Certain Capital Equipment: Acquisition of a Refurbished Fully Automated Side-Load Trash Truck	10/03/22	600,000.00			600,000.00		600,000.00			
				\$ 344,607.32	\$ 1,974,235.66	\$ 2,227,000.00	\$ 395,630.21	\$ 2,550,113.96	\$ 226,366.84	\$ 106,530.71	\$ 2,058,461.68
Deferred Charges to Future Taxation Unfunded						\$ 1,999,275.00					
Capital Improvement Fund						105,225.00					
General Capital Surplus						122,500.00					
Disbursed							\$ 1,394,469.91				
Encumbered							1,155,644.05				
Deferred Charges - Unfunded									\$ 191,092.78		
Capital Surplus									35,274.06		
				\$ 2,227,000.00			\$ 2,550,113.96	\$ 226,366.84			

**BOROUGH OF PALMYRA**  
**GENERAL CAPITAL FUND**  
Statement of Capital Improvement Fund  
For the Year Ended December 31, 2022

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Balance December 31, 2021	\$ 100,134.21
Increased by:	
Current Fund Budget Appropriation	<u>25,000.00</u>
	125,134.21
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>105,225.00</u>
Balance December 31, 2022	<u><u>\$ 19,909.21</u></u>

**BOROUGH OF PALMYRA**  
**GENERAL CAPITAL FUND**  
Statement of General Serial Bonds  
For the Year Ended December 31, 2022

<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, 2021</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2022</u>
			<u>Outstanding Dec. 31, 2022</u>	<u>Date</u>				
General Bonds 2015	09/08/15	\$ 9,830,000.00		03/01/23	\$ 865,000.00	3.00%		
				03/01/24	890,000.00	3.00%		
				03/01/25	915,000.00	3.00%		
				03/01/26	945,000.00	3.00%		
				03/01/27	980,000.00	3.00%		
				03/01/28	1,015,000.00	3.00%	\$ 6,445,000.00	\$ 835,000.00
								\$ 5,610,000.00
General Bonds 2020	12/10/2020	5,245,000.00		11/01/23	375,000.00	0.50%		
				11/01/24	375,000.00	0.50%		
				11/01/25	380,000.00	0.50%		
				11/01/26	380,000.00	0.50%		
				11/01/27	385,000.00	1.00%		
				11/01/28	395,000.00	1.50%		
				11/01/29	720,000.00	1.75%		
				11/01/30	735,000.00	2.00%		
				11/01/31	750,000.00	2.00%		
							<u>4,870,000.00</u>	<u>375,000.00</u>
							<u>\$ 11,315,000.00</u>	<u>\$ 1,210,000.00</u>
								<u>\$ 4,495,000.00</u>
								<u>\$ 10,105,000.00</u>

**BOROUGH OF PALMYRA**  
**GENERAL CAPITAL FUND**  
Statement of Bond Anticipation Notes  
For the Year Ended December 31, 2022

<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>Balance Dec. 31, 2021</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2022</u>
2017-10	Various Capital Improvements	12/08/22	12/08/22	12/07/23	4.00%		\$ 102,750.00		\$ 102,750.00
2020-06	Various Capital Improvements	12/08/22	12/08/22	12/07/23	4.00%		907,200.00		907,200.00
2021-10	Various Capital Improvements	12/08/22	12/08/22	12/07/23	4.00%		289,625.00		289,625.00
2022-05	Various Capital Improvements	12/08/22	12/08/22	12/07/23	4.00%		1,320,425.00		1,320,425.00
2022-09	Various Capital Improvements	12/08/22	12/08/22	12/07/23	4.00%		570,000.00		570,000.00
						<u>\$ -</u>	<u>\$ 3,190,000.00</u>	<u>\$ -</u>	<u>\$ 3,190,000.00</u>

**BOROUGH OF PALMYRA**  
**GENERAL CAPITAL FUND**  
Statement of Bonds and Notes Authorized But Not Issued  
For the Year Ended December 31, 2022

