BOROUGH OF RIVERTON
County of Burlington

Report of Audit of Financial Statements

For the Year Ended December 31, 2015

BOROUGH OF RIVERTON
COUNTY OF BURLINGTON

TABLE OF CONTENTS

PART I

	Exhibits	Page
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 Accordance with Government Auditing Standards		4
Financial Statements		
Current Fund:		
Statement of Assets, Liabilities, Reserves and Fund Balance -- - Regulatory Basis	A	6
Statement of Operations and Changes in Fund Balance - Regulatory Basis	A-1	8
Statement of Revenues - Regulatory Basis	A-2	9
Statement of Expenditures - Regulatory Basis	A-3	11
Trust Fund		
Statement of Assets, Liabilities, Reserves and Fund Balance -- - Regulatory Basis	B	16
General Capital Fund		
Statement of Assets, Liabilities, Reserves and Fund Balance -- - Regulatory Basis	C	17
Statement of Operations and Changes in Fund Balance -- - Regulatory Basis	C-1	18
Public Assistance Fund		
Statement of Assets, Liabilities and Reserves and Fund Balance - - Regulatory Basis	D	19
General Fixed Assets Account Group		
Statement of General Fixed Assets Group of Accounts	E	20
Notes to Financial Statements		21
Current Fund		
Statement of Cash - Collector/Treasurer	A-4	40
Schedule of Taxes Receivable and Analysis of Property Tax Levy	A-5	41
Schedule of Revenue Accounts Receivable	A-6	42
Schedule of Sewer Rent Receivable	A-7	43
Schedule of Due State of New Jersey - Senior Citizen and Veterans' Deductions	A-8	44
Statement of 2014 Appropriation Reserves and Reserve for Encumbrances	A-9	45
Schedule of Tax Overpayments	A-10	47
Schedule of Prepaid Taxes	A-11	47
Schedule of Sewer Rent Overpayments	A-12	48
Schedule of Due to State of NJ - UCC Fees	A-13	48
Schedule of County Taxes Payable	A-14	49
Schedule of Local District School Tax Payable	A-15	50

Part I (Continued):

Federal and State Grant Fund

Schedule of Federal and State Grants Receivable	A-16	51
Schedule of Reserve for Federal and State Grants - Unappropriated	A-17	52
Schedule of Reserve for Federal and State Grants - Appropriated	A-18	53

Trust Fund

Schedule of Cash - Treasurer	B-1	55
Schedule of Reserve for Animal Control Fund Expenditures	B-2	56
Statement of Due to the State of NJ - Marriage Licenses	B-3	57
Statement of Payroll Deductions Payable	B-4	57
Schedule of Tax Title Lien Payable	B-5	58
Schedule of Reserve for Unemployment Claims	B-6	58
Schedule of Reserve for Flexible Spending Benefits	B-7	58
Schedule of Reserve for Developer's Escrow Deposits	B-8	59
Schedule of Reserve for Tax Sale Premiums	B-9	59
Schedule of Reserve for Shade Tree Commission	B-10	60
Schedule of Reserve for Environmental Fund	B-11	60
Schedule of Reserve for Veteran Affairs	B-12	60
Schedule of Reserve for Public Defender	B-13	61
Schedule of Reserve for Police Forfeited Property	B-14	62
Schedule of Reserve for Compensated Absences	B-15	62
Schedule of Reserve for POAA Funds	B-16	62

General Capital Fund

Schedule of Cash - Treasurer	C-2	64
Analysis of General Capital Cash and Investments	C-3	65
Schedule of Deferred Charges to Future Taxation - Funded	C-4	66
Schedule of Deferred Charges to Future Taxation - Unfunded	C-5	67
Statement of Grants Receivable	C-6	68
Schedule of General Serial Bonds	C-7	69
Statement of Green Acres Trust Loan Proceeds Payable	C-8	70
Schedule of Bond Anticipation Notes	C-9	71
Schedule of Improvement Authorizations	C-10	72
Statement of Capital Improvement Fund	C-11	73
Statement of Bonds and Notes Authorized But Not Issued	C-12	74

