

**BOROUGH OF SWEDESBORO
COUNTY OF GLOUCESTER**

REPORT OF AUDIT

FOR THE YEAR 2013

BOROUGH OF SWEDESBOROTABLE OF CONTENTS

<u>Exhibit No.</u>		<u>Page No.</u>
<u>PART I</u>		
	Independent Auditor's Report	2
	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	5
<u>CURRENT FUND</u>		
A	Statements of Assets, Liabilities, Reserves and Fund Balances-- Regulatory Basis	7
A-1	Statements of Operations and Changes in Fund Balance-- Regulatory Basis	9
A-2	Statement of Revenues--Regulatory Basis	11
A-3	Statement of Expenditures--Regulatory Basis	13
<u>TRUST FUND</u>		
B	Statements of Assets, Liabilities, Reserves and Fund Balances-- Regulatory Basis	18
<u>GENERAL CAPITAL FUND</u>		
C	Statements of Assets, Liabilities, Reserves and Fund Balances-- Regulatory Basis	19
<u>WATER AND SEWER UTILITY FUND</u>		
D	Statements of Assets, Liabilities, Reserves and Fund Balance-- Regulatory Basis	20
D-1	Water and Sewer Utility Operating Fund--Statements of Income and Changes in Operating Fund Balances--Regulatory Basis	22
D-2	Water and Sewer Utility Operating Fund--Statement of Revenues--Regulatory Basis	23
D-3	Water and Sewer Utility Operating Fund--Statement of Expenditures--Regulatory Basis	24
D-4	Water and Sewer Utility Capital Fund—Statement of Water and Sewer Capital Fund Balance—Regulatory Basis	25
<u>GENERAL FIXED ASSET ACCOUNT GROUP</u>		
F	Statement of General Fixed Assets -- Regulatory Basis	26
	Notes to Financial Statements	27

BOROUGH OF SWEDESBOROTABLE OF CONTENTS (CONT'D)

<u>Exhibit No.</u>		<u>Page No.</u>
	<u>SUPPLEMENTAL EXHIBITS</u>	
	<u>CURRENT FUND</u>	
SA-1	Statement of Current Cash--Treasurer	44
SA-2	Statement of Current Cash--Collector	45
SA-3	Statement of Taxes Receivable and Analysis of Property Tax Levy	46
SA-4	Statement of Tax Title Liens	47
SA-5	Statement of Due from State of New Jersey--Election Expenses	47
SA-6	Statement of Due to State of New Jersey Veterans' and Senior Citizens' Deductions	48
SA-7	Statement of Revenue Accounts Receivable	49
SA-8	Statement of Appropriation Reserves	50
SA-9	Statement of Prepaid Taxes	52
SA-10	Statement of Tax Overpayments	52
SA-11	Statement of County Taxes Payable	53
SA-12	Statement of Amount Due to County for Added Taxes	53
SA-13	Statement of Local School District Tax	54
SA-14	Statement of Regional High School District Tax	54
SA-15	Statement of Due from Federal, State and Other Grant Fund	55
SA-16	Federal, State and Other Grant Fund--Statement of Federal, State and Other Grants Receivable	56
SA-17	Federal, State and Other Grant Fund--Statement of Reserve for Federal, State and Other Grants --Unappropriated	57
SA-18	Federal, State and Other Grant Fund--Statement of Reserve for Federal, State and Other Grants--Appropriated	58
	<u>TRUST FUND</u>	
SB-1	Statement of Trust Cash--Treasurer	60
SB-2	Statement of Trust Cash--Other	62
SB-3	Statement of Reserve for Animal Control Fund Expenditures	63
SB-4	Statement of Due to State of New Jersey--Department of Health--Dog License Fees	64
SB-5	Statement of Due to State of New Jersey for Marriage and Civil Union License Fees	64
SB-6	Statement of Due to State of New Jersey for Hunting and Fishing License Fees	64
SB-7	Statement of Miscellaneous Trust Reserves and Escrows	65
SB-8	Statement of Miscellaneous Trust Reserves and Escrows--Other	66
SB-9	Schedule of Reserve for Housing and Community Development Act of 1974-- Community Development Block Grant	67

BOROUGH OF SWEDESBOROTABLE OF CONTENTS (CONT'D)

<u>Exhibit No.</u>		<u>Page No.</u>
<u>GENERAL CAPITAL FUND</u>		
SC-1	Statement of General Capital Cash -Treasurer	69
SC-2	Analysis of General Capital Cash	70
SC-3	Statement of Federal, State and Other Grants Receivable	71
SC-4	Statement of Deferred Charges to Future Taxation--Funded	72
SC-5	Statement of Deferred Charges to Future Taxation--Unfunded	73
SC-6	Statement of Capital Improvement Fund	74
SC-7	Statement of Reserve for Payment of Debt	75
SC-8	Statement of Improvement Authorizations	76
SC-9	Statement of Bond Anticipation Notes	77
SA-10	Statement of General Serial Bonds	78
SC-11	Statement of Green Trust Loan Payable	79
SC-12	Schedule of Bonds and Notes Authorized but Not Issued	80
<u>WATER AND SEWER UTILITY FUND</u>		
SD-1	Statement of Water and Sewer Utility Cash--Treasurer	82
SD-2	Analysis of Water and Sewer Utility Capital Cash	83
SD-3	Schedule of Water and Sewer Change Fund	84
SD-4	Water and Sewer Utility Operating Fund--Statement of Consumer Accounts Receivable	85
SD-5	Water and Sewer Utility Operating Fund—Statement of Water and Sewer Utility Liens Receivable	85
SD-6	Water and Sewer Utility Operating Fund-- Statement of Appropriation 2012 Reserves	86
SD-7	Water and Sewer Utility Operating Fund--Statement of Utility Rent Overpayments	87
SD-8	Water and Sewer Utility Operating Fund--Statement of Prepaid Utility Rents	87
SD-9	Water and Sewer Utility Operating Fund--Statement of Prepaid Water Tower Lease Rental	87
SD-10	Water and Sewer Utility Operating Fund--Statement of Accrued Interest on Bonds, Notes and Loans and Analysis of Balance	88
SD-11	Water and Sewer Utility Capital Fund--Schedule of Fixed Capital	89
SD-12	Water and Sewer Utility Capital Fund—Statement of Fixed Capital Authorized And Uncompleted	90
SD-13	Water and Sewer Utility Capital Fund--Statement of Improvement Authorizations	91
SD-14	Water and Sewer Utility Capital Fund--Statement of Contracts Payable	92
SD-15	Water and Sewer Utility Capital Fund—Statement of Reserve for Amortization	92
SD-16	Water and Sewer Utility Capital Fund—Statement of Capital Improvement Fund	92
SD-17	Water and Sewer Utility Capital Fund—Statement of Deferred Reserve for Amortization	93
SD-18	Water and Sewer Utility Capital Fund—Schedule of Serial Bonds Payable	94

18800

BOROUGH OF SWEDESBORO

TABLE OF CONTENTS (CONT'D)

Exhibit No.

Page No.

PART 2

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

Schedule of Financial Statement Findings	96
Summary Schedule of Prior Year Audit Findings and Recommendations As Prepared by Management	97
OFFICIALS IN OFFICE AND SURETY BONDS	98
APPRECIATION	99

BOROUGH OF SWEDESBORO

PART I

REPORT OF AUDIT OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2013

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Borough Council
Borough of Swedesboro
Swedesboro, New Jersey 08085

Report on the Financial Statements

We have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Borough of Swedesboro, in the County of Gloucester, State of New Jersey, as of December 31, 2013 and 2012, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis, statement of expenditures - regulatory basis, and statement of general fixed assets group of accounts for the year ended December 31, 2013 and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Borough of Swedesboro in the County of Gloucester, State of New Jersey, as of December 31, 2013 and 2012, or the results of its operations and changes in fund balance for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to previously present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Borough of Swedesboro, in the County of Gloucester, State of New Jersey, as of December 31, 2013 and 2012, and the results of its operations and changes in fund balance - regulatory basis of such funds for the years then ended, and the revenues - regulatory basis, expenditures - regulatory basis of the various funds, and general fixed assets, for the year ended December 31, 2013 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.

Other Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough's basic financial statements. The supplemental financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and are not a required part of the basic financial statements.

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

18800

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 30, 2014 on our consideration of the Borough of Swedesboro's, in the County of Gloucester, State of New Jersey, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Borough of Swedesboro's internal control over financial reporting.

Respectfully submitted,

Bowman & Company LLP
BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Carol A. McAllister

Carol A. McAllister
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
June 30, 2014

**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 Swedesboro
Swedesboro, New Jersey 08085

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey of the Borough of Swedesboro, in the County of Gloucester, State of New Jersey, as of and for the year ended December 31, 2013, 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 30, 2014. That report indicated that the Borough of Swedesboro's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America, but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Carol A. McAllister
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
June 30, 2014

BOROUGH OF SWEDESBORO
CURRENT FUND
 Statements of Assets, Liabilities, Reserves and Fund Balances - Regulatory Basis
 As of December 31, 2013 and 2012

	<u>Ref.</u>	<u>2013</u>	<u>2012</u>
Assets:			
Regular Fund:			
Cash - Treasurer	SA-1	\$ 1,637,863.93	\$ 1,456,711.79
Cash - Change Fund	A	100.00	100.00
Due from State of New Jersey for Election Expenses	SA-5	<u>1,063.00</u>	
		<u>1,639,026.93</u>	<u>1,456,811.79</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	SA-4	254,266.40	321,000.73
Tax Title Liens Receivable	SA-5	30,227.49	1,375.48
Property Acquired for Taxes--Assessed Valuation	A	231,000.00	231,000.00
Due From Federal, State and Other Grant Fund	SA-15	26,342.15	77,317.14
Due From Trust Other Fund	SA-1		<u>10.48</u>
		<u>541,836.04</u>	<u>630,703.83</u>
		<u>2,180,862.97</u>	<u>2,087,515.62</u>
Federal, State and Other Grant Fund:			
Federal, State and Other Grants Receivable	SA-16	<u>57,276.37</u>	<u>180,387.41</u>
		<u>57,276.37</u>	<u>180,387.41</u>
		<u>\$ 2,238,139.34</u>	<u>\$ 2,267,903.03</u>

(Continued)

BOROUGH OF SWEDESBORO
CURRENT FUND
 Statements of Assets, Liabilities, Reserves and Fund Balances - Regulatory Basis
 As of December 31, 2013 and 2012

	<u>Ref.</u>	<u>2013</u>	<u>2012</u>
Liabilities, Reserves and Fund Balance:			
Regular Fund:			
Appropriation Reserves	A-3;SA-8	\$ 163,224.23	\$ 130,884.55
Reserve for Encumbrances	A-3;SA-8	29,362.54	30,380.08
Accounts Payable	SA-8	8,006.00	
Due to State of New Jersey - Veterans and Senior Citizens Deductions	SA-6	1,079.97	4,964.90
Prepaid Taxes	SA-9	32,359.60	44,896.05
Tax Overpayments	SA-10	445.82	
County Taxes Payable	SA-11		0.05
Due County for Added and Omitted Taxes	SA-12	1,070.13	550.85
Due to Water and Sewer Utility Operating Fund	SA-1	50,000.00	
Reserve for Peddler's Licenses Cash Bond	A	200.00	200.00
		<u>285,748.29</u>	<u>211,876.48</u>
Reserves for Receivables	A	541,836.04	630,703.83
Fund Balance	A-1	<u>1,353,278.64</u>	<u>1,244,935.31</u>
		<u>2,180,862.97</u>	<u>2,087,515.62</u>
Federal, State and Other Grant Fund:			
Reserve for Encumbrances	SA-18	725.00	1,235.00
Reserves for Federal, State and Other Grants:			
Appropriated	SA-18	30,209.22	101,835.27
Due to Current Fund	SA-15	<u>26,342.15</u>	<u>77,317.14</u>
		<u>57,276.37</u>	<u>180,387.41</u>
		<u>\$ 2,238,139.34</u>	<u>\$ 2,267,903.03</u>

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

BOROUGH OF SWEDESBORO
CURRENT FUND
 Statements of Operations and Changes in Fund Balance - Regulatory Basis
 For the Years Ended December 31, 2013 and 2012

	2013	2012
Revenue and Other Income Realized:		
Fund Balance Utilized	\$ 221,500.00	\$ 221,500.00
Miscellaneous Revenues Anticipated	441,446.02	612,610.61
Receipts from Delinquent Taxes	308,253.58	296,737.98
Receipts from Current Taxes	6,557,539.68	6,122,926.94
Non-Budget Revenues	95,727.02	78,293.67
Liquidation of Interfunds	50,985.47	1,205.56
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	103,475.07	77,829.62
Cancellation of County Taxes	0.05	
Cancellation of Tax Overpayments		416.60
Cancellation of Federal, State and Other Grants Appropriated		35,503.66
	<u>7,778,926.89</u>	<u>7,447,024.64</u>
Expenditures:		
Budget and Emergency Appropriations:		
Appropriations Within "CAPS":		
Salaries and Wages	251,350.00	243,250.00
Other Expenses	809,650.00	807,022.00
Deferred Charges and Statutory Expenditures	128,987.00	129,980.00
Appropriations Excluded from "CAPS":		
Other Expenses	638,318.54	839,000.24
Capital Improvements	38,900.00	43,900.00
Deferred Charges		51,321.08
Municipal Debt Service	232,995.05	154,169.98
Transferred to Boards of Education	19,247.41	18,880.00
County Taxes	1,079,610.67	1,004,698.67
County Library Taxes	82,954.91	82,504.48
County Open Space Taxes	78,427.85	79,068.62
Due County for Added and Omitted Taxes	1,070.13	550.85
Local District School Tax	2,431,928.00	2,295,624.55
Regional High School District Taxes	1,653,894.00	1,506,712.72
Cancellation of Federal, State and Other Grants Receivable		69,759.15
Refund of Prior Year Revenue		3,931.65
Prior Year Senior Citizen Disallowed	1,750.00	5,293.47
Interfunds Created		77,327.62
	<u>7,449,083.56</u>	<u>7,412,995.08</u>
Excess in Revenues (Carried Forward)	329,843.33	34,029.56