Ordinance Number	Improvement Description	Balance Dec. 31, 2021	Increased by	Decreased by		Balance Dec. 31, 2022
			2022 Authorizations	Bond Anticipation Notes Issued	Improvement Authorizations Canceled	
2013-07	Wheeled Refuse Containers	\$ 50.00				\$ 50.00
2013-21	Various Capital Improvements:					
	Acquisition of New Fire Engine and Related Apparatus	1,057.69				1,057.69
	2013 Road Program	54,860.00				54,860.00
2015-13	Various Capital Improvements:					
	Acquisition of Security System / Cameras	283.00				283.00
	Police Acquisition and Installation of Lights for Car Port	140.00				140.00
	Police Scheduling System	85.00				85.00
	Police Server Replacement	2.26				2.26
	New Fire Chief Vehicle	124.52				124.52
	Fire Department Personal Protective Gear	1,556.00				1,556.00
	Fire Department Grounds Radios	2,375.00				2,375.00
	Legion Field Improvements	92,075.88				92,075.88
2016-07	Various Capital Improvements:					
	Development Activities Brownfield Development Area	237,500.00				237,500.00
	Acquisition of Computer System Hardware / Software	8,643.11				8,643.11
	Police Four Wheel Drive Vehicle	340.51				340.51
	Police Variable Message Board for Public Safety	95.00				95.00
	Police Equipment for DUI Enforcement	22,800.00			\$ 22,800.00	
	Police Acquisition and Installation of In-Car Computers, Traffic Control Recorder and Biometric Secured Laptop for School Resource Officer	696.35				696.35
	Fire Department Equipment: T-Ram, Thermal Imager and Ventilation Saw	452.29				452.29
	Public Works Single Axle Dump Truck	852.00				852.00
2017-10	Various Capital Improvements:					
	Improvements to Borough Hall - Police Department	66,600.00		\$ 60,000.00		6,600.00
	Improvements to Community Center - Installation of Security Measures	66,500.00				66,500.00
	Acquisition and Installation of Security System/Cameras	12.07				12.07
	Acquisition of Computer System Hardware / Software	23,750.00		23,750.00		
	Acquisition of 64-bit Virtual Server	408.61				408.61
	Police Department: Acquisition of Four-wheel Drive Vehicle	1.00				1.00
	Police Department: Lockers Men's/Women's	2,500.00				2,500.00
	Fire Department: Acquisition of Ladder Truck	281.42				281.42
	Public Works: Repair/Replace Street Signs	19,000.00		19,000.00		
2018-09	Various Capital Improvements:					
	Improvements to Band Shell located in Grove Park	33,000.00			33,000.00	

(Continued)



**BOROUGH OF PALMYRA**  
**GENERAL CAPITAL FUND**  
Statement of Bonds and Notes Authorized But Not Issued  
For the Year Ended December 31, 2022

Ordinance Number	Improvement Description	Balance Dec. 31, 2021	Increased by	Decreased by		Balance Dec. 31, 2022
			2022 Authorizations	Bond Anticipation Notes Issued	Improvement Authorizations Canceled	
2019-06	Various Capital Improvements:					
	Reconstruction and/or Repaving of Various Borough Streets					
	Police Department: Traffic Trailer, Tasers, In-Car Computers and Cameras	\$ 31,300.00			\$ 31,300.00	
	Public Works Department: Vehicle Lift System and a Utility Loader	15,100.00			14,537.03	\$ 562.97
2020-06	Purchase of Equipment and Various Capital Improvements:					
	Acquisition of Computer Equipment	57,950.00		\$ 57,950.00		
	Acquisition of Various Equipment for Police Department	9,500.00		9,250.00	118.50	131.50
	Reconstruction and/or Repaving of Various Borough Streets	805,000.00		805,000.00		
	Acquisition of Various Equipment for Fire Department	46,360.00		35,000.00	10,670.80	689.20
2021-10	Purchase of Equipment and Various Capital Improvements:					
	Improvements to Municipal Buildings and Grounds	52,250.00		52,250.00		
	Acquisition of War Memorial Flag Poles	118,750.00		41,267.00	77,483.00	
	Police Department: Four Wheel Drive Vehicles and Upgrades to IT System	91,675.00		91,675.00		
	Fire Department: Personal Protective Gear, Response Vehicle, SCBA Equipment, Air Bottles/Cylinders	147,915.00		104,433.00	1,183.45	42,298.55
	Public Works Department: Leaf Collection System, Mower, Bucket for Case Front End Loader	38,000.00				38,000.00
	Construction of a Storm Water Basin	237,500.00				237,500.00
2022-05	Purchase of Equipment and Various Capital Improvements:					
	Improvements to Municipal Buildings and Grounds		\$ 178,125.00	178,125.00		
	Acquisition of Vehicles, Police and Construction Code		104,500.00			104,500.00
	Roadway and Draining Improvements		585,200.00	581,400.00		3,800.00
	Public Works Truck and Equipment		217,550.00	217,000.00		550.00
	Police Department Equipment		89,300.00	89,300.00		
	Fire Department Equipment		38,000.00	38,000.00		
	Improvements to Stormwater Pump Systems		121,600.00	121,600.00		
	Redevelopment Project		95,000.00	95,000.00		
2022-09	Acquisition of Certain Capital Equipment:					
	Acquisition of a Refurbished Fully Automated Side-Load Trash Truck		570,000.00	570,000.00		
		<u>\$ 2,287,341.71</u>	<u>\$ 1,999,275.00</u>	<u>\$ 3,190,000.00</u>	<u>\$ 191,092.78</u>	<u>\$ 905,523.93</u>