Public Assistance Fund

Schedule of Cash - Treasurer	D-1	76

PART II

Schedule of Findings and Recommendations

Schedule of Findings and Questioned Costs	78
Schedule of Financial Statement Findings	79
Schedule of Federal Awards and State Financial Assistance Findings	80
Summary Schedule of Prior Year Audit Findings	81
Officials in Office and Surety Bonds	
Acknowledgment	82
	82

BOROUGH OF RIVERTON

PART I

Report of Audit of Financial Statements

For the Year Ended December 31, 2015

INVERSO & STEWART, LLC

Certified Public Accountants

651 Route 73 North, Suite 402
Marlton, New Jersey 08053
(856) 983-2244
Fax (856) 983-6674
E-Mail: Iscpas@concentric.net

-Member of-
American Institute of CPAs
New Jersey Society of CPAs

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Borough Council
Borough of Riverton
County of Burlington
Riverton, New Jersey

Report on the Financial Statements

I have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Borough of Riverton, in the County of Burlington, State of New Jersey, as of December 31, 2015 and 2014, 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, 2015 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

My responsibility is to express opinions on these financial statements based on my audit. I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 entity'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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 my 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 Riverton, in the County of Burlington, State of New Jersey, as of December 31, 2015 and 2014, or the results of its operations and changes in fund balance for the years then ended.

Opinion on Regulatory Basis of Accounting

In my 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 Riverton, in the County of Burlington, State of New Jersey, as of December 31, 2015 and 2014, 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, 2015 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

My 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 my opinion, the information described in the previous paragraph is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated May 27, 2016 on my consideration of the Borough of Riverton's, in the County of Burlington, State of New Jersey, internal control over financial reporting and my 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 my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 Riverton's internal control over financial reporting.

Respectfully submitted,

INVERSO & STEWART, LLC
Certified Public Accountants

Robert P. Inverso
Certified Public Accountant
Registered Municipal Accountant

Marlton, New Jersey
May 27, 2016

INVERSO & STEWART, LLC

Certified Public Accountants

651 Route 73 North, Suite 402
Marlton, New Jersey 08053
(856) 983-2244
Fax (856) 983-6674
E-Mail: Iscpas@concentric.net

-Member of-
American Institute of CPAs
New Jersey Society of CPAs

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 Riverton
County of Burlington
Riverton, New Jersey

I 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 Riverton, in the County of Burlington, State of New Jersey, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements, and have issued my report thereon dated May 27, 2016. That report indicated that the Borough of Riverton'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 my audit of the financial statements, I considered the Borough of Riverton's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control. Accordingly, I do not express an opinion on the effectiveness of the Borough of Riverton's internal control.

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

My 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 my audit I did not identify any deficiencies in internal control that I 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 Riverton's financial statements are free from material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. . The results of my tests disclosed an instance of noncompliance or other matters that are required to be reported under Government Auditing Standards or audit requirements as prescribed by the Division of Local Governments Services, Department of Community Affairs, State of New Jersey and which is described in the accompanying *Schedule of Findings and Recommendations* as Finding no.: 2015-1.

The Borough of Riverton's Response to Findings

The Borough of Riverton's response to the finding identified in my report is described in the accompanying *Schedule of Findings and Recommendations.* The Borough's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, I express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of my 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,

INVERSO & STEWART, LLC
Certified Public Accountants

Robert P. Inverso
Certified Public Accountant
Registered Municipal Accountant

Marlton, New Jersey
May 27, 2016

EXHIBIT A

BOROUGH OF RIVERTON

Current Fund

Statement of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
For the Years Ended December 31, 2015 and 2014