(Continued)

BOROUGH OF SWEDESBORO
CURRENT FUND
 Statements of Operations and Changes in Fund Balance - Regulatory Basis
 For the Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Excess in Revenues (Brought Forward)	\$ 329,843.33	\$ 34,029.56
Fund Balance January 1	<u>1,244,935.31</u>	<u>1,432,405.75</u>
Total	1,574,778.64	1,466,435.31
Decreased by:		
Utilized as Anticipated Revenue	<u>221,500.00</u>	<u>221,500.00</u>
Fund Balance December 31	<u>\$ 1,353,278.64</u>	<u>\$ 1,244,935.31</u>

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

BOROUGH OF SWEDESBORO
CURRENT FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2013

	Anticipated Budget	Special N.J.S. 40A:4-87	Realized	Excess or (Deficit)
Fund Balance Anticipated	\$ 221,500.00	\$	\$ 221,500.00	\$
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	7,750.00		7,500.00	(250.00)
Fees and Permits	10,000.00		12,263.48	2,263.48
Interest and Costs on Taxes	59,000.00		74,346.57	15,346.57
Rental Property - Registration and Licensing	25,000.00		26,400.00	1,400.00
Consolidated Municipal Property Tax Relief Aid	51,787.00		51,787.00	
Energy Receipts Tax (P.L. 1997, Chapters 162 & 167)	207,566.00		207,566.06	0.06
Public and Private Revenues Offset With Appropriations:				
Municipal Alliance on Alcoholism and Drug Abuse	12,239.00		12,239.00	
JIF - Safety Incentive Program	3,775.00		3,775.00	
Clean Communities Grant		4,399.25	4,399.25	
Recycling Tonnage Grant		6,169.66	6,169.66	
Special Item:				
Reserve for Payment of Bonds	35,000.00		35,000.00	
	<u>412,117.00</u>	<u>10,568.91</u>	<u>441,446.02</u>	<u>18,760.11</u>
Receipts from Delinquent Taxes	<u>300,000.00</u>		<u>308,253.58</u>	<u>8,253.58</u>
Subtotal General Revenues	933,617.00	10,568.91	971,199.60	27,013.69
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes	<u>1,524,228.38</u>		<u>1,578,461.87</u>	<u>54,233.49</u>
Budget Totals	2,457,845.38	10,568.91	2,549,661.47	81,247.18
Non-Budget Revenues			<u>95,727.02</u>	<u>95,727.02</u>
	<u>\$ 2,457,845.38</u>	<u>\$ 10,568.91</u>	<u>\$ 2,645,388.49</u>	<u>\$ 176,974.20</u>

(Continued)

BOROUGH OF SWEDESBORO
CURRENT FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2013

Analysis of Realized Revenue:

Allocation of Current Tax Collections:

Revenue from Collections	\$ 6,557,539.68
Allocated to:	
School and County Taxes	<u>5,327,885.56</u>
Balance for Support of Municipal Budget Revenues	1,229,654.12
Add:	
Appropriation: "Reserve for Uncollected Taxes"	<u>348,807.75</u>
Amount for Support of Municipal Budget Appropriations	<u>\$ 1,578,461.87</u>

Receipts from Delinquent Taxes:

Delinquent Tax Collections	\$ 307,801.84
Tax Title Lien Collections	<u>451.74</u>
	<u>\$ 308,253.58</u>

Analysis of Non-Budget Revenue:

Treasurer:	
Other Miscellaneous Revenue	\$ 131.52
Hunting and Fishing Licenses	81.25
Tax Searches	350.00
Zoning Permit Fees	470.00
Dumpster Permits	270.00
Public Works Grass Cutting	1,600.00
Recycling Scrap	1,492.55
Sale of Assets	1,700.00
OMNI Recycling Revenue	10,387.84
Cable TV Franchise Fee	6,899.15
Election Money Polling Places	200.00
Interest Earned	3,234.02
Interest Earned in Other Funds	46.65
Hurricane Sandy Reimbursements	1,099.12
Senior Citizens and Veterans Administrative Fee	395.00
Insurance Reimbursement	9,060.37
Property Tax Abatement	<u>55,693.95</u>
	93,111.42
Revenue Accounts Receivable:	
Uniform Construction Code Fees	<u>2,615.60</u>
	<u>\$ 95,727.02</u>

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

BOROUGH OF SWEDESBORO
CURRENT FUND
 Statement of Expenditures - Regulatory Basis
 For the Year Ended December 31, 2013

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
OPERATIONS WITHIN "CAPS":						
GENERAL GOVERNMENT FUNCTIONS:						
Administrative and Executive:						
Salaries and Wages	\$ 11,200.00	\$ 11,200.00	\$ 11,200.00	\$		\$
Municipal Clerk's Office:						
Salaries and Wages	73,000.00	73,000.00	65,379.95		7,620.05	
Other Expenses	23,000.00	24,500.00	23,399.94	396.05	704.01	
Financial Administration:						
Salaries and Wages	14,000.00	14,000.00	13,922.72		77.28	
Other Expenses	42,000.00	42,000.00	33,128.80	65.88	8,805.32	
Collection of Taxes:						
Salaries and Wages	21,000.00	21,000.00	19,885.01		1,114.99	
Other Expenses	4,000.00	4,000.00	3,284.29		715.71	
Legal Services:						
Other Expenses	65,000.00	65,000.00	47,543.09		17,456.91	
Engineering Services and Costs:						
Other Expenses	65,000.00	65,000.00	32,306.45	8,246.00	24,447.55	
Economic Development						
Other Expenses	40,000.00	40,000.00	34,665.15		5,334.85	
Historical Commission						
Other Expenses	1,000.00	1,000.00		1,000.00		
Public Buildings and Grounds:						
Other Expenses	34,000.00	34,000.00	28,048.02	5,692.23	259.75	
Planning and Zoning Board:						
Salaries and Wages	5,100.00	5,100.00	4,750.00		350.00	
Other Expenses	5,000.00	5,500.00	4,767.98		732.02	
Shade Tree Commission:						
Other Expenses	4,000.00	4,000.00	3,763.78		236.22	
Environmental Commission:						
Other Expenses	4,000.00	4,000.00			4,000.00	
Insurance:						
Group Insurance Plan for Employees	68,000.00	69,000.00	62,787.39		6,212.61	
Other Insurance Premiums	72,000.00	72,000.00	66,094.50		5,905.50	
Code Enforcement						
Salaries and Wages	48,000.00	48,000.00	44,346.24		3,653.76	
Other Expenses	3,000.00	3,000.00	2,701.41		298.59	

(Continued)

BOROUGH OF SWEDESBORO
CURRENT FUND
 Statement of Expenditures - Regulatory Basis
 For the Year Ended December 31, 2013

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
OPERATIONS WITHIN "CAPS" (CONTD):						
PUBLIC SAFETY FUNCTIONS:						
Emergency Management Services:						
Salaries and Wages	\$ 1,850.00	\$ 1,850.00	\$ 1,790.00		\$ 60.00	\$
Other Expenses	250.00	250.00			250.00	
Road Repairs and Maintenance:						
Salaries and Wages	67,000.00	67,000.00	61,099.96		5,900.04	
Other Expenses	36,000.00	32,900.00	5,559.75	1,360.08	25,980.17	
Snow Removal:						
Other Expenses	5,000.00	5,000.00	5,000.00			
Sanitation:						
Salaries and Wages	5,100.00	5,200.00	5,100.02		99.98	
Other Expenses	165,000.00	165,000.00	152,527.10		12,472.90	
Solid Waste Disposal						
Other Expenses	80,000.00	80,000.00	69,317.57		10,682.43	
HEALTH AND WELFARE SERVICES FUNCTIONS:						
Board of Health:						
Salaries and Wages	5,000.00	5,000.00	4,832.36		167.64	
Other Expenses	500.00	500.00			500.00	
Dog Regulation						
Other Expenses	500.00	500.00			500.00	
RECREATION FUNCTIONS:						
Anniversary of Holidays:						
Other Expenses	10,000.00	10,000.00	8,760.34		1,239.66	
UTILITY EXPENSES AND BULK PURCHASES:						
Gasoline	4,500.00	4,500.00	4,273.63		226.37	
Street Lighting	49,000.00	49,000.00	42,212.35	3,114.30	3,673.35	
Telephone	6,000.00	6,000.00	5,712.09		287.91	
Electricity	19,000.00	19,000.00	15,058.13		3,941.87	
Postage	4,000.00	4,000.00	3,860.13		139.87	
Total Operations Within "CAPS"	1,061,000.00	1,061,000.00	887,078.15	19,874.54	154,047.31	
Detail:						
Salaries and Wages	251,250.00	251,350.00	232,306.26		19,043.74	
Other Expenses	809,750.00	809,650.00	654,771.89	19,874.54	135,003.57	

(Continued)

BOROUGH OF SWEDESBORO
CURRENT FUND
 Statement of Expenditures - Regulatory Basis
 For the Year Ended December 31, 2013

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS":						
STATUTORY EXPENDITURES:						
Contribution to:						
Public Employees' Retirement System	\$ 52,294.00	\$ 52,294.00	\$ 52,294.00	\$	\$	
Police and Firemen's Retirement System of NJ	55,193.00	55,193.00	55,193.00			
Social Security System (O.A.S.I.)	19,500.00	19,500.00	17,722.21		1,777.79	
Unemployment Compensation	2,000.00	2,000.00	1,351.75		648.25	
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"	128,987.00	128,987.00	126,560.96		2,426.04	
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	1,189,987.00	1,189,987.00	1,013,639.11	19,874.54	156,473.35	
OPERATIONS EXCLUDED FROM "CAPS":						
Insurance						
Employee Group Health						
Recycling Tax	3,600.00	3,600.00	2,640.00		960.00	
Interlocal Municipal Service Agreements:						
Parks & Recreation	9,362.00	9,362.00	9,362.00			
Police Services	568,114.63	568,114.63	568,114.63			
Aid to Volunteer Fire Company	23,600.00	23,600.00	18,750.00		4,850.00	
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES:						
JIF - Safety Incentive	3,775.00	3,775.00	3,775.00			
Municipal Alliance	12,239.00	12,239.00	12,239.00			
Municipal Alliance - Local Cash Match	3,059.00	3,059.00	3,059.00			
NJ History Project Local Match (N.J.S.A. 40A:85, \$3,104.00+)		3,104.00	3,104.00			
Clean Communities Grant (N.J.S.A. 40A-4:87, \$4,399.25+)		4,399.25	4,399.25			
Recycling Tonnage Grant (N.J.S.A. 40A-4:87 \$6,169.66+)		6,169.66	6,169.66			
Matching Funds for Grants						
Other Expenses (N.J.S.A. 40A-85, \$3,104.00-)	4,000.00	896.00			896.00	

(Continued)

BOROUGH OF SWEDESBORO
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2013

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
OPERATIONS EXCLUDED FROM "CAPS" (CONT'D):						
TOTAL OPERATIONS - EXCLUDED FROM "CAPS"	\$ 627,749.63	\$ 638,318.54	\$ 631,612.54	\$	\$ 6,706.00	\$
Detail:						
Salaries and Wages						
Other Expenses	627,749.63	638,318.54	631,612.54		6,706.00	
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS":						
Capital Improvement Fund	15,000.00	15,000.00	15,000.00			
Fire Truck	14,400.00	14,400.00	14,367.12		32.88	
Fire Company Equipment & Firehouse Improvements	9,500.00	9,500.00		9,488.00	12.00	
TOTAL CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"	38,900.00	38,900.00	29,367.12	9,488.00	44.88	
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS":						
Payment of Bond Principal	70,000.00	70,000.00	70,000.00			
Payment of Bond Anticipation Notes and Capital Notes	70,000.00	70,000.00	70,000.00			
Interest on Bonds	73,000.00	73,000.00	72,917.50			82.50
Interest on Notes	10,751.00	10,751.00	10,750.06			0.94
Green Trust Loan Program:						
Loan Repayments for Principal and Interest	9,400.00	9,400.00	9,327.49			72.51
TOTAL MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"	233,151.00	233,151.00	232,995.05			155.95

(Continued)

BOROUGH OF SWEDESBORO
CURRENT FUND
 Statement of Expenditures - Regulatory Basis
 For the Year Ended December 31, 2013

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
TRANSFERRED TO BOARD OF EDUCATION FOR USE OF LOCAL SCHOOLS	\$ 19,250.00	\$ 19,250.00	\$ 19,247.41	\$	\$	\$ 2.59
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"	<u>919,050.63</u>	<u>929,619.54</u>	<u>913,222.12</u>	<u>9,488.00</u>	<u>6,750.88</u>	<u>158.54</u>
SUBTOTAL GENERAL APPROPRIATIONS	2,109,037.63	2,119,606.54	1,926,861.23	29,362.54	163,224.23	158.54
RESERVE FOR UNCOLLECTED TAXES	<u>348,807.75</u>	<u>348,807.75</u>	<u>348,807.75</u>			
TOTAL GENERAL APPROPRIATIONS	<u>\$ 2,457,845.38</u>	<u>\$ 2,468,414.29</u>	<u>\$ 2,275,668.98</u>	<u>\$ 29,362.54</u>	<u>\$ 163,224.23</u>	<u>\$ 158.54</u>
N.J.S.A. 40A: 4-87 Budget		\$ 10,568.91				
		<u>2,457,845.38</u>				
		<u>\$ 2,468,414.29</u>				
Business Personal Property Tax Appreciation Adjustment:						
Local School District			\$ 11,620.15			
Regional High School District			7,627.26			
Due to Federal, State and Other Grant Fund:						
Federal, State and Other Grants Appropriated			26,582.91			
Federal, State and Other Grants Appropriated -- Local Match			6,163.00			
Reserve for Uncollected Taxes			348,807.75			
Disbursed			<u>1,874,867.91</u>			
			<u>\$ 2,275,668.98</u>			

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

BOROUGH OF SWEDESBORO
TRUST FUND
 Statements of Assets, Liabilities, Reserves and Fund Balances - Regulatory Basis
 As of December 31, 2013 and 2012