**SUPPLEMENTAL EXHIBITS**

**SEWER UTILITY FUND**

**BOROUGH OF PALMYRA**  
**SEWER UTILITY FUND**  
Statement of Sewer Utility Cash  
For the Year Ended December 31, 2022

	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2021	\$ 1,336,190.51	\$ 461,549.90
Increased by Receipts:		
Sewer Rents Receivable	\$ 1,695,899.80	
Anticipated Revenues:		
Miscellaneous Revenues	19,024.30	
Bond Anticipation Notes		\$ 608,700.00
Due to Current Fund:		
Collections Made on-Behalf of Current Fund:		
Interest and Cost on Tax Sale	1,183.91	
	<u>1,716,108.01</u>	<u>608,700.00</u>
	3,052,298.52	1,070,249.90
Decreased by Disbursements:		
2022 Budget Appropriations	1,574,612.29	
2021 Appropriation Reserves	130,879.21	
Accrued Interest on Loans and Notes	80,751.26	
Refund of Prior Year Revenue	302.55	
Improvement Authorizations		203,833.16
	<u>1,786,545.31</u>	<u>203,833.16</u>
Balance December 31, 2022	<u><u>\$ 1,265,753.21</u></u>	<u><u>\$ 866,416.74</u></u>

**BOROUGH OF PALMYRA**  
**SEWER UTILITY CAPITAL FUND**  
 Analysis of Sewer Capital Cash and Investments  
 For the Year Ended December 31, 2022

	Balance (Deficit) Dec. 31, 2021	Receipts		Disbursements		Transfers		Balance (Deficit) Dec. 31, 2022
		Bond Anticipation Issued	Improvement Authorizations	From	To			
Capital Fund Balance	\$ 43,526.39				\$ 32,347.74			\$ 75,874.13
Capital Improvement Fund	11,325.00							11,325.00
Reserve for Encumbrances	117,331.50			\$ 117,331.50	545,929.00			545,929.00
Reserve for Payment of Debt Service	23,377.00							23,377.00
Excess Notes Cash Ord 2016-08	18,427.00							18,427.00
Improvement Authorizations:								
Ordinance								
Number								
2007-07	Improvements to Sewer System	19,979.74		19,979.74				
2012-15	Acquisition of Equipment	4,946.00		10,849.75	5,903.75			
2014-01	Improvements to Sewer System and Acquisition of Equipment	7,422.00		7,422.00				
2018-10	Various Sewer Improvements	(250.00)		1,610.25	1,610.25			(250.00)
2019-07	Acquisition of Various Pieces of Sewer Equipment: Gate Valves, Air Valves, a Hydrogen Sulfide Monitor and Backup Pump	(275.00)						(275.00)
2020-07	Various Sewer Improvements:							
	Replacement of Air Valves and Pumps	28,514.50						28,514.50
	Completion of Public Road Pump Station Elimination	12,325.77						12,325.77
	Construction of a Storm Water Basin and Electrical Duct Bank	317,000.00		79,680.00				237,320.00
2021-11	Various Sewer Improvements:							
	Utility Body Truck and Chlorine Holding Tank	(5,340.00)	\$ 80,700.00					75,360.00
	Preliminary Costs for Berkley Avenue Pump Station Rehabilitation	(97,500.00)	100,000.00	\$ 59,312.50	11,245.00	70,557.50		2,500.00
	Emergency Generator		130,000.00		130,000.00			
	Replacement of Air Valves, Spare Pumps and Airline Improvements	(39,260.00)	148,000.00	138,110.66		39,260.00		9,889.34
2022-06	Various Sewer Improvements:							
	Improvements to Sewer System		6,410.00	253,510.00				(259,920.00)
	Acquisition and Installation of Equipment		150,000.00	63,980.00				86,020.00
		<u>\$ 461,549.90</u>	<u>\$ 608,700.00</u>	<u>\$ 203,833.16</u>	<u>\$ 695,608.24</u>	<u>\$ 695,608.24</u>		<u>\$ 866,416.74</u>