	Reference	2015	2014
ASSETS			
Regular Fund:			
Cash - Treasurer	A-4	$ 2,341,476.28	$ 2,100,429.32
Cash - Collector's Change Fund		120.00	120.00
Investments - Bond Anticipation Notes	C-9	250,701.68	360,701.68
Due from State of N.J. for Senior Citizen and Veteran Deductions	A-8		9,598.21
Total		2,592,297.96	2,470,849.21
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-5	117,737.48	127,518.43
Revenue Accounts Receivable	A-6	20,210.43	17,992.63
Sewer Rent Receivable	A-7	29,817.26	31,796.90
Special Charges - Demolition Charges		44,400.00	44,400.00
Due from Federal and State Grant Fund	A		
Due from Animal Control Fund	B	2,052.96	1,787.53
Due from Trust Other Fund	B	28,597.29	19,694.14
Total		242,815.42	243,189.63
Total Regular Fund		2,835,113.38	2,714,038.84
Federal and State Grant Fund:			
Cash - Treasurer	A-4	15,008.58	65,687.91
Federal and State Grants Receivable	A-16	279,248.00	154,248.00
Due from Current Fund	A	6,706.00	
Due from Capital Fund	C	23,600.00	
Total Federal and State Grant Fund		324,562.58	219,935.91
Total		$ 3,159,675.96	$ 2,933,974.75

(Continued)

EXHIBIT A

BOROUGH OF RIVERTON

Current Fund

Statement of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
For the Years Ended December 31, 2015 and 2014

LIABILITIES, RESERVES AND FUND BALANCE	Reference	2015	2014
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3	$ 183,819.62	$ 277,698.76
Reserve for Encumbrances	A-3	57,417.96	78,028.27
Tax Overpayments	A-10	9,816.29	4,651.77
Prepaid Taxes	A-11	54,530.12	43,567.53
Sewer Rent Overpayments	A-12	2,105.24	1,662.03
Due from Federal and State Grant Fund	A	6,706.00	
Due to Trust - Other Funds	B	30,000.00	30,000.00
Due to Capital Fund	C	41,739.02	62,471.54
Due to State of NJ - Construction Code Fees	A-13	564.98	421.00
Due County for Added Taxes	A-14	1,543.71	425.06
Local District School Tax Payable	A-15	1,588,895.43	1,556,165.03
Total Liabilities		1,977,138.37	2,055,090.99
Reserve for Receivables and Other Assets	A	242,815.42	243,189.63
Fund Balance	A-1	615,159.59	415,758.22
Total Regular Fund		2,835,113.38	2,714,038.84
Federal and State Grant Fund:			
Encumbrances Payable	A	857.78	
Unappropriated Reserves	A-17	17,638.02	5,365.89
Appropriated Reserves	A-18	306,066.78	214,570.02
Total Federal and State Grant Fund		324,562.58	219,935.91
Total		$ 3,159,675.96	$ 2,933,974.75

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

EXHIBIT A-1

BOROUGH OF RIVERTON

Current Fund

Statement of Operations and Changes in Fund Balance -- Regulatory Basis
For the Years Ended December 31, 2015 and 2014

	2015	2014
Revenue and Other Income Realized:		
Fund Balance Utilized	$ 150,000.00	$ 200,000.00
Miscellaneous Revenue Anticipated	1,057,284.38	1,101,037.93
Receipts from Delinquent Taxes	124,457.40	103,895.60
Receipts from Current Taxes	7,809,120.77	7,592,515.21
Nonbudget Revenues	85,376.34	26,578.48
Other Credits to Income:		
Unexpended Prior Year Appropriation Reserves and Encumbrances Payable	161,536.56	79,032.04
Interfund Payable Canceled		
Interfund Recievable Liquidated		78,718.74
Total Revenue and Other Income Realized	9,387,775.45	9,181,778.00
Expenditures		
Operations Within "CAPS":		
Salaries and Wages	990,569.00	1,073,929.11
Other Expenses	1,433,088.00	1,332,834.82
Deferred Charges and Statutory Expenditures Within "CAPS"	204,379.00	194,426.07
Operations Excluded from "CAPS":		
Other Expenses	225,129.89	245,180.24
Capital Improvements	25,000.00	44,616.00
Municipal Debt Service Excluded from "CAPS"	210,212.78	218,932.50
Deferred Charges Excluded "CAPS"		
Local District School Tax	4,875,321.00	4,809,862.00
County Taxes	1,055,232.49	981,231.48
Due County for Added Taxes	1,543.71	425.06
Canceled due from State - Vets and Senior Citizens	9,098.21	4,633.78
Interfund Loans Made	8,800.00	
Total	9,038,374.08	8,906,071.06
Statutory Excess in Fund Balance	349,401.37	275,706.94
Fund Balance January 1	415,758.22	340,051.28
Total	765,159.59	615,758.22
Decreased by Utilization as Anticipated Revenue	150,000.00	200,000.00
Balance December 31	$ 615,159.59	$ 415,758.22