	Ref.	2013	2012
Assets:			
Animal Control Fund:			
Cash - Chief Financial Officer	SB-1	\$ 5,996.80	\$ 3,983.20
Other Funds:			
Cash - Chief Financial Officer	SB-1	\$ 76,172.13	\$ 168,893.38
Cash - Tax Collector	SB-1	34,300.00	36,863.84
Cash - Other	SB-2	12,627.94	17,197.10
Mortgage Loans Receivable	B	237,604.00	237,604.00
		<u>360,704.07</u>	<u>460,558.32</u>
		<u>\$ 366,700.87</u>	<u>\$ 464,541.52</u>
Liabilities and Reserves:			
Animal Control Fund:			
Reserve for Animal Control Fund Expenditures	SB-3	\$ 5,996.80	\$ 3,983.20
Other Funds:			
Due to Current Fund	SB-2	\$	\$ 10.48
Due to State of New Jersey:			
Marriage and Civil Union License Fees	SB-5	100.00	100.00
Hunting and Fishing Licenses	SB-6	310.50	131.25
Miscellaneous Trust Reserves and Escrows			
Tax Sale Premiums	SB-7	34,300.00	26,000.00
Redemption of Tax Title Liens	SB-7		10,863.84
Municipal Alliance Donations - Municipal Share	SB-7	19,523.15	22,764.28
Recreation Purposes (Developers Donations)	SB-7	3,984.78	98,937.50
Economic Development	SB-7	30,271.57	22,140.66
Street Opening Permits	SB-7	1,100.00	
Snow Removal Appropriations	SB-7	18,735.40	15,385.53
Cash Performance Bonds	SB-7		3,627.65
Payroll Deductions Payable	SB-7	5,177.93	5,528.71
Miscellaneous Trust Reserves and Escrows - Other:			
COAH	SB-8	2,422.46	2,418.01
Developer's Escrow Funds	SB-8	7,174.28	11,737.41
Reserve for Mortgage Loans Receivable	B	237,604.00	237,604.00
Reserve for Housing and Community Development Act of 1974:			
Community Development Block Grant Program	SB-9		3,309.00
		<u>360,704.07</u>	<u>460,558.32</u>
		<u>\$ 366,700.87</u>	<u>\$ 464,541.52</u>

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

BOROUGH OF SWEDESBORO
GENERAL CAPITAL FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
 As of December 31, 2013 and 2012

	Ref.	2013	2012
Assets:			
Cash	SC-1	\$ 711,044.49	\$ 610,052.29
Grants Receivable	SC-3	455,000.00	320,000.00
Deferred Charges to Future Taxation:			
Funded	SC-4	1,963,662.98	2,041,578.28
Unfunded	SC-5	<u>1,691,855.00</u>	<u>1,581,855.00</u>
		<u>\$ 4,821,562.47</u>	<u>\$ 4,553,485.57</u>
Liabilities, Reserves and Fund Balance:			
General Serial Bonds	SC-10	\$ 1,899,000.00	\$ 1,969,000.00
Green Trust Loan Payable	SC-11	64,662.98	72,578.28
Bond Anticipation Notes	SC-9	1,500,000.00	1,100,000.00
Improvement Authorizations:			
Funded	SC-8	147,663.40	14,042.95
Unfunded	SC-8	725,871.50	875,728.87
Reserve for Restoration of Dam Project	C	11,249.05	11,249.05
Reserve for Encumbrances	SC-8	62,362.31	141,133.19
Reserve for Payment of Debt	SC-7	110,000.00	35,000.00
Reserve for Federal State and Other Grants Receivable	SC-3	280,000.00	320,000.00
Capital Improvement Fund	SC-6	<u>20,753.23</u>	<u>14,753.23</u>
		<u>\$ 4,821,562.47</u>	<u>\$ 4,553,485.57</u>

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

BOROUGH OF SWEDESBORO
WATER AND SEWER UTILITY FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2013 and 2012

	Ref.	<u>2013</u>	<u>2012</u>
Assets:			
Operating Fund:			
Cash - Chief Financial Officer	SD-1	\$ 386,939.99	\$ 509,290.18
Change Fund	SD-3	50.00	50.00
Due from Current Fund	SD-1	<u>50,000.00</u>	<u> </u>
		<u>436,989.99</u>	<u>509,340.18</u>
Receivables With Full Reserves:			
Consumer Accounts Receivable	SD-4	16,280.27	17,258.75
Utility Liens Receivable	SD-5	<u>3,012.95</u>	<u> </u>
		<u>19,293.22</u>	<u>17,258.75</u>
Total Operating Fund		<u>456,283.21</u>	<u>526,598.93</u>
Capital Fund:			
Cash	SD-1	168,693.14	1,306,959.89
Fixed Capital	SD-11	4,222,388.70	4,116,634.58
Fixed Capital Authorized and Uncompleted	SD-12	<u>2,100,000.00</u>	<u>2,150,000.00</u>
Total Capital Fund		<u>6,491,081.84</u>	<u>7,573,594.47</u>
		<u>\$ 6,947,365.05</u>	<u>\$ 8,100,193.40</u>

(Continued)

BOROUGH OF SWEDESBORO
WATER AND SEWER UTILITY FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2013 and 2012

	Ref.	2013	2012
Liabilities, Reserves and Fund Balance:			
Operating Fund:			
Appropriation Reserves	D-3&SD-6	\$ 83,402.49	\$ 76,023.04
Encumbrances Payable	D-3&SD-6	8,615.74	16,582.58
Accounts Payable	SD-6	3,250.00	
Utility Rent Overpayments	SD-7	1,881.12	489.86
Prepaid Utility Rents	SD-8	43,692.87	75,920.66
Prepaid Water Tower Rental Lease Fees	SD-9	53,664.00	67,080.00
Accrued Interest on Bonds, Notes and Loans	SD-10	18,918.13	19,518.13
		<u>213,424.35</u>	<u>255,614.27</u>
Reserve for Receivables	D	19,293.22	17,258.75
Fund Balance	D-1	223,565.64	253,725.91
		<u>456,283.21</u>	<u>526,598.93</u>
Total Operating Fund			
		<u>456,283.21</u>	<u>526,598.93</u>
Capital Fund:			
Serial Bonds Payable	SD-18	1,999,000.00	2,079,000.00
Improvement Authorizations:			
Funded	SD-13	29,238.07	1,231,498.97
Reserve for Encumbrances	SD-13	55,228.27	8,542.72
Contracts Payable	SD-14	16,021.00	19,447.20
Reserve for Amortization	SD-15	4,323,388.70	4,049,103.39
Capital Improvement Fund	SD-16	64,850.00	44,850.00
Deferred Reserve for Amortization	SD-17		138,531.19
Capital Fund Balance	D-4	3,355.80	2,621.00
		<u>6,491,081.84</u>	<u>7,573,594.47</u>
Total Capital Fund		<u>6,491,081.84</u>	<u>7,573,594.47</u>
		<u>\$ 6,947,365.05</u>	<u>\$ 8,100,193.40</u>

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

BOROUGH OF SWEDESBORO
WATER AND SEWER UTILITY OPERATING FUND
Statements of Income and Changes In Operating Fund Balances -- Regulatory Basis
For the Years Ended December 31, 2013 and 2012

	2013	2012
<u>Revenue and Other Income Realized:</u>		
Fund Balance Utilized	\$ 132,000.00	\$ 140,000.00
Rents	1,010,266.36	999,126.16
Miscellaneous Revenue Anticipated	49,052.97	82,702.81
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	64,792.90	168,399.43
Total Income	1,256,112.23	1,390,228.40
<u>Expenditures:</u>		
Operating	890,000.00	870,000.00
Capital Improvements	76,000.00	55,800.00
Debt Service	156,272.50	158,572.50
Deferred Charges and Statutory Expenditures	32,000.00	118,600.00
Total Expenditures	1,154,272.50	1,202,972.50
Excess in Revenue	101,839.73	187,255.90
<u>Fund Balance</u>		
Balance January 1	253,725.91	206,470.01
	355,565.64	393,725.91
Decreased by:		
Utilized as Anticipated Revenue	132,000.00	140,000.00
Balance December 31	\$ 223,565.64	\$ 253,725.91

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

BOROUGH OF SWEDESBORO
WATER AND SEWER UTILITY OPERATING FUND
 Statement of Revenues -- Regulatory Basis
 For the Year Ended December 31, 2013

	Anticipated Budget	Realized	Excess or (Deficit)
Operating Surplus Anticipated	\$ 132,000.00	\$ 132,000.00	\$
Rents	990,000.00	1,010,266.36	20,266.36
Miscellaneous Revenue Anticipated	<u>63,000.00</u>	<u>49,052.97</u>	<u>(13,947.03)</u>
Budget Totals	<u>\$ 1,185,000.00</u>	<u>\$ 1,191,319.33</u>	<u>\$ 6,319.33</u>

Analysis of Realized Revenue:

Rents:

Consumer Accounts Receivable:

Collected	\$ 934,345.70
Prepaid Rents Applied	<u>75,920.66</u>
	<u>\$ 1,010,266.36</u>

Analysis of Miscellaneous Revenue:

Water Meter Fees	\$ 200.00
Water and Sewer Utility Operating Fund Interest	5,876.04
Water Delinquent Interest	1,624.05
Sewer Delinquent Interest	1,701.84
Water Tower Leases	23,623.86
FEMA -- Hurricane Sandy Reimbursement	995.58
Miscellaneous	<u>1,615.60</u>
	\$ 35,636.97
Revenue for Water Tower Lease Rental	<u>13,416.00</u>
	<u>\$ 49,052.97</u>

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

BOROUGH OF SWEDESBORO
WATER AND SEWER UTILITY OPERATING FUND
 Statement of Expenditures -- Regulatory Basis
 For the Year Ended December 31, 2013

	Appropriations		Expended			Unexpended Balance Canceled
	Original Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
Operating:						
Salaries and Wages	\$ 370,000.00	\$ 370,000.00	\$ 364,980.59	\$	\$ 5,019.41	\$
Other Expenses	550,000.00	550,000.00	436,338.15	8,615.74	75,046.11	30,000.00
Total Operating	920,000.00	920,000.00	801,318.74	8,615.74	80,065.52	30,000.00
Capital Improvements:						
Capital Improvement Fund	20,000.00	20,000.00	20,000.00			
Capital Outlay - Tank Upkeep Contract	56,000.00	56,000.00	55,754.12		245.88	
Total Capital Improvements	76,000.00	76,000.00	75,754.12		245.88	
Debt Service:						
Payment of Bonds	80,000.00	80,000.00	80,000.00			
Interest on Bonds	77,000.00	77,000.00	76,272.50			727.50
Total Debt Service	157,000.00	157,000.00	156,272.50			727.50
Deferred Charges and Statutory Expenditures:						
Deferred Charges:						
Statutory Expenditures:						
Contribution to:						
Social Security System (O.A.S.I.)	30,000.00	30,000.00	27,253.54		2,746.46	
Unemployment Compensation Insurance	2,000.00	2,000.00	1,655.37		344.63	
Total Deferred Charges and Statutory Expenditures	32,000.00	32,000.00	28,908.91		3,091.09	
Total Water and Sewer Utility Appropriations	\$ 1,185,000.00	\$ 1,185,000.00	\$ 1,062,254.27	\$ 8,615.74	\$ 83,402.49	\$ 30,727.50
Accrued Interest:						
Interest on Bonds			\$ 76,272.50			
Disbursements			985,981.77			
			\$ 1,062,254.27			

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

BOROUGH OF SWEDESBORO
WATER AND SEWER UTILITY CAPITAL FUND
Statement of Water and Sewer Utility Capital Fund Balance - Regulatory Basis
For the Year Ended December 31, 2013

Balance December 31, 2012	\$ 2,621.00
Increased by:	
Cancellation of Improvement Authorization	<u>734.80</u>
Balance December 31, 2013	<u>\$ 3,355.80</u>

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

BOROUGH OF SWEDESBORO
GENERAL FIXED ASSET ACCOUNT GROUP
Statement of General Fixed Assets -- Regulatory Basis
For the Year Ended December 31, 2013

	Balance Dec. 31, 2012	Additions	Adjustments	Deletions	Balance Dec. 31, 2013
General Fixed Assets:					
Land	\$ 738,826.25	\$ 170,000.00	\$ (306,200.00) (1)		\$ 602,626.25
Buildings and Improvements	2,425,306.00		(825,400.00) (2)		1,599,906.00
Vehicles and Equipment	1,613,135.00	8,363.14	(149,584.00) (2)		1,471,914.14
Total General Fixed Assets	\$ 4,777,267.25	\$ 178,363.14	\$ (1,281,184.00)	-	\$ 3,674,446.39
 Total Investment in General Fixed Assets	 \$ 4,777,267.25	 \$ 178,363.14	 \$ (1,281,184.00)	 -	 \$ 3,674,446.39

(1) Property transferred for Redevelopment Project

(2) Adjustment for Buildings, Vehicles and Equipment that were in use by the Borough's Water and Sewer Utility

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

BOROUGH OF SWEDESBORO
Notes to Financial Statements
For the Year Ended December 31, 2013

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

Description of Financial Reporting Entity - The Borough of Swedesboro is located in the central part of Gloucester County, New Jersey. The Borough is located approximately twenty-five (25) miles southeast of Philadelphia, Pennsylvania, approximately fifty (50) miles west of Atlantic City and one hundred (100) miles south of New York City. The Borough is a separate governmental entity .77 square miles in size and is completely surrounded by the Township of Woolwich. The present population according to the 2010 census is 2,584.

The Borough has a Mayor-Council form of government in accordance with N.J.S.A. 40A:60-1. The Mayor is separately elected every four years. Executive and administrative responsibility rests with the Mayor, who is assisted by the Borough Clerk. The daily operations of the Borough are supervised by the Borough Clerk who also serves as the Business Administrator of the Borough.

Component Units - The Borough of Swedesboro had no component units as defined by Governmental Accounting Standards Board Statement No. 14.

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

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

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

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

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

Water and Sewer Utility Operating and Capital Funds - The Water and Sewer Utility Operating and Capital Funds account for the operations and acquisition of capital facilities of the municipally owned Water and Sewer Utility.