**BOROUGH OF PALMYRA**  
SEWER UTILITY OPERATING FUND  
Statement of Sewer Service Charges Receivable  
For the Year Ended December 31, 2022

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Balance December 31, 2021		\$	145,388.20
Increased by:			
2022 Sewer Charges			<u>1,697,360.14</u>
			1,842,748.34
Decreased by:			
Receipts	\$	1,695,899.80	
Overpayments Created		(3,441.82)	
Overpayments Applied		<u>2,823.24</u>	
		1,695,281.22	
Transferred to Sewer Liens		<u>436.00</u>	
			<u>1,695,717.22</u>
Balance December 31, 2022		\$	<u><u>147,031.12</u></u>

**BOROUGH OF PALMYRA**  
**SEWER UTILITY OPERATING FUND**  
**Statement of Overpaid Sewer Service Charges**  
**For the Year Ended December 31, 2022**

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Balance December 31, 2021	\$ 2,823.24
Increased by:	
Overpayments Created	<u>3,441.82</u>
	6,265.06
Decreased by:	
Applied to Sewer Service Charges	<u>2,823.24</u>
Balance December 31, 2022	<u><u>\$ 3,441.82</u></u>

## Exhibit SD-5

**SEWER UTILITY OPERATING FUND**  
**Statement of Sewer Liens**  
**For the Year Ended December 31, 2022**

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Balance December 31, 2021	\$ 1,812.46
Increased by:	
Transferred from Rents Receivable	<u>436.00</u>
Balance December 31, 2022	<u><u>\$ 2,248.46</u></u>

**BOROUGH OF PALMYRA**  
**SEWER UTILITY CAPITAL FUND**  
**Statement of of Fixed Capital**  
**For the Year Ended December 31, 2022**

<u>Description</u>	<u>Balance</u> <u>Dec. 31, 2021</u>	<u>Increased by</u>		<u>Balance</u> <u>Dec. 31, 2022</u>
		<u>Transferred from</u> <u>Fixed Capital</u> <u>Authorized and</u> <u>Uncompleted</u>		
Pumping Station & Structures	\$ 6,148,552.41	\$ 5,718,000.00		\$ 11,866,552.41
Equipment		432,500.00		432,500.00
Garage	234,650.00			234,650.00
Equalization Tanks	46,350.00			46,350.00
Chlorinator	5,350.00			5,350.00
Filter System	35,000.00			35,000.00
Pick Up Truck & Dump Truck	63,077.00			63,077.00
Sewer Rodder	12,966.00			12,966.00
Acquisition of Jetter/Vacuum Combination Truck	310,573.00			310,573.00
Installation of Odor Control Measures at Borough's Treatment Plant	15,000.00			15,000.00
Installation of Treatment Process at NJ Avenue Pump Station	20,000.00			20,000.00
	<u>\$ 6,891,518.41</u>	<u>\$ 6,150,500.00</u>		<u>\$ 13,042,018.41</u>

**BOROUGH OF PALMYRA**  
**SEWER UTILITY CAPITAL FUND**  
Statement of Fixed Capital Authorized and Uncompleted  
For the Year Ended December 31, 2022