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

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

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

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

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

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

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

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

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

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

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

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

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

Utility Fixed Assets - Property and equipment purchased by a utility fund are recorded in the utility capital account at cost and are adjusted for 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 and 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 Assets Account Group. If such property is converted to a municipal use, it will be recorded in the General Fixed Assets Account Group.

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

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

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

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

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

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

School Taxes - The municipality is responsible for levying, collecting and remitting school taxes for the Borough of Swedesboro-Woolwich School District and the Kingsway Regional High School District. Operations are charged for the full amount required to be raised from taxation to operate the local school district and the regional high school district for the period from January 1 to December 31.

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

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

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

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

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

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

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

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

Note 2: **CASH AND CASH EQUIVALENTS**

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

As of December 31, 2013, the Borough's bank balances of \$3,172,694.55 were exposed to custodial credit risk as follows:

Uninsured and Collateralized with Securities	
Held by Pledging Financial Institutions	<u>\$ 2,922,694.55</u>

Note 3: **PROPERTY TAXES**

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

Comparative Schedule of Tax Rates

	<u>2013</u>	<u>2012</u>	<u>2011 (1)</u>	<u>2010</u>	<u>2009</u>
Tax Rate	<u>\$3.606</u>	<u>\$3.367</u>	<u>\$3.217</u>	<u>\$6.513</u>	<u>\$6.149</u>
Apportionment of Tax Rate:					
Municipal	\$.802	\$.775	\$.745	\$ 1.563	\$ 1.739
County	.569	.524	.529	1.081	1.079
County Library	.044	.044	.043	.085	.087
County Open Space Preservation Trust Fund	.042	.042	.043	.085	.085
Consolidated Local School	1.279	1.197	1.144	2.296	1.855
Regional High School	.870	.785	.713	1.403	1.304

Assessed Valuation

2013	\$190,013,917.00	
2012	191,774,796.00	
2011	191,503,120.00	(1)
2010	91,603,814.00	
2009	88,470,098.00	

(1) Revaluation

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2013	\$6,857,798.17	\$6,557,539.68	95.62%
2012	6,460,100.02	6,122,926.94	94.78%
2011	6,185,960.03	5,867,157.30	94.84%
2010	6,344,608.94	6,067,356.96	95.63%
2009	5,583,452.93	5,197,837.12	93.09%

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>
2013	\$30,227.49	\$254,266.40	\$284,493.89	4.15%
2012	1,375.48	321,000.73	322,376.21	4.99%
2011	3,811.38	299,123.10	302,934.48	4.89%
2010	1,249.66	273,652.94	274,902.60	4.33%
2009	1,243.15	370,868.50	372,111.65	6.66%

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

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

<u>Year</u>	<u>Number</u>
2013	6
2012	2
2011	2
2010	1
2009	1

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>
2013	\$231,000.00
2012	231,000.00
2011	231,000.00
2010	231,000.00
2009	231,000.00

Note 5: **WATER AND SEWER UTILITY SERVICE CHARGES**

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

<u>Year</u>	<u>Balance Beginning of Year</u>		<u>Levy</u>	<u>Total</u>	<u>Cash Collections</u>
	<u>Receivable</u>	<u>Liens</u>			
2013	\$17,258.75	---	\$1,012,058.60	\$1,029,317.35	\$1,010,266.36
2012	9,471.95	\$3,016.31	1,006,912.96	1,019,401.22	999,126.16
2011	13,336.21	3,016.31	1,040,518.74	1,056,871.26	1,044,383.00
2010	9,281.29	3,016.31	1,068,988.87	1,081,286.47	1,065,104.29
2009	12,384.93	28,905.90	951,448.60	992,739.43	954,552.24

Note 6: **FUND BALANCES APPROPRIATED**

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

<u>Year</u>	<u>Balance Dec. 31</u>	<u>Utilized In Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
<u>Current Fund</u>			
2013	\$1,353,278.64	\$371,500.00	27.45%
2012	1,244,935.31	221,500.00	17.79%
2011	1,432,405.75	221,500.00	15.46%
2010	1,324,529.06	223,675.00	16.88%
2009	704,288.47	89,500.00	12.70%
<u>Water and Sewer Utility Operating Fund</u>			
2013	\$223,565.64	\$131,000.00	58.60%
2012	253,725.91	132,000.00	52.02%
2011	206,470.01	140,000.00	67.81%
2010	267,617.31	150,000.00	56.05%
2009	208,519.00	150,000.00	71.93%

Note 7: **INTERFUND RECEIVABLES AND PAYABLES**

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of December 31, 2013:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Fund	\$ 26,342.15	\$ 50,000.00
Federal, State and Other Grant Fund		26,342.15
Water and Sewer Utility Operating Fund	<u>50,000.00</u>	<u> </u>
	<u>\$ 76,342.15</u>	<u>\$ 76,342.15</u>

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During 2014, the Borough expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 8: **PENSION PLANS**

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

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

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

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

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

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Paid by Borough</u>
2013	\$14,555.00	\$37,739.00	\$52,294.00	\$52,294.00
2012	16,944.00	37,127.00	54,071.00	54,071.00
2011	27,263.00	36,294.00	63,557.00	63,557.00

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

Note 8: PENSION PLANS (CONT'D)

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

The Borough did not have any employees participate in the DCRP program during 2013.

Early Retirement Incentive Program – The Borough of Swedesboro submitted an Early Retirement Incentive (ERI) Program Application to the Division of Local Government Services in 2009 under P.L. 1999, Chapter 59. One PFRS employee applied for early retirement under this program and the New Jersey Division of Pensions estimated a present value liability of \$192,005 as of June 1, 2009. The provision of Chapter 59 allows for an employer to elect to pay the additional pension liability either in a lump sum or through annual installments over a period not to exceed 15 years. The Borough elected to fund the liability over 5 years with an estimated accrued interest rate of 8.25%. Estimated annual installment of principal and interest at the time of actuary calculation was \$55,978 from April 1, 2012 to April 1, 2016. In 2013, the Borough was billed and paid the actual liability of \$55,193.

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

Note 9: POSTEMPLOYMENT HEALTHCARE BENEFITS PLAN

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

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. In 2009, the Borough authorized participation in the SHBP's post-retirement benefit program through resolution number 63-2009.

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at www.state.nj.us/treasury/pensions/.

Eligibility Policy - Only under certain circumstances do Borough employees receive paid health benefits at retirement based on a Borough policy, a union contract or a legal settlement. The Borough currently has an agreement to pay health benefits to (1) one retired employee. This agreement provides for fully paid health benefits until, the retiree becomes eligible for a federal or state health benefit program after which they would only be eligible to receive supplemental health insurance.

Note 9: POSTEMPLOYMENT HEALTHCARE BENEFITS PLAN (CONT'D)

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

Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Borough on a monthly basis. The Borough funds these benefits on a pay-as-you-go basis and therefore does not record accrued expense related to these benefits.

The Borough contributions to SHBP for the years ended December 31, 2013, 2012 and 2011 were \$13,559.28, \$15,489.28, and \$17,359.44, respectively, which equaled the required contributions for each year. There were approximately 1, 2, and 2 retired participants eligible at December 31, 2013, 2012 and 2011, respectively.

Note 10: COMPENSATED ABSENCES

Public Works Department – By contract, employees are not allowed to accrue vacation time. The sick pay policy dictates that each eligible employee shall be entitled to twelve (12) days of sick leave without loss of pay. Unused sick days can be carried forward up to a maximum of 30 days.

Furthermore, Public Works employees are entitled to, after twenty (20) years of service and, upon, separation or retirement will be paid for the unused earned sick leave up to a maximum of 30 days. The total payment will be made in four (4) equal payments over a period of one (1) year. This same benefit will also, at the employee's death, be payable to the employee's beneficiary in the same manner.

Non-contract Employees - Full-time employees are entitled to paid sick and vacation leave days each year based on the number of years of service. Sick and vacation days not used during the year may not be accumulated and carried forward unless authorized by the Borough Council.

The Borough does not record accrued expenses related to compensate absences. However, it is estimated that, at December 31, 2013, accrued benefits for compensated absences are valued at \$15,406.56.

Note 11: 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 12: **LEASE OBLIGATIONS**

At December 31, 2013, the Borough had lease agreements in effect for the following:

Operating:
One (1) IS-350 Mailing Machine

The following is an analysis of the operating lease.

Operating Leases - Future minimum rental payments under operating lease agreements are as follows:

<u>Year</u>	<u>Amount</u>
2014	\$779.88
2015	779.88
2016	649.90

Rental payments under operating leases for the year 2013 were \$1,289.88.

Note 13: **CAPITAL DEBT****Summary of Debt**

	<u>Year 2013</u>	<u>Year 2012</u>	<u>Year 2011</u>
<u>Issued</u>			
General:			
Bonds and Notes	\$3,463,662.98	\$3,141,578.28	\$2,119,337.61
Water and Sewer Utility:			
Bonds and Notes	1,999,000.00	2,079,000.00	2,159,000.00
Total Issued	5,462,662.98	5,220,578.28	4,278,337.61
<u>Authorized but not Issued</u>			
General:			
Bonds and Notes	191,855.00	481,855.00	593,676.08
Water and Sewer Utility:			
Bonds and Notes			82,000.00
Total Authorized but Not Issued	191,855.00	481,855.00	675,676.08
Total Issued and Authorized but Not Issued	5,654,517.98	5,702,433.28	4,954,013.69
Deductions:			
General Debt	110,000.00		
Self-liquidating Debt	1,999,000.00	2,079,000.00	2,241,000.00
Total Deductions	2,109,000.00	2,079,000.00	2,241,000.00
Net Debt	\$3,545,517.98	\$3,623,433.28	\$2,713,013.69

Note 13: **CAPITAL DEBT (CONT'D)****Summary of Statutory Debt Condition - Annual Debt Statement**

The summarized statement debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicated a statutory net debt of 1.909%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Regional School District	\$3,271,529.25	\$3,271,529.65	
Consolidated Local School District	6,244,480.46	6,244,480.46	
Water and Sewer Utility	1,999,000.00	1,999,000.00	
General	3,655,517.98	110,000.00	\$3,545,517.98
	<u>\$15,170,527.69</u>	<u>\$11,625,009.71</u>	<u>\$3,545,517.98</u>

Net Debt \$3,545,517.98 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, \$185,708,924.33 equals 1.909%.

Borrowing Power Under N.J.S.A.40A:2-6 As Amended

3 1/2% of Equalized Valuation Basis (Municipal) Net Debt	\$6,499,812.35 <u>3,545,517.98</u>
Remaining Borrowing Power	<u><u>\$2,954,294.37</u></u>

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

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest and Other Investment Income, and Other Charges for Year	\$1,191,319.33
Deductions:	
Operating and Maintenance Cost	\$952,000.00
Debt Service per Water and Sewer Fund	<u>156,272.50</u>
Total Deductions	<u>1,108,272.50</u>
Excess in Revenue	<u><u>\$83,046.83</u></u>

Note 13: **CAPITAL DEBT (CONT'D)****Schedule of Annual Debt Service for Principal and Interest for Bonded Debt and Green Trust Loans Issued and Outstanding**

<u>Year</u>	<u>General</u>		<u>Water and Sewer Utility</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2014	\$88,074.39	\$71,920.59	\$90,000.00	\$74,322.50	\$324,317.48
2015	88,236.68	69,358.30	90,000.00	71,622.50	319,217.48
2016	88,402.24	66,792.74	90,000.00	68,922.50	314,117.48
2017	88,571.12	64,123.85	90,000.00	66,110.00	308,804.97
2018	108,743.40	61,026.58	90,000.00	63,185.00	322,954.98
2019-23	562,635.15	247,796.05	540,000.00	261,637.50	1,612,068.70
2024-28	660,000.00	128,387.50	690,000.00	139,887.50	1,618,275.00
2029-30	279,000.00	11,766.25	319,000.00	13,456.25	623,222.50

Note 14: **JOINT INSURANCE POOL**

The Borough of Swedesboro is a member of the Gloucester, Salem and Cumberland Counties Municipal Joint Insurance Fund (Fund). The Fund is a member of the Municipal Excess Liability Joint Insurance Fund (MEL).

The Fund provides its members with the following coverage:

Workers' Compensation and Employer's Liability
Liability other than Motor Vehicles
Property Damage other than Motor Vehicles
Motor Vehicles

Contributions to the Fund, including a reserve for contingencies, are payable in two installments and are based on actuarial assumptions determined by the Fund's actuary. 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.

The Fund provides the Borough with the following coverage:

Property
Boiler and Machinery
General Liability
Blanket Crime
Public Official Bond
Workers' Compensation
Public Officials Liability
Employment Liability

Note 14: **JOINT INSURANCE POOL (CONT'D)**

Contributions to the Fund, are payable in an annual premium and is based on actuarial assumptions determined by the Fund's actuary. The Borough's agreement with the pool provides that the pool will be self-sustaining through member premiums and will reinsure through the Municipal Excess Liability Joint Insurance Fund for claims in excess of \$50,000 to \$200,000 based on the line of coverage for each insured event.

The Fund publishes its own financial report for the year ended December 31, 2013, which can be obtained from:

Gloucester, Salem and Cumberland Counties Municipal Joint Insurance Fund
6000 Sagemore Drive Suite 6203
PO BOX 488
Marlton, New Jersey 08053

Note 15: **LITIGATION**

The Borough is a defendant in several legal proceeding, including tax appeals, which 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 16: **SUBSEQUENT EVENTS**

Subsequent to December 31, 2013, the Borough of Swedesboro authorized additional Bonds and Notes as follows:

	<u>Purpose</u>	<u>Date</u>	<u>Amount</u>
General Capital:			
Bonds and Notes:			
	Reconstruction of Third Street	June 16, 2014	\$52,000.00

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

BOROUGH OF SWEDESBORO
Statement of Current Cash - Treasurer
For the Year Ended December 31, 2013

	Current Fund
Balance December 31, 2012	\$ 1,456,711.79
Increased by Receipts:	
Tax Collector	\$ 6,826,765.23
Due from State of NJ - Election Expenses	6,800.00
Due from State of NJ - Senior Citizens and Veterans	15,750.00
2012 Appropriation Reserves Refunds	3,964.00
Due from Federal, State and Other Grant Fund	149,693.95
Due from Trust Other Fund	10.48
Due from Water and Sewer Utility Operating Fund	50,000.00
Reserve for Payment of Bonds	35,000.00
Revenue Accounts Receivable	308,132.14
Bid Deposits -- Contra	18,630.00
Homestead Rebate	87,973.10
Miscellaneous Revenue Not Anticipated	93,111.42
	7,595,830.32
	9,052,542.11
Decreased by Disbursements:	
2012 Appropriation Reserves	53,747.56
2013 Appropriations	1,874,867.91
County Taxes	1,240,993.43
Due from State of NJ - Election Expenses	7,863.00
Due to County for Added and Omitted Taxes	550.85
Local District School Tax	2,443,548.15
Regional High School District Tax	1,661,521.26
Bid Deposits -- Contra	18,630.00
Refund Tax Overpayments	8,074.06
Due to Federal, State and Other Grant Fund	104,881.96
	7,414,678.18
Balance December 31, 2013	\$ <u><u>1,637,863.93</u></u>

BOROUGH OF SWEDESBORO
CURRENT FUND
Statement of Current Cash - Collector
For the Year Ended December 31, 2013

Taxes Receivable	\$ 6,711,087.44
Tax Title Liens	451.74
Prepaid Taxes	32,359.60
Tax Overpayments	8,519.88
Revenue Accounts Receivable	<u>74,346.57</u>
	6,826,765.23
Decreased by:	
Payment to Treasurer	\$ <u><u>6,826,765.23</u></u>

BOROUGH OF SWEDSBORO
CURRENT FUND
 Statement of Taxes Receivable and Analysis of Property Tax Levy
 For the Year Ended December 31, 2013

Year	Balance		Added Taxes	Collections		Canceled	Transferred	Transferred	Balance
	Dec. 31, 2012	2013 Levy		2012	2013		To Tax Title Liens	To Arrears	
Arrears	\$ 3,750.00	\$	\$	\$	\$ 7,908.85	\$	\$ 5,222.21	\$ 9,381.06	\$
2012	<u>317,250.73</u>		<u>1,750.00</u>		<u>299,892.99</u>	<u>6,279.45</u>	<u>3,447.22</u>	<u>(9,381.06)</u>	<u>0.01</u>
	321,000.73		1,750.00		307,801.84	6,279.45	8,669.43		0.01
2013		<u>6,857,798.17</u>	<u>3,500.57</u>	<u>44,896.05</u>	<u>6,512,643.63</u>	<u>30,993.88</u>	<u>18,498.79</u>		<u>254,266.39</u>
	<u>\$ 321,000.73</u>	<u>\$ 6,857,798.17</u>	<u>\$ 5,250.57</u>	<u>\$ 44,896.05</u>	<u>\$ 6,820,445.47</u>	<u>\$ 37,273.33</u>	<u>\$ 27,168.22</u>	<u>\$</u>	<u>\$ 254,266.40</u>
Taxes Receivable					\$ 6,711,087.44				
Homestead Rebate					87,973.10				
Senior Citizens and Veterans					<u>21,384.93</u>				
					<u>\$ 6,820,445.47</u>				
<u>Analysis of 2013 Property Tax Levy</u>									
<u>Tax Yield:</u>									
General Property Tax					\$ 6,851,901.80				
Added Taxes (54:4-63.1 et. seq.)					<u>5,896.37</u>				
						<u>\$ 6,857,798.17</u>			
<u>Tax Levy:</u>									
Local School District Tax (Abstract)					\$ 2,431,928.00				
Regional School District Tax (Abstract)					<u>1,653,894.00</u>				
County Taxes:									
County Tax (Abstract)				\$ 1,079,610.67					
County Library Tax (Abstract)				82,954.91					
County Open Space Tax (Abstract)				78,427.85					
Due County for Added Taxes				<u>1,070.13</u>					
Total County Taxes									1,242,063.56
Local Tax for Municipal Purposes				1,524,228.38					
Add: Additional Tax Levied				<u>5,684.23</u>					
									<u>1,529,912.61</u>
									<u>\$ 6,857,798.17</u>

BOROUGH OF SWEDESBORO
CURRENT FUND
 Statement of Tax Title Liens
 For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 1,375.48
Increased by:		
Interest and Costs at Tax Sale	\$ 2,135.53	
Transfers from Taxes Receivable	<u>27,168.22</u>	
		<u>29,303.75</u>
		30,679.23
Decreased by:		
Collections		<u>451.74</u>
Balance December 31, 2013		<u><u>\$ 30,227.49</u></u>

BOROUGH OF SWEDESBORO
CURRENT FUND
 Statement of Due from State of New Jersey - Election Expenses
 For the Year Ended December 31, 2013

Accrued in 2013:		
Increased by:		
Disbursements		\$ 7,863.00
Decreased by:		
Receipts		<u>6,800.00</u>
Balance December 31, 2013		<u><u>\$ 1,063.00</u></u>

BOROUGH OF SWEDESBORO
CURRENT FUND
Statement of Due to State of New Jersey - Veterans and Senior Citizens Deductions
For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 4,964.90
Increased by:		
Received from State of New Jersey		<u>15,750.00</u>
		20,714.90
Decreased by:		
Deductions per Tax Billing:		
Senior Citizen	\$ 6,000.00	
Veterans	<u>16,000.00</u>	
	22,000.00	
Deductions Allowed by Tax Collector - 2013 Taxes	<u>500.00</u>	
	22,500.00	
Deductions Disallowed by Tax Collector - 2013 Taxes	<u>1,115.07</u>	
	\$ 21,384.93	
Deductions Disallowed by Tax Collector - 2012 Taxes	<u>1,750.00</u>	
		<u>19,634.93</u>
Balance December 31, 2013		\$ <u><u>1,079.97</u></u>
 <u>Analysis of Amount Realized:</u>		
Senior Citizens' and Veterans' Deductions Per Tax Billings	\$ 22,000.00	
Senior Citizens' and Veterans'		
Deductions Allowed by Tax Collector - 2013 Taxes	<u>500.00</u>	
		\$ 22,500.00
Less:		
Senior Citizens' and Veterans'		
Deductions Disallowed by Tax Collector - 2013 Taxes		<u>1,115.07</u>
		\$ <u><u>21,384.93</u></u>

BOROUGH OF SWEDESBORO
CURRENT FUND
Statement of Revenue Accounts Receivable
For the Year Ended December 31, 2013

	Accrued In 2013	Collected
Miscellaneous Revenue Anticipated:		
Licenses:		
Alcoholic Beverages	\$ 7,500.00	\$ 7,500.00
Fees and Permits	12,263.48	12,263.48
Interest and Costs on Taxes	74,346.57	74,346.57
Rental Property - Registration and Licensing	26,400.00	26,400.00
Consolidated Municipal Property Tax Relief Aid	51,787.00	51,787.00
Energy Receipts Tax (P.L. 1997, Chapters 162 & 167)	207,566.06	207,566.06
Miscellaneous Revenue Not Anticipated:		
Uniform Construction Codes Fees	2,615.60	2,615.60
	\$ 382,478.71	\$ 382,478.71
 Current Fund - Treasurer		 \$ 308,132.14
Current Fund - Collector		<u>74,346.57</u>
		 \$ <u>382,478.71</u>

BOROUGH OF SWEDESBORO
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2013

	Balance December 31, 2012		Balance After Transfers	Disbursed	Refunds	Accounts Payable	Balance Lapsed
	Reserved	Encumbered					
OPERATIONS WITHIN "CAPS":							
Municipal Clerk:							
Salaries and Wages	\$ 1,237.65		\$ 1,237.65				\$ 1,237.65
Other Expenses	408.75	1,766.73	2,175.48	1,846.29	3,914.00		4,243.19
Financial Administration:							
Salaries and Wages	115.74		115.74				115.74
Other Expenses	4,957.51	64.12	5,021.63	1,670.12	50.00		3,401.51
Collection of Taxes:							
Salaries and Wages	165.94		165.94				165.94
Other Expenses	1,458.35	170.47	1,628.82	170.47			1,458.35
Legal Services:							
Other Expenses	8,236.51		8,236.51	3,629.50			4,607.01
Engineering Services:							
Other Expenses	3,726.05	9,109.00	12,835.05	2,005.50		8,006.00	2,823.55
Public Buildings and Grounds:							
Other Expenses	3,709.76	2,898.12	6,607.88	2,853.12			3,754.76
Planning and Zoning Board:							
Other Expenses	134.91		134.91				134.91
Shaded Tree Commission:							
Other Expenses	316.32		316.32				316.32
Environmental Commission:							
Other Expenses	720.00		720.00				720.00
Economic Development:							
Other Expenses	8,751.27		8,751.27	201.60			8,549.67
Historic Commission							
Other Expenses	500.00		500.00				500.00
Insurance:							
Group Insurance Plan for Employees	12,796.87		12,796.87				12,796.87
Other Insurance Premiums	288.00		288.00				288.00
Code Enforcement							
Salaries and Wages	1,742.29		1,742.29				1,742.29
Other Expenses	751.46	864.17	1,615.63	788.92			826.71
Emergency Management Services:							
Salaries and Wages	60.00		60.00				60.00
Other Expenses	250.00		250.00				250.00

(Continued)

BOROUGH OF SWEDESBORO
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2013

	Balance December 31, 2012		Balance After Transfers	Disbursed	Refunds	Accounts Payable	Balance Lapsed
	Reserved	Encumbered					
<u>OPERATIONS WITHIN "CAPS" (CONT'D)</u>							
Road Repairs and Maintenance							
Salaries and Wages	\$ 3,132.32		\$ 3,132.32				\$ 3,132.32
Other Expenses	13,839.02	4,925.00	18,764.02	4,925.00			13,839.02
Sanitation							
Salaries and Wages	99.97		99.97				99.97
Other Expenses	16,110.61		16,110.61	13,109.61			3,001.00
Solid Waste Disposal							
Other Expenses	18,189.82		18,189.82	5,621.54			12,568.28
Board of Health:							
Salaries and Wages	791.90		791.90				791.90
Other Expenses	451.31		451.31				451.31
Dog Regulation							
Other Expenses	500.00		500.00				500.00
Celebration of Public Events:							
Other Expenses	10,102.49		10,102.49				10,102.49
Electricity	2,519.06		2,519.06	1,296.72			1,222.34
Street Lighting	5,118.04	797.46	5,915.50	5,451.24			464.26
Telephone	933.20	340.01	1,273.21	340.01			933.20
Gasoline	2,051.88		2,051.88	242.17			1,809.71
Postage	734.16		734.16				734.16
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS":</u>							
Contribution to:							
Social Security System (O.A.S.I.)	235.81		235.81				235.81
Unemployment Compensation	654.40		654.40	150.75			503.65
<u>PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES:</u>							
Recycling Tax	1,005.30		1,005.30				1,005.30
Matching Funds for Grants - Other Expenses	4,000.00		4,000.00				4,000.00
<u>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS":</u>							
Fire Truck	32.88		32.88				32.88
Fire Company Equipment & Firehouse Improvements	55.00	9,445.00	9,500.00	9,445.00			55.00
GRAND TOTAL	\$ 130,884.55	\$ 30,380.08	\$ 161,264.63	\$ 53,747.56	\$ 3,964.00	\$ 8,006.00	\$ 103,475.07

BOROUGH OF SWEDESBORO
CURRENT FUND
 Statement of Prepaid Taxes
 For the Year Ended December 31, 2013

Balance December 31, 2012 (2013) Taxes		\$ 44,896.05
Increased by:		
Collection (2014 Taxes)		<u>32,359.60</u>
		77,255.65
Decreased by:		
Application to 2013 Taxes		<u>44,896.05</u>
Balance December 31, 2013 (2014) Taxes		<u>\$ 32,359.60</u>

Exhibit SA-10

BOROUGH OF SWEDESBORO
CURRENT FUND
 Statement of Tax Overpayments
 For the Year Ended December 31, 2013

Increased by:		
Overpayments Received by Tax Collector		\$ 8,519.88
Decreased by:		
Refunds		<u>8,074.06</u>
Balance December 31, 2013		<u>\$ 445.82</u>

BOROUGH OF SWEDESBORO
CURRENT FUND
Statement of County Taxes Payable
For the Year Ended December 31, 2013

Balance December 31, 2012		\$	0.05
Accrued in 2013:			
2013 Levy:			
County General	\$ 1,079,610.67		
County Library Taxes	82,954.91		
County Open Space	<u>78,427.85</u>		
			<u>1,240,993.43</u>
			1,240,993.48
Decreased by:			
Canceled	\$ 0.05		
Disbursements	<u>1,240,993.43</u>		
		\$	<u><u>1,240,993.48</u></u>

Exhibit SA-12

BOROUGH OF SWEDESBORO
CURRENT FUND
Statement of Amount Due to County For Added Taxes
For the Year Ended December 31, 2013

Balance December 31, 2012		\$	550.85
Increased by:			
County Share of Added Taxes			<u>1,070.13</u>
			1,620.98
Decreased by:			
Disbursements			<u>550.85</u>
Balance December 31, 2013		\$	<u><u>1,070.13</u></u>

BOROUGH OF SWEDESBORO
CURRENT FUND
 Statement of Local School District Tax
 For the Year Ended December 31, 2013

Accrued in 2013:		
Levy-Calendar Year		\$ 2,431,928.00
Budget Appropriation - Business Personal Property Tax		
Appreciation Adjustment		<u>11,620.15</u>
		2,443,548.15
Decreased by:		
Disbursements		\$ <u><u>2,443,548.15</u></u>

BOROUGH OF SWEDESBORO
CURRENT FUND
 Statement of Regional High School District Tax
 For the Year Ended December 31, 2013

Accrued in 2013:		
Levy-Calendar Year		\$ 1,653,894.00
Budget Appropriation - Business Personal Property Tax		
Appreciation Adjustment		<u>7,627.26</u>
		1,661,521.26
Decreased by:		
Disbursements		\$ <u><u>1,661,521.26</u></u>