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance Dec. 31, 2021	Increased by	Decreased by	Balance Dec. 31, 2022
					2022 Authorization	Transferred to Fixed Capital	
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	
2018-10	Various Sewer Improvements: Public Road Elimination Program – Paving to NJ Avenue	08/06/18	339,000.00	339,000.00		339,000.00	
2019-07	Various Pieces of Sewer Equipment - Gate Valves, Air Valves, Hydrogen Sulfide Monitor, Backup Pump	07/15/19	132,500.00	132,500.00		132,500.00	
2020-07	Various Sewer Improvements: Replacement of Air Valves and Pumps	07/20/20	244,000.00	244,000.00			\$ 244,000.00
	Completion of Public Road Pump Station Elimination	07/20/20	251,000.00	251,000.00			251,000.00
	Construction of a Storm Water Basin and Electrical Duct Bank	07/20/20	317,000.00	317,000.00			317,000.00
2021-11	Various Sewer Improvements: Utility Body Truck and Chlorine Holding Tank	08/16/21	80,700.00	80,700.00			80,700.00
	Preliminary Costs for Berkley Avenue Pump Station Rehabilitation	08/16/21	100,000.00	100,000.00			100,000.00
	Emergency Generator	08/16/21	130,000.00	130,000.00			130,000.00
	Replacement of Air Values, Spare Pumps and Airline Improvements	08/16/21	148,000.00	148,000.00			148,000.00
2022-06	Various Sewer Improvements: Improvements to Sewer System	08/15/22	1,720,000.00		\$ 1,720,000.00		1,720,000.00
	Acquisition and Installation of Equipment	08/15/22	150,000.00		150,000.00		150,000.00
				<u>\$ 7,421,200.00</u>	<u>\$ 1,870,000.00</u>	<u>\$ 6,150,500.00</u>	<u>\$ 3,140,700.00</u>



**BOROUGH OF PALMYRA**  
**SEWER UTILITY OPERATING FUND**  
**Statement of Appropriation Reserves**  
**For the Year Ended December 31, 2022**

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	<u>Balance Dec. 31, 2021</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		\$ 6,497.21	\$ 6,497.21		\$ 6,497.21
Other Expenses	\$ 94,368.54	159,616.86	253,985.40	\$ 130,879.21	123,106.19
Statutory Expenditures:					
Contributions to Social Security System (O.A.S.I.)		4,713.67	4,713.67		4,713.67
Unemployment Compensation Insurance		500.00	500.00		500.00
	<u>\$ 94,368.54</u>	<u>\$ 171,327.74</u>	<u>\$ 265,696.28</u>	<u>\$ 130,879.21</u>	<u>\$ 134,817.07</u>

**BOROUGH OF PALMYRA**  
**SEWER UTILITY OPERATING FUND**  
Statement of Accrued Interest on Loans, Bonds and Notes  
For the Year Ended December 31, 2022

Balance December 31, 2021					\$ 26,367.91
Increased by:					
Charged to Budget Appropriation:					
Interest on Loans	\$ 20,741.67				
Interest on Bonds	58,367.93				
Interest on Notes	1,623.20				
					<u>80,732.80</u>
					107,100.71
Decreased by:					
Interest Paid:					
Interest on Loans	21,575.00				
Interest on Bonds	59,176.26				
Interest on Notes	-				
					<u>80,751.26</u>
Balance December 31, 2022					<u><u>\$ 26,349.45</u></u>

Analysis of Accrued Interest December 31, 2022

	Principal Outstanding Dec. 31, 2022	Interest Rate	From	To	Period	Amount
Loans:						
	\$ 625,000.00	Various	08/01/22	12/31/22	5 months	<u>\$ 8,156.25</u>
Serial Bonds:						
	1,400,000.00	Various	09/01/22	12/31/22	4 months	13,831.25
	1,420,000.00	Various	11/01/22	12/31/22	2 months	<u>2,738.75</u>
						<u>16,570.00</u>
Bond Anticipation Notes:						
	608,700.00	4.000%	12/08/22	12/31/22	24 Days	<u>1,623.20</u>
						<u>\$ 26,349.45</u>