BOROUGH OF SWEDESBORO
CURRENT FUND
Statement of Due from Federal, State and Other Grant Fund
For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 77,317.14
Increased by:		
Disbursements:		
Federal, State and Other Grants Appropriated	\$ 104,881.96	
Revenues:		
Federal, State and Other Grants Appropriated Realized As Revenue	<u>26,582.91</u>	<u>131,464.87</u>
		208,782.01
Decreased by:		
Receipts:		
Grants Receivable Received in Current Fund	\$ 149,693.95	
Budget Appropriations:		
Local Match Grants Appropriated	6,163.00	
Federal, State and Other Grants Appropriated	<u>26,582.91</u>	<u>182,439.86</u>
Balance December 31, 2013		\$ <u><u>26,342.15</u></u>

BOROUGH OF SWEDESBORO
FEDERAL, STATE AND OTHER GRANT FUND
 Statement of Federal, State and Other Grants Receivable
 For the Year Ended December 31, 2013

<u>Program</u>	<u>Balance</u> <u>Dec. 31, 2012</u>	<u>Accrued</u>	<u>Received</u> <u>in Current</u> <u>Fund</u>	<u>Balance</u> <u>Dec. 31, 2013</u>
Federal Grants:				
NJDOT Streetscape Phase III	\$ 73,571.60	\$	\$ 73,571.60	\$
NJDOT Thompson Ave	<u>46,726.03</u>		<u>46,726.03</u>	
Total Federal Grants	<u>120,297.63</u>		<u>120,297.63</u>	
State Grants:				
Recycling Tonnage		6,169.66	6,169.66	
ANJEC - Smart Growth Planning Grant	6,000.00		6,000.00	
Municipal Alliance on Alcoholism and Drug Abuse	4,089.78	12,239.00	9,052.41	7,276.37
Clean Communities		<u>4,399.25</u>	<u>4,399.25</u>	
Total State Grants	<u>10,089.78</u>	<u>22,807.91</u>	<u>25,621.32</u>	<u>7,276.37</u>
Other Grants:				
DVRPC - TCDI Grant	50,000.00			50,000.00
JIF Safety Incentive Program		<u>3,775.00</u>	<u>3,775.00</u>	
Total Other Grants	<u>50,000.00</u>	<u>3,775.00</u>	<u>3,775.00</u>	<u>50,000.00</u>
	<u>\$ 180,387.41</u>	<u>\$ 26,582.91</u>	<u>\$ 149,693.95</u>	<u>\$ 57,276.37</u>

BOROUGH OF SWEDESBORO
FEDERAL, STATE AND OTHER GRANT FUND
Statement of Reserve for Federal, State and Other Grants - Unappropriated
For the Year Ended December 31, 2013

<u>Program</u>	<u>Federal, State and Other Grants Receivable</u>	<u>Realized as Revenue in 2013 Budget</u>
State Grants:		
Recycling Tonnage Grant	\$ 6,169.66	\$ 6,169.66
Clean Communities	4,399.25	4,399.25
Municipal Alliance on Alcoholism and Drug Abuse	<u>12,239.00</u>	<u>12,239.00</u>
Total State Grants	<u>22,807.91</u>	<u>22,807.91</u>
Other Grants:		
JIF Safety Incentive Program	<u>3,775.00</u>	<u>3,775.00</u>
Total Other Grants	<u>3,775.00</u>	<u>3,775.00</u>
	<u>\$ 26,582.91</u>	<u>\$ 26,582.91</u>

BOROUGH OF SWEDESBORO
FEDERAL AND STATE AND OTHER GRANT FUND
 Statement of Reserve For Federal, State and Other Grants - Appropriated
 For the Year Ended December 31, 2013

Program	December 31, 2012		Transferred from 2013 Budget Appropriation	Disbursed	Encumbered	Balance Dec. 31, 2013
	Appropriated	Encumbered				
State Grants:						
Cool Cities Stewardship Incentive Grant	\$ 6,882.29	\$	\$	\$	\$	\$ 6,882.29
Municipal Alliance on Alcoholism and Drug Abuse	189.51	835.00	12,239.00	10,826.57		2,436.94
Municipal Alliance - Local Cash Match			3,059.00	3,059.00		
NJ History Project			3,104.00			3,104.00
NJDEP - Green Communities Grant	525.85					525.85
Recycling Tonnage Grant	18,548.53		6,169.66	18,548.53		6,169.66
Clean Communities Grant	14,925.07	400.00	4,399.25	15,311.81	725.00	3,687.51
Total State Grants	41,071.25	1,235.00	28,970.91	47,745.91	725.00	22,806.25
Other Grants:						
DVRPC - TCDI Grant	50,000.00			44,270.20		5,729.80
DVRPC - TCDI Grant - Local Cash Match	10,000.00			10,000.00		
JIF Safety Incentive Program	764.02		3,775.00	2,865.85		1,673.17
Total Other Grants	60,764.02		3,775.00	57,136.05		7,402.97
	\$ 101,835.27	\$ 1,235.00	\$ 32,745.91	\$ 104,881.96	\$ 725.00	\$ 30,209.22
Realized as Revenue in Budget -- Due from Current Fund			\$ 26,582.91	\$		
Local Match - Due from Current Fund			6,163.00			
Expenditures Disbursed by Current Fund				104,881.96		
			\$ 32,745.91	\$ 104,881.96		

SUPPLEMENTAL EXHIBITS

TRUST FUND

BOROUGH OF SWEDESBORO
TRUST FUND
Statement of Trust Cash - Treasurer
For the Year Ended December 31, 2013

	<u>Animal Control</u>	<u>Tax Collector</u>	<u>Other Trust</u>
Balance December 31, 2012	\$ 3,983.20	\$ 36,863.84	\$ 168,893.38
Increased by Receipts:			
Animal Control Fees	\$ 3,565.60		
Due to State of New Jersey - Animal Control Fees	419.40		
Miscellaneous Trust Reserves:			
Tax Sale Premiums		\$ 31,600.00	
Redemption of Tax Title Liens		89,456.15	
Economic Development			\$ 14,709.33
Street Opening Permits			2,200.00
Recreation Purposes (Developers Donations)			837.00
Snow Removal Appropriations			5,000.00
Cash Performance Bonds			8,000.00
Net Payroll			400,781.80
Payroll Deductions Payable			249,061.12
Community Development Block Grant Receivable			45,000.00
Due to State of New Jersey:			
Marriage and Civil Union License			400.00
Hunting and Fishing License Fees			3,563.75
	<u>3,985.00</u>	<u>121,056.15</u>	<u>729,553.00</u>
Balance Carried Forward	7,968.20	157,919.99	898,446.38

Continued

BOROUGH OF SWEDESBORO
TRUST FUND
Statement of Trust Cash - Treasurer
For the Year Ended December 31, 2013

	Animal Control	Tax Collector	Other Trust
Balance Brought Forward	\$ 7,968.20	\$ 157,919.99	\$ 898,446.38
Decreased by Disbursements:			
Animal Control Expenses	\$ 1,552.00		
Due to State of New Jersey - Animal Control Fees	419.40		
Miscellaneous Trust Reserves:			
Tax Sale Premiums		\$ 23,300.00	
Redemption of Tax Title Liens		100,319.99	
Municipal Alliance Donations - Municipal Share			\$ 3,241.13
Street Opening Permits			1,100.00
Recreation Purposes (Developers Donations)			95,789.72
Snow Removal Appropriations			1,650.13
Economic Development			6,578.42
Cash Performance Bonds			11,627.65
Net Payroll			400,781.80
Payroll Deductions Payable			249,411.90
Reserve for Housing of Community Development Act 1974			48,309.00
Due to State of New Jersey:			
Marriage and Civil Union License			400.00
Hunting and Fishing License Fees			3,384.50
	<u>1,971.40</u>	<u>123,619.99</u>	<u>822,274.25</u>
Balance December 31, 2013	<u>\$ 5,996.80</u>	<u>\$ 34,300.00</u>	<u>\$ 76,172.13</u>

BOROUGH OF SWEDESBORO
TRUST FUND
Statement of Trust Cash - Other
For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 17,197.10
Increased by Receipts:		
Reserve for Miscellaneous Trust Reserves and Escrows-- Other		
COAH	\$ 4.45	
Developer's Escrow Funds	<u>9,135.48</u>	
		<u>9,139.93</u>
		26,337.03
Decreased by Disbursements:		
Reserve for Miscellaneous Trust Reserves and Escrows-- Other		
Due to Current Fund	10.48	
Developer's Escrow Funds	<u>13,698.61</u>	
		<u>13,709.09</u>
Balance December 31, 2013		<u><u>\$ 12,627.94</u></u>

BOROUGH OF SWEDESBORO
TRUST FUND
 Statement of Reserve for Animal Control Fund Expenditures
 For the Year Ended December 31, 2013

Balance December 31, 2012		\$	3,983.20
Increased by:			
Receipts:			
Dog License Fees Collected	\$	2,965.60	
Cat License Fees Collected		<u>600.00</u>	
			<u>3,565.60</u>
			7,548.80
Decreased by:			
Disbursements:			
Expenditures Under R.S.4:19-15.11			<u>1,552.00</u>
Balance December 31, 2013		\$	<u><u>5,996.80</u></u>

License Fees Collected	
Year	Amount
2011	\$ 2,423.60
2012	<u>4,617.20</u>
	<u><u>\$ 7,040.80</u></u>

BOROUGH OF SWEDESBORO
TRUST FUND
Statement of Due to State of New Jersey - Department of Health - Dog License Fees
For the Year Ended December 31, 2013

Accrued in 2013:		
Receipts	\$	419.40
Decreased by:		
Disbursements	\$	<u>419.40</u>

Exhibit SB-5

BOROUGH OF SWEDESBORO
TRUST FUND
Statement of Due to State of New Jersey - Marriage and Civil Union License Fees
For the Year Ended December 31, 2013

Balance December 31, 2012	\$	100.00
Increased by:		
Receipts:		<u>400.00</u>
		500.00
Decreased by:		
Disbursements:		<u>400.00</u>
Balance December 31, 2013	\$	<u>100.00</u>

Exhibit SB-6

BOROUGH OF SWEDESBORO
TRUST FUND
Statement of Due to State of New Jersey - Hunting and Fishing License Fees
For the Year Ended December 31, 2013

Balance December 31, 2012	\$	131.25
Increased by:		
Receipts:		<u>3,563.75</u>
		3,695.00
Decreased by:		
Disbursements:		<u>3,384.50</u>
Balance December 31, 2013	\$	<u>310.50</u>

BOROUGH OF SWEDESBORO
TRUST FUND
Statement of Miscellaneous Trust Reserves and Escrows
For the Year Ended December 31, 2013

	Balance <u>Dec. 31, 2012</u>	Fees, Refunds and Donations	Disbursements	Balance <u>Dec. 31, 2013</u>
Tax Sale Premiums	\$ 26,000.00	\$ 31,600.00	23,300.00	\$ 34,300.00
Redemption of Tax Title Liens	10,863.84	89,456.15	100,319.99	
Municipal Alliance Donations	22,764.28		3,241.13	19,523.15
Recreation Purposes (Developers Donations)	98,937.50	837.00	95,789.72	3,984.78
Economic Development	22,140.66	14,709.33	6,578.42	30,271.57
Street Opening Deposits		2,200.00	1,100.00	1,100.00
Snow Removal Appropriations	15,385.53	5,000.00	1,650.13	18,735.40
Cash Performance Bonds	3,627.65	8,000.00	11,627.65	
Net Payroll		400,781.80	400,781.80	
Payroll Deductions Payable	5,528.71	249,061.12	249,411.90	5,177.93
	<u>\$ 205,248.17</u>	<u>\$ 801,645.40</u>	<u>\$ 893,800.74</u>	<u>\$ 113,092.83</u>

BOROUGH OF SWEDESBORO
TRUST FUND
Statement of Miscellaneous Trust Reserves and Escrows - Other
For the Year Ended December 31, 2013

	<u>Balance</u> <u>Dec. 31, 2012</u>	<u>Fees, Refunds</u> <u>and Donations</u>	<u>Disbursements</u>	<u>Balance</u> <u>Dec. 31, 2013</u>
COAH	\$ 2,418.01	\$ 4.45	\$	\$ 2,422.46
Developer's Escrow Funds	<u>11,737.41</u>	<u>9,135.48</u>	<u>13,698.61</u>	<u>7,174.28</u>
	<u>\$ 14,155.42</u>	<u>\$ 9,139.93</u>	<u>\$ 13,698.61</u>	<u>\$ 9,596.74</u>

BOROUGH OF SWEDESBORO
TRUST FUND
Schedule of Reserve for Housing and Community Development Act of 1974 --
Community Development Block Grant
For the Year Ended December 31, 2013

Balance December 31, 2012	\$	3,309.00
Increased by:		
Receipts		<u>45,000.00</u>
		48,309.00
Decreased by:		
Disbursements	\$	<u><u>48,309.00</u></u>

SUPPLEMENTAL EXHIBITS
GENERAL CAPITAL FUND

BOROUGH OF SWEDESBORO
GENERAL CAPITAL FUND
 Statement of General Capital Cash - Treasurer
 For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 610,052.29
Receipts:		
2013 Budget Appropriation:		
Capital Improvement Fund	\$ 15,000.00	
Reserve for Payment of Debt	70,000.00	
Miscellaneous:		
Bond Anticipation Notes	400,000.00	
Grants Receivable	<u>40,000.00</u>	
		<u>525,000.00</u>
		1,135,052.29
Decreased by Disbursements:		
Reserve for Payment of Debt	35,000.00	
Improvement Authorizations	<u>389,007.80</u>	
		<u>424,007.80</u>
Balance December 31, 2013		\$ <u><u>711,044.49</u></u>

BOROUGH OF SWEDESBORO
GENERAL CAPITAL FUND
 Analysis of General Capital Cash
 For the Year Ended December 31, 2013