**BOROUGH OF PALMYRA**  
**SEWER UTILITY CAPITAL FUND**  
Statement of Improvement Authorizations  
For the Year Ended December 31, 2022

Ordinance Number	Improvement Description	Date	<u>Ordinance</u>		<u>Balance Dec. 31, 2021</u>		2022 Authorizations	Prior Year Encumbrances Reclassified	Paid or Charged	Cancelled	<u>Balance Dec. 31, 2022</u>	
			Amount		Funded	Unfunded					Funded	Unfunded
2007-07	Improvements to Sewer System	06/11/07	\$ 500,000.00		\$ 19,979.74					\$ 19,979.74		
2012-15	Acquisition of Equipment	06/11/12	300,000.00		4,946.00			\$ 5,903.75	\$ 5,903.75	4,946.00		
2014-01	Improvements to Sewer System and Acquisition of Equipment	01/21/14	4,529,000.00		7,422.00					7,422.00		
2018-10	Various Sewer Improvements: Public Road Elimination Program – Paving to NJ Avenue	08/06/18	339,000.00					1,610.25	1,610.25			
2020-07	Various Sewer Improvements: Replacement of Air Valves and Pumps	07/20/20	244,000.00			\$ 28,514.50					\$ 28,514.50	
	Completion of Public Road Pump Station Elimination	07/20/20	251,000.00			12,325.77						12,325.77
	Construction of a Storm Water Basin and Electrical Duct Bank	07/20/20	317,000.00		15,850.00	301,150.00			79,680.00			237,320.00
2021-11	Various Sewer Improvements: Utility Body Truck and Chlorine Holding Tank	08/16/21	80,700.00			75,360.00						75,360.00
	Preliminary Costs for Berkley Avenue Pump Station Rehabilitation	08/16/21	100,000.00			2,500.00		70,557.50	70,557.50			2,500.00
	Emergency Generator	08/16/21	130,000.00			130,000.00			130,000.00			
	Replacement of Air Valves, Spare Pumps and Airline Improvements	08/16/21	148,000.00			108,740.00		39,260.00	138,110.66			9,889.34
2022-06	Various Sewer Improvements: Improvements to Sewer System	08/15/22	1,720,000.00				\$ 1,720,000.00		259,920.00			1,460,080.00
	Acquisition and Installation of Equipment	08/15/22	150,000.00				150,000.00		63,980.00			86,020.00
					<u>\$ 48,197.74</u>	<u>\$ 658,590.27</u>	<u>\$ 1,870,000.00</u>	<u>\$ 117,331.50</u>	<u>\$ 749,762.16</u>	<u>\$ 32,347.74</u>	<u>\$ -</u>	<u>\$ 1,912,009.61</u>
Bonds and Notes Authorized							\$ 1,870,000.00					
Disbursed									\$ 203,833.16			
Encumbered									545,929.00			
							<u>\$ 1,870,000.00</u>		<u>\$ 749,762.16</u>			

**BOROUGH OF PALMYRA**  
SEWER UTILITY CAPITAL FUND  
Statement of Reserve for Amortization  
For the Year Ended December 31, 2022

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Balance December 31, 2021			\$ 8,417,826.69
Increased by:			
Paid by Budget Appropriation:			
Serial Bond Principal	\$	180,000.00	
Loan Principal		<u>175,343.21</u>	
			<u>355,343.21</u>
Balance December 31, 2022			<u>\$ 8,773,169.90</u>

**BOROUGH OF PALMYRA**  
SEWER UTILITY CAPITAL FUND  
Schedule of Deferred Reserve for Amortization  
As of December 31, 2022

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<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Ordinance Date</u>	<u>Balance Dec. 31, 2022</u>
2007-07	Improvements to Sewer System	12/11/06	\$ 300,000.00
2016-08	Acquisition of Jetter/Vacuum Combination Truck	06/25/16	19,000.00
2018-10	Various Sewer Improvements	08/06/18	18,750.00
2019-07	Various Pieces of Sewer Equipment	07/15/19	6,625.00
2020-07	Various Sewer Improvements	07/20/20	40,600.00
			<u>40,600.00</u>
			<u>\$ 384,975.00</u>

**BOROUGH OF PALMYRA**  
**SEWER UTILITY CAPITAL FUND**  
**Statement of General Serial Bonds**  
**For the Year Ended December 31, 2022**

<u>Purpose</u>	<u>Date of Original Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds Outstanding Dec. 31, 2022</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2021</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2022</u>
			<u>Date</u>	<u>Amount</u>				
Sewer Bonds 2015	09/08/15	\$ 1,845,000.00	03/01/23	\$ 80,000.00	3.00%			
			03/01/24	85,000.00	3.00%			
			03/01/25	90,000.00	3.00%			
			03/01/26	90,000.00	3.00%			
			03/01/27	95,000.00	3.00%			
			03/01/28	95,000.00	3.00%			
			03/01/29	100,000.00	3.00%			
			03/01/30	105,000.00	3.13%			
			03/01/31	110,000.00	3.25%			
			03/01/32	110,000.00	3.25%			
			03/01/33	115,000.00	3.25%			
			03/01/34	120,000.00	3.25%			
			03/01/35	125,000.00	3.50%	\$ 1,400,000.00	\$ 80,000.00	\$ 1,320,000.00
Sewer Bonds 2020	12/10/2020	1,522,000.00	11/01/23	100,000.00	0.50%			
			11/01/24	105,000.00	0.50%			
			11/01/25	105,000.00	0.50%			
			11/01/26	105,000.00	0.50%			
			11/01/27	105,000.00	1.00%			
			11/01/28	110,000.00	1.50%			
			11/01/29	110,000.00	1.75%			
			11/01/30	110,000.00	2.00%			
			11/01/31	115,000.00	2.00%			
			11/01/32	115,000.00	2.00%			
			11/01/33	120,000.00	2.00%			
			11/01/34	120,000.00	2.00%			
						1,420,000.00	100,000.00	1,320,000.00
						<u>\$ 2,820,000.00</u>	<u>\$ 180,000.00</u>	<u>\$ 2,640,000.00</u>

**BOROUGH OF PALMYRA**  
**SEWER UTILITY CAPITAL FUND**  
**Statement of Loans Payable**  
**For the Year Ended December 31, 2022**

<u>Purpose</u>	<u>Date of Original Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds Outstanding Dec. 31, 2022</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2021</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2022</u>
			<u>Date</u>	<u>Amount</u>				
N.J. Environmental Infrastructure Trust Loan	05/21/14	\$ 865,000.00	08/01/23	\$ 45,000.00	5.00%			
			08/01/24	45,000.00	5.00%			
			08/01/25	50,000.00	3.00%			
			08/01/26	50,000.00	3.00%			
			08/01/27	50,000.00	3.00%			
			08/01/28	55,000.00	3.00%			
			08/01/29	55,000.00	3.00%			
			08/02/30	55,000.00	3.00%			
			08/01/31	60,000.00	3.00%			
			08/01/32	60,000.00	3.13%			
			08/01/33	60,000.00	3.25%	\$ 625,000.00	\$ 40,000.00	\$ 585,000.00
N.J. Environmental Infrastructure Fund Loan	05/21/14	2,661,750.00	02/01/23 - 32	45,114.40	NIL			
			08/01/23 - 32	90,228.81	NIL			
			02/01/33	45,114.40	NIL			
			08/01/33	90,229.01	NIL	1,624,118.72	135,343.21	1,488,775.51
						<u>\$ 2,249,118.72</u>	<u>\$ 175,343.21</u>	<u>\$ 2,073,775.51</u>

**BOROUGH OF PALMYRA**  
**SEWER UTILITY CAPITAL FUND**  
Statement of Bond Anticipation Notes  
For the Year Ended December 31, 2022

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<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>Balance Dec. 31, 2021</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2022</u>
2021-11	Various Sewer Improvements	12/08/22	12/08/22	12/07/23	4.00%		\$ 458,700.00		\$ 458,700.00
2022-06	Various Sewer Improvements	12/08/22	12/08/22	12/07/23	4.00%		150,000.00		150,000.00
						<u>\$ -</u>	<u>\$ 608,700.00</u>	<u>\$ -</u>	<u>\$ 608,700.00</u>