	Balance		Receipts			Disbursements		Transfers		Balance
	Dec. 31, 2012		Notes Issued	Budget Appropriations	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To	Dec. 31, 2013
Capital Improvement Fund	\$ 14,753.23	\$		\$ 15,000.00	\$		\$	\$ 9,000.00	\$	\$ 20,753.23
Federal, State and Other Grants Receivable	-				40,000.00			215,000.00		(175,000.00)
Reserve for Encumbrances	141,133.19							141,133.19	62,362.31	62,362.31
Reserve for Restoration of Dam Project	11,249.05									11,249.05
Reserve for Payment of Debt	35,000.00			70,000.00			35,000.00		40,000.00	110,000.00
Improvement Authorizations:										
<u>Ordinance</u>										
<u>Number</u>										
18-2005	Various Capital Improvements	306.36						15,552.60	15,552.60	306.36
13-2009	Various Capital Improvements	(1.88)	165,000.00			6,330.60		170,477.81	4,291.74	(7,518.55)
07/20/09	Radio Equipment for Fire Department	5.00								5.00
11-2010	Library Improvements	(48,219.53)	55,000.00			48,971.16		264.47	42,486.75	31.59
12-2010	Purchase and Repair of Various Property and Equipment	13,731.59				5,379.55				8,352.04
06-2012	Acquisition of Equipment and Various Capital Improvements	457,688.83	125,000.00			202,878.00		357,324.43	70,532.08	93,018.48
08-2012	Acquisition of Computer Equipment	(15,593.55)	15,000.00			10,989.02			8,270.02	(3,312.55)
01-2013	Acquisition of Automated Recycling and Refuse Carts		40,000.00			42,202.47			4,000.00	1,797.53
11-2013	Resurfacing of Allen Street					22,257.00		18,743.00	180,000.00	139,000.00
15-2013	Purchase of Block 26 Lots 6 and 7					50,000.00			500,000.00	450,000.00
		<u>\$ 610,052.29</u>	<u>\$ 400,000.00</u>	<u>\$ 85,000.00</u>	<u>40,000.00</u>	<u>\$ 389,007.80</u>	<u>\$ 35,000.00</u>	<u>\$ 927,495.50</u>	<u>\$ 927,495.50</u>	<u>\$ 711,044.49</u>

BOROUGH OF SWEDESBORO
GENERAL CAPITAL FUND
 Statement of Federal, State and Other Grants Receivable
 For the Year Ended December 31, 2013

	<u>Total</u>	<u>Unreserved</u>	<u>Reserved</u>
Balance December 31, 2012	\$ 320,000.00	\$	\$ 320,000.00
Increased by:			
Grant Awards	<u>175,000.00</u>	<u>175,000.00</u>	
	495,000.00	175,000.00	320,000.00
Decreased by:			
Receipts	<u>40,000.00</u>		<u>40,000.00</u>
Balance December 31, 2013	<u>\$ 455,000.00</u>	<u>\$ 175,000.00</u>	<u>\$ 280,000.00</u>
	Ord.		
	No.		
<u>Analysis of Balance</u>			
County of Gloucester Library	11-2010	\$ 280,000.00	\$ 280,000.00
New Jersey Department of Transportation	11-2013	<u>175,000.00</u>	
		<u>\$ 455,000.00</u>	<u>\$ 280,000.00</u>

BOROUGH OF SWEDESBORO
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation - Funded
For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 2,041,578.28
Decreased by:		
Budget Appropriation to Pay:		
General Serial Bonds	\$ 70,000.00	
Green Trust Loan Payable	<u>7,915.30</u>	
		<u>77,915.30</u>
Balance December 31, 2013		<u>\$ 1,963,662.98</u>

BOROUGH OF SWEDESBORO
GENERAL CAPITAL FUND
 Statement of Deferred Charges to Future Taxation - Unfunded
 For the Year Ended December 31, 2013

Ordinance		Improvement Description	Analysis of Balance Dec. 31, 2013						
			Balance Dec. 31, 2012	2013 Authorizations	Reappro- priated	Balance Dec. 31, 2013	Financed by Bond Anticipation Notes	Unexpended Improvement Authorization	
20-2009	05/18/2009	Various Capital Improvements	\$ 399,855.00	\$	\$ (166,186.07)	\$ 233,668.93	\$ 218,813.93	\$ 7,518.55	\$ 7,336.45
11-2010	09/7/2010	Library Improvements	142,500.00			142,500.00	135,000.00		7,500.00
06-2012	04/9/2012	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	1,016,500.00		(333,813.93)	682,686.07	591,186.07		91,500.00
08-2012	07/2/2012	Acquisition of Computer Equipment	23,000.00			23,000.00	15,000.00	3,312.55	4,687.45
01-2013	06/17/2013	Acquisition of Automated Recycling and Refuse Carts		50,000.00		50,000.00	40,000.00		10,000.00
11-2013	06/17/2013	Resurfacing of Allen Street		60,000.00		60,000.00			60,000.00
15-2013	11/4/2013	Purchase of Block 26 Lots 6 and 7			500,000.00	500,000.00	500,000.00		
			<u>\$ 1,581,855.00</u>	<u>\$ 110,000.00</u>	<u>\$ -</u>	<u>\$ 1,691,855.00</u>	<u>\$ 1,500,000.00</u>	<u>10,831.10</u>	<u>\$ 181,023.90</u>
Improvement Authorizations-- Unfunded									
Less: Unexpended Proceeds of Bond Anticipation Notes Issued:									
								\$	725,871.50
								11-2010	\$ 31.59
								06-2012	93,018.48
								01-2013	1,797.53
								15-2013	<u>450,000.00</u>
									<u>544,847.60</u>
									<u>\$ 181,023.90</u>

BOROUGH OF SWEDESBORO
GENERAL CAPITAL FUND
Statement of Capital Improvement Fund
For the Year Ended December 31, 2013

Balance December 31, 2012	\$ 14,753.23
Increased by:	
Receipt - 2013 Budget Appropriation	<u>15,000.00</u>
	29,753.23
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>9,000.00</u>
Balance December 31, 2013	<u><u>\$ 20,753.23</u></u>

BOROUGH OF SWEDESBORO
GENERAL CAPITAL FUND
Statement of Reserve for Payment of Debt
For the Year Ended December 31, 2013

Balance December 31, 2012		\$	35,000.00
Increased by:			
Receipt - 2013 Budget Appropriation -- Payment of Notes	\$		70,000.00
Reserve for Grants Receivable Realized			<u>40,000.00</u>
			<u>110,000.00</u>
			145,000.00
Decreased by:			
Disbursed:			
Realized as Revenue in FY 2013 Budget			<u>35,000.00</u>
Balance December 31, 2013		\$	<u><u>110,000.00</u></u>

BOROUGH OF SWEDESBORO
GENERAL CAPITAL FUND
 Statement of Bond Anticipation Notes
 For the Year Ended December 31, 2013

<u>Improvement Description</u>	<u>Ord. No.</u>	<u>Date of Original Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2012</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance Dec. 31, 2013</u>
Various Capital Improvements	13-2009	05/11/12	05/11/12	05/10/13	0.98%	\$ 220,000.00		\$ 220,000.00	\$ 220,000.00
		05/11/12	05/09/13	05/08/14	0.75%		220,000.00		220,000.00
		05/09/13	05/09/13	05/08/14	0.75%		165,000.00		165,000.00
Library Improvements	11-2010	05/11/12	05/11/12	05/10/13	0.98%	80,000.00		80,000.00	80,000.00
		05/11/12	05/09/13	05/08/14	0.75%		80,000.00		80,000.00
		05/09/13	05/09/13	05/08/14	0.75%		55,000.00		55,000.00
Acquisition of Equipment and Various Capital Improvements	06-2012	05/11/12	05/11/12	05/10/13	0.98%	800,000.00		800,000.00	800,000.00
		05/11/12	05/09/13	05/08/14	0.75%		800,000.00		800,000.00
		05/09/13	05/09/13	05/08/14	0.75%		125,000.00		125,000.00
Acquisition of Computer Equipment	08-2012	05/09/13	05/09/13	05/08/14	0.75%		15,000.00		15,000.00
Acquisition of Automated Recycling and Refuse Carts	01-2013	05/09/13	05/09/13	05/08/14	0.75%		40,000.00		40,000.00
						<u>\$ 1,100,000.00</u>	<u>\$ 1,500,000.00</u>	<u>\$ 1,100,000.00</u>	<u>\$ 1,500,000.00</u>
Renewals Issued for Cash							\$ 1,100,000.00	\$ 1,100,000.00	
							<u>400,000.00</u>		
						<u>\$ 1,500,000.00</u>	<u>\$ 1,100,000.00</u>		

BOROUGH OF SWEDESBORO
GENERAL CAPITAL FUND
 Statement of General Serial Bonds
 For the Year Ended December 31, 2013

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2013		Interest Rate	Balance Dec. 31, 2012	Paid by Budget Appropriation	Balance Dec. 31, 2013
			Date	Amount				
General Serial Bonds of 2010	03/15/10	\$ 2,109,000.00	04/01/14	\$ 80,000.00	3.000%			
			04/01/15	80,000.00	3.000%			
			04/01/16	80,000.00	3.000%			
			04/01/17	80,000.00	3.250%			
			04/01/18	100,000.00	3.250%			
			04/01/19	100,000.00	3.500%			
			04/01/20	100,000.00	3.500%			
			04/01/21	100,000.00	3.750%			
			04/01/22	120,000.00	4.000%			
			04/01/23	120,000.00	4.000%			
			04/01/24	120,000.00	4.000%			
			04/01/25	120,000.00	4.000%			
			04/01/26	140,000.00	4.000%			
			04/01/27	140,000.00	4.125%			
			04/01/28	140,000.00	4.125%			
			04/01/29	140,000.00	4.150%			
			04/01/30	139,000.00	4.250%	\$ 1,969,000.00	\$ 70,000.00	\$ 1,899,000.00

BOROUGH OF SWEDESBORO
GENERAL CAPITAL FUND
Statement of Green Trust Loan Payable
For the Year Ended December 31, 2013

Purpose	Date of Issue	Amount of Original Issue	Maturities of Loan Outstanding December 31, 2013		Interest Rate	Balance Dec. 31, 2012	Paid by Budget Appropriation	Balance Dec. 31, 2013
			Date	Amount				
Improvements to Locke Avenue Park Renovations	6/21/00	\$ 150,000.00	2014	\$ 8,074.39	2.00%	\$ 72,578.28	\$ 7,915.30	\$ 64,662.98
			2015	8,236.68				
			2016	8,402.24				
			2017	8,571.12				
			2018	8,743.40				
			2019	8,919.15				
			2020	9,098.43				
			2021	4,617.57				

BOROUGH OF SWEDESBORO
GENERAL CAPITAL FUND
Statement of Bonds and Notes Authorized but Not Issued
For the Year Ended December 31, 2013

Ordinance Date or No.	Improvement Description	Balance Dec. 31, 2012	2013 Authorizations	Notes Issued	Balance Dec. 31, 2013
13-2009	Various Capital Improvements	\$ 179,855.00	\$	\$ 165,000.00	\$ 14,855.00
11-2010	Library Improvements	62,500.00		55,000.00	7,500.00
06-2012	Acquisition of Equipment and Various Capital Improvements	216,500.00		125,000.00	91,500.00
08-2012	Acquisition of Computer Equipment	23,000.00		15,000.00	8,000.00
01-2013	Acquisition of Automated Recycling and Refuse Carts		50,000.00	40,000.00	10,000.00
11-2013	Resurfacing of Allen Street		60,000.00		60,000.00
		<u>\$ 481,855.00</u>	<u>\$ 110,000.00</u>	<u>\$ 400,000.00</u>	<u>\$ 191,855.00</u>

SUPPLEMENTAL EXHIBITS
WATER AND SEWER UTILITY FUND

BOROUGH OF SWEDESBORO
WATER AND SEWER UTILITY FUND
 Statement of Water and Sewer Utility Cash -- Treasurer
 For the Year Ended December 31, 2013

	Operating	Capital
Balance December 31, 2012	\$ 509,290.18	\$ 1,306,959.89
Increased by Receipts:		
Miscellaneous Revenue	\$ 35,636.97	\$
Consumer Accounts Receivable	934,345.70	
Water and Sewer Rent Overpayments	1,391.26	
Prepaid Water and Sewer Rents	43,692.87	
Budget Appropriation - Capital Improvement Fund		20,000.00
	1,015,066.80	20,000.00
	1,524,356.98	1,326,959.89
Decreased by Disbursements:		
2013 Budget Appropriations	985,981.77	
2012 Budget Appropriation Reserves	24,562.72	
Improvement Authorizations		1,154,840.55
Contracts Payable		3,426.20
Due from Current Fund	50,000.00	
Accrued Interest on Bonds and Notes	76,872.50	
	1,137,416.99	1,158,266.75
Balance December 31, 2013	\$ 386,939.99	\$ 168,693.14

BOROUGH OF SWEDESBORO
WATER AND SEWER UTILITY FUND
 Analysis of Water and Sewer Utility Capital Cash
 For the Year Ended December 31, 2013

	Balance		Receipts		Disbursements		Transfers		Balance
	Dec. 31, 2012		Misc.		Improvement Authorizations	Misc.	From	To	Dec. 31, 2013
Contracts Payable	\$ 19,447.20	\$				\$ 3,426.20	\$		\$ 16,021.00
Reserve for Encumbrances	8,542.72						8,542.72	55,228.27	55,228.27
Capital Improvement Fund	44,850.00		20,000.00						64,850.00
Fund Balance	2,621.00							734.80	3,355.80
Improvement Authorizations:									
Ordinance									
Number									
14-2009 Various Capital Projects	1,120,929.35				194,477.21		920,700.00		5,752.14
17-2009 Water and Sewer Lines on Guest Avenue	50,000.00						50,000.00		
05-2012 Various Capital Improvements	60,569.62				38,400.82		34.80		22,134.00
03-2013 Various Capital Improvements to Wells and Mains					918,648.07			920,000.00	1,351.93
14-2013 Various Capital Improvements					3,314.45		46,685.55	50,000.00	
	<u>\$ 1,306,959.89</u>	<u>\$ 20,000.00</u>	<u>\$</u>	<u>\$ 1,154,840.55</u>	<u>\$ 3,426.20</u>	<u>\$ 1,025,963.07</u>	<u>\$ 1,025,963.07</u>	<u>\$</u>	<u>168,693.14</u>

BOROUGH OF SWEDESBORO
WATER AND SEWER UTILITY FUND
Schedule of Water and Sewer Change Fund
For the Year Ended December 31, 2013

	Balance <u>Dec. 31, 2013</u>
Water and Sewer Collection	\$ <u>50.00</u>

BOROUGH OF SWEDESBORO
WATER AND SEWER UTILITY OPERATING FUND
Statement of Consumer Accounts Receivable
For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 17,258.75
Increased by:		
Water and Sewer Rents Levied	\$ 997,898.13	
Billing Adjustments	14,160.47	
		1,012,058.60
		1,029,317.35
Decreased by:		
Collections	934,345.70	
Prepaid Rents Applied	75,920.66	
Transferred to Liens	2,770.72	
		1,013,037.08
Balance December 31, 2013		\$ 16,280.27

Exhibit SD-5

BOROUGH OF SWEDESBORO
WATER AND SEWER UTILITY OPERATING FUND
Statement of Water and Sewer Utility Liens Receivable
For the Year Ended December 31, 2013

Increased by:		
Transfer from Taxes Receivable	\$ 2,770.72	
Interest and Costs at Tax Sale	242.23	
Balance December 31, 2013		\$ 3,012.95

BOROUGH OF SWEDESBORO
 WATER AND SEWER UTILITY OPERATING FUND
 Statement of 2012 Appropriation Reserves
 For the Year Ended December 31, 2013

	Balance December 31, 2012		Balance after Modification	Disbursed	Accounts Payable	Balance Lapsed
	<u>Encumbered</u>	<u>Reserved</u>				
Operating:						
Salaries and Wages	\$	\$ 19,101.46	\$ 19,101.46	\$	\$ 3,250.00	\$ 19,101.46
Other Expenses	16,582.58	47,848.95	64,431.53	24,562.72		36,618.81
Capital Outlay - Tank Upkeep Contract		45.88	45.88			45.88
Contribution to:						
Social Security (O.A.S.I)		7,900.18	7,900.18			7,900.18
Unemployment Compensation Insurance		1,126.57	1,126.57			1,126.57
	<u>\$ 16,582.58</u>	<u>\$ 76,023.04</u>	<u>\$ 92,605.62</u>	<u>\$ 24,562.72</u>	<u>\$ 3,250.00</u>	<u>\$ 64,792.90</u>

BOROUGH OF SWEDESBORO
 WATER AND SEWER UTILITY OPERATING FUND
 Statement of Utility Rent Overpayments
 For the Year Ended December 31, 2013

Balance December 31, 2012	\$	489.86
Increased by:		
Overpayments Received in 2013		1,391.26
Balance December 31, 2013	\$	1,881.12

Exhibit SD-8

BOROUGH OF SWEDESBORO
 WATER AND SEWER UTILITY OPERATING FUND
 Statement of Prepaid Utility Rents
 For the Year Ended December 31, 2013

Balance December 31, 2012	\$	75,920.66
Increased by:		
Prepayments Received in 2013		43,692.87
		119,613.53
Decreased by:		
Applied to Consumer Accounts Receivable		75,920.66
Balance December 31, 2013	\$	43,692.87

Exhibit SD-9

BOROUGH OF SWEDESBORO
 WATER AND SEWER UTILITY OPERATING FUND
 Statement of Prepaid Water Tower Lease Rental
 For the Year Ended December 31, 2013

Balance December 31, 2012	\$	67,080.00
Decreased by:		
Recognized as Miscellaneous Revenue		13,416.00
Balance December 31, 2013	\$	53,664.00

BOROUGH OF SWEDESBORO
WATER AND SEWER UTILITY OPERATING FUND
 Statement of Accrued Interest on Bonds, Notes and Loans and Analysis of Balance
 For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 19,518.13
Increased by:		
Budget Appropriation:		
Interest on Bonds		<u>76,272.50</u>
		95,790.63
Decreased by:		
Interest Paid:		
Disbursed		<u>76,872.50</u>
Balance December 31, 2013		<u><u>\$ 18,918.13</u></u>

Analysis of Accrued Interest December 31, 2013

Principal Outstanding December 31, 2013	Interest Rates	From	To	Period	Amount
<u>Serial Bonds:</u>					
(Capital)					
General Bonds of 2010	\$ 1,999,000.00	2.50% to 4.25%	10/01/13	12/31/13	3 Months
					\$ <u><u>18,918.13</u></u>

BOROUGH OF SWEDESBORO
WATER AND SEWER UTILITY CAPITAL FUND
 Schedule of Fixed Capital
 For the Year Ended December 31, 2013

	Balance Dec. 31, 2012	Additions by Capital Outlay	Additions by Ordinance	Balance Dec. 31, 2013
Buildings	\$ 48,479.96	\$	\$	\$ 48,479.96
Springs and Wells	221,660.12			221,660.12
Water Tank Improvements	158,659.21	55,754.12		214,413.33
Mains and Accessories	1,394,099.53			1,394,099.53
Meters, Meter Boxes, and Volts	54,001.64			54,001.64
Fire Hydrants and Cisterns	22,294.08			22,294.08
General Equipment	243,585.33			243,585.33
Water Filter Plant	240,634.38			240,634.38
Vehicles	179,254.10			179,254.10
Water System Improvements	140,000.00			140,000.00
Land - Sewer Disposal Plant	3,850.00			3,850.00
New Maintenance Building and Repair to Two Pump Stations	160,468.81			160,468.81
Sewer Disposal Plant	535,028.18			535,028.18
Sewer Lines	62,305.85			62,305.85
Sewer Extension System	530,312.20			530,312.20
Computer and Public Works Equipment	122,001.19			122,001.19
Water and Sewer Lines on Guest Avenue			50,000.00	50,000.00
	<u>\$ 4,116,634.58</u>	<u>\$ 55,754.12</u>	<u>\$ 50,000.00</u>	<u>\$ 4,222,388.70</u>
Current Appropriations		<u>\$ 55,754.12</u>		

BOROUGH OF SWEDESBORO
WATER AND SEWER UTILITY CAPITAL FUND
Statement of Fixed Capital Authorized and Uncompleted
For the Year Ended December 31, 2013

<u>Improvements</u>	<u>Ordinance</u>		<u>Balance</u>	<u>2013</u>	<u>Costs to</u>	<u>Balance</u>
	<u>Date</u>	<u>Amount</u>	<u>Dec. 31, 2012</u>	<u>Reappropriation</u>	<u>Fixed Capital</u>	<u>Dec. 31, 2013</u>
Various Capital Projects	05/18/09	\$ 2,100,000.00	\$ 1,868,000.00	\$ (920,000.00)		\$ 948,000.00
Water and Sewer Lines on Guest Avenue	07/06/09	50,000.00	50,000.00	(50,000.00)		
Various Capital Improvements	04/02/12	232,000.00	232,000.00			232,000.00
Various Capital Improvements to Wells and Mains	03/04/13	920,000.00		920,000.00		920,000.00
Various Capital Improvements	10/07/13	50,000.00		50,000.00	50,000.00	
			<u>\$ 2,150,000.00</u>	<u>\$</u>	<u>\$ 50,000.00</u>	<u>\$ 2,100,000.00</u>

BOROUGH OF SWEDESBORO
WATER AND SEWER UTILITY CAPITAL FUND
 Statement of Improvement Authorizations
 For the Year Ended December 31, 2013

Improvement Description	Ordinance			Balance Dec. 31, 2012					Paid or Charged	Balance
	No.	Date	Amount	Funded	Encumbrances	Reappropriation	Canceled	Encumbrances		Dec. 31, 2013
Various Capital Projects	14-2009	05/18/09	\$ 2,100,000.00	\$ 1,120,929.35	\$	\$ (920,000.00)	\$ 700.00	\$	\$ 194,477.21	\$ 5,752.14
Various Capital Improvements Water and Sewer Lines on Guest Avenue	05-2012	04/02/12	232,000.00	60,569.62	8,542.72		34.80	8,542.72	38,400.82	22,134.00
Various Capital Improvements to Wells and Mains	17-2009	07/06/09	50,000.00	50,000.00		(50,000.00)				
Various Capital Improvements	03-2013	03/04/13	920,000.00			920,000.00			918,648.07	1,351.93
Various Capital Improvements	14-2013	10/07/13	50,000.00			50,000.00		46,685.55	3,314.45	
				<u>\$ 1,231,498.97</u>	<u>\$ 8,542.72</u>	<u>-</u>	<u>734.80</u>	<u>55,228.27</u>	<u>\$ 1,154,840.55</u>	<u>\$ 29,238.07</u>
							Disbursed		<u>\$ 1,154,840.55</u>	

BOROUGH OF SWEDESBORO
WATER AND SEWER UTILITY CAPITAL FUND
 Statement of Contracts Payable
 For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 19,447.20
Decreased by:		
Disbursed		<u>3,426.20</u>
Balance December 31, 2013		<u><u>\$ 16,021.00</u></u>

BOROUGH OF SWEDESBORO
WATER AND SEWER UTILITY CAPITAL FUND
 Statement of Reserve for Amortization
 For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 4,049,103.39
Increased by:		
Paid by Operating Budget:		
Series Bonds	\$ 80,000.00	
Capital Outlay -- Current Appropriations	<u>55,754.12</u>	
		\$ 135,754.12
Transfer from Deferred Reserve for Amortization		<u>138,531.19</u>
		<u>274,285.31</u>
Balance December 31, 2013		<u><u>\$ 4,323,388.70</u></u>

BOROUGH OF SWEDESBORO
WATER AND SEWER UTILITY CAPITAL FUND
 Statement of Capital Improvement Fund
 For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 44,850.00
Increased by:		
Receipt - 2013 Budget Appropriation		<u>20,000.00</u>
Balance December 31, 2013		<u><u>\$ 64,850.00</u></u>

BOROUGH OF SWEDESBORO
WATER AND SEWER UTILITY CAPITAL FUND
Statement of Deferred Reserve for Amortization
For the Year Ended December 31, 2013

<u>Improvement Description</u>	<u>Ordinance Date</u>	<u>Balance Dec. 31, 2012</u>	<u>To Reserve for Amortization Fixed Capital</u>
Improvements to Water System	03/03/03	\$ 91,000.00	91,000.00
Purchase of Vehicle for Public Works Department	11/21/05	20,030.00	20,030.00
Purchase of Computers and Public Works Equipment	12/19/05	15,500.00	15,500.00
Water and Sewer Lines on Guest Avenue	07/06/09	<u>12,001.19</u>	<u>12,001.19</u>
		<u>\$ 138,531.19</u>	<u>\$ 138,531.19</u>

BOROUGH OF SWEDESBORO
WATER AND SEWER UTILITY CAPITAL FUND
 Schedule of Serial Bonds Payable
 For the Year Ended December 31, 2013

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding December 31, 2013</u>			<u>Interest Rate</u>	<u>Balance Dec. 31, 2012</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2013</u>
			<u>Date</u>	<u>Amount</u>	<u>Amount</u>				
General Improvement Bonds of 2010	4/6/10	\$ 2,239,000.00	04/01/14	\$ 90,000.00	3.000%				
			04/01/15	90,000.00	3.000%				
			04/01/16	90,000.00	3.000%				
			04/01/17	90,000.00	3.250%				
			04/01/18	90,000.00	3.250%				
			04/01/19	100,000.00	3.500%				
			04/01/20	100,000.00	3.500%				
			04/01/21	100,000.00	3.750%				
			04/01/22	120,000.00	4.000%				
			04/01/23	120,000.00	4.000%				
			04/01/24	130,000.00	4.000%				
			04/01/25	130,000.00	4.000%				
			04/01/26	130,000.00	4.000%				
		04/01/27	150,000.00	4.125%					
		04/01/28	150,000.00	4.125%					
		04/01/29	160,000.00	4.150%					
		04/01/30	159,000.00	4.250%					
						\$ 2,079,000.00	\$ 80,000.00	\$ 1,999,000.00	
						\$ 2,079,000.00	\$ 80,000.00	\$ 1,999,000.00	

BOROUGH OF SWEDESBORO

PART II

**SCHEDULE OF FINDINGS AND
RECOMMENDATIONS**

FOR THE YEAR ENDED DECEMBER 31, 2013

18800

BOROUGH OF SWEDESBORO
Schedule of Findings and Recommendations
For the Year Ended December 31, 2013

Schedule of Financial Statement Findings

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

None

18800

**BOROUGH OF SWEDESBORO
Summary Schedule of Prior Year Audit Findings
And Recommendations as Prepared by Management**

This section identifies the status of prior year findings related to the financial statements that are required to be reported in accordance with Government Auditing Standards.

None

BOROUGH OF SWEDESBORO
Officials in Office and Surety Bonds

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

<u>Name</u>	<u>Title</u>	
Thomas W. Fromm	Mayor	
George J. Weeks	President of Council	
Diane Hale	Council Member	
Salvatore Casella	Council Member	
David Flaherty	Council Member	
Joanna Gahrs	Council Member	
Patrick Wilbraham	Council Member	
Jeffrey M. Coles	Chief Financial Officer	(A)
Tanya Goodwin	Borough Clerk	(A)
	Deputy Tax Collector	
	Tax Search Officer	
	Officer for Searches for Municipal Improvements	
	Register of Vital Statistics	
Lois M. Elder	Deputy Borough Clerk	(A)
	Treasurer	
Kim Fleetwood	Tax Collector	(A)
Robyn Glocker Hammond	Tax Assessor	(A)
Federici & Akin, P.A.	Engineer	
John J. Armano, Jr., Esquire	Solicitor	

(A) Surety Bond Coverage by Gloucester, Salem, Cumberland Counties Municipal Joint Municipal Insurance Fund \$1,000,000.

All copies of the policy were examined and found to be properly executed.

18800

APPRECIATION

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

Respectfully submitted,

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Carol A. McAllister
Certified Public Accountant
Registered Municipal Accountant