**BOROUGH OF PALMYRA**  
**SEWER UTILITY CAPITAL FUND**  
Statement of Sewer Bonds and Notes Authorized But Not Issued  
For the Year Ended December 31, 2022

Ordinance Number	Improvement Description	Balance Dec. 31, 2021	<u>Increased by</u>		<u>Decreased by</u>		Balance Dec. 31, 2022
			2022 Authorizations		Bond Anticipation Notes Issued		
2018-10	Various Sewer Improvements: Installation of Odor Control Measures at Borough's Treatment Plant	\$ 250.00					\$ 250.00
2019-07	Various Sewer Improvements: Various Pieces of Sewer Equipment - Gate Valves, Air Valves, Hydrogen Sulfide Monitor, Backup Pump	275.00					275.00
2021-11	Various Sewer Improvements: Utility Body Truck and Chlorine Holding Tank	80,700.00			\$ 80,700.00		
	Preliminary Costs for Berkley Avenue Pump Station Rehabilitation	100,000.00			100,000.00		
	Emergency Generator	130,000.00			130,000.00		
	Replacement of Air Values, Spare Pumps and Airline Improvements	148,000.00			148,000.00		
2022-06	Various Sewer Improvements: Improvements to Sewer System		\$ 1,720,000.00				1,720,000.00
	Acquisition and Installation of Equipment		150,000.00		150,000.00		
		<u>\$ 459,225.00</u>	<u>\$ 1,870,000.00</u>		<u>\$ 608,700.00</u>		<u>\$ 1,720,525.00</u>

**PART II**  
**SCHEDULE OF FINDINGS AND RECOMMENDATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

**BOROUGH OF PALMYRA**  
Schedule of Findings and Recommendations  
For the Year Ended December 31, 2022

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***Schedule of Financial Statement Findings***

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements related to financial statements for which *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, requires.

There are no current year findings.

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

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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*, Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and State of New Jersey Circular 15-08-OMB.

**FINANCIAL STATEMENT FINDINGS**

There were no prior year findings.

**FEDERAL AWARDS**

This section not applicable, there was no prior year federal single audit required.

**STATE FINANCIAL ASSISTANCE PROGRAMS**

There were no prior year findings.

**BOROUGH OF PALMYRA**  
Officials in Office and Surety Bonds

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

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>
Gina Ragomo Tait	Mayor	
Timothy Howard	President of Council	
Natasha Latimore	Council	
Dr. Laura Craig-Cloud	Council	
Michelle McCann	Council	
Brandon Allmond	Council	
Bernadette Russell	Council	
John Gural, Jr.	Borough Administrator	
Doretha R. Jackson	Borough Clerk	
	Registrar of Vital Statistics	
	Dog License Clerk, Licensing Clerk	(A)
Donna Condo	Chief Financial Officer, QPA	
Amanda Schwartz	Payroll/Finance Clerk	(A)
	Deputy Registrar	(A)
		(A)
Tanyika L. Johns	Tax Collector	
	Alternate Registrar	(A)
Linda Yansick	Tax Clerk	(A)
	PW Administrative Assistant, Tax Clerk	(A)
Rebecca Flynn	Board of Health	(A)
Corey Ahart	Municipal Court Judge	(A)
Tracy McGill	Court Administrator	(A)
Donna Browne	Deputy Court Administrator	
Tracy Kilmer	Construction Official, Zoning Officer, Fire Official and Inspector	
Glenn McMahon	Assessor	
Michele Sykes	Community Center Scheduling Coordinator	
Ted Rosenberg, Esq.	Solicitor	
Environmental Resolutions, Inc.	Engineer	
William Kirchner		

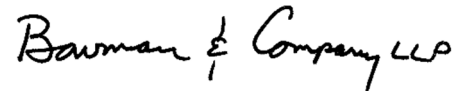
(A) Public Employees Honesty Blanket Bond with Burlington County Municipal Joint Insurance Fund and Municipal Excess Liability Fund of \$1,000,000

**APPRECIATION**

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

Respectfully submitted,

A handwritten signature in cursive script that reads "Bowman & Company LLP".

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

A handwritten signature in cursive script that reads "R.P. 3".

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