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

BOROUGH OF RIVERTON

Current Fund

Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2015

	BUDGET	SPECIAL NJS 40A:4-87	REALIZED	EXCESS (DEFICIT)
Fund Balance Anticipated	$ 150,000.00	$ -	$ 150,000.00	$ -
Miscellaneous Revenues:				
Licenses - Other	1,400.00		1,579.00	$ 179.00
Fees and Permits - Other	1,750.00		5,950.00	4,200.00
Fines and Costs				
Municipal Court	80,000.00		94,489.03	14,489.03
Interest and Costs on Taxes	26,500.00		31,759.63	5,259.63
Interest on Investments and Deposits	4,800.00		6,199.81	1,399.81
Cell Tower Rental Fees	36,000.00		37,391.99	1,391.99
Sewer Rent Fees	449,000.00		448,128.72	(871.28)
Payments in Lieu of Taxes	16,000.00		17,166.04	1,166.04
Comcast Fees	9,500.00		9,869.90	369.90
Park Fees	1,750.00		2,700.00	950.00
Energy Receipts Taxes	225,167.00		225,167.00	
Consolidated Municipal Property Relief Act	5,410.00		5,410.00	
Uniform Construction Code Fees	30,000.00		32,320.98	2,320.98
Uniform Fire Safety Act	6,000.00		8,786.39	2,786.39
Miscellaneous Revenues Offset with Appropriations:				
Burlington County Park Grant	125,000.00		125,000.00	
Alcohol Education Rehabilitation Fund	59.08		59.08	
Clean Communities	921.76		921.76	
Recycling Tonnage Grant	3,647.91		3,647.91	
Bulletproof Vest	737.14		737.14	
Total	1,023,642.89		1,057,284.38	33,641.49
Receipts from Delinquent Taxes	100,000.00		124,457.40	24,457.40
Amount to be Raised by Taxes for Support of Municipal Budget - Local Tax for Municipal Purposes	1,980,342.63		2,042,630.42	62,287.79
Budget Totals	3,253,985.52		3,374,372.20	$ 120,386.68
Nonbudget Revenues			85,376.34	
Total	$ 3,253,985.52	$ -	$ 3,459,748.54	

(Continued)

EXHIBIT A-2

BOROUGH OF RIVERTON

Current Fund

Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2015

Analysis of Realized Revenue

Allocation of Current Tax Collections:	
Revenue from Collections	$ 7,809,120.77
Allocated to School and County Taxes	5,932,097.20
Balance for Support of Municipal Budget Appropriations	1,877,023.57
Add Appropriation - Reserve for Uncollected Taxes	165,606.85
Amount for Support of Municipal Budget Appropriations	$ 2,042,630.42
Receipts from Delinquent Taxes:	
Delinquent Tax Collections	$ 124,457.40
Licenses - Other:	
Registrar of Vital Statistics	$ 1,539.00
Other	40.00
Total	$ 1,579.00
Fees and Permits - Other:	
Street Opening Permits	$ 2,700.00
Vacant Property Registration Fees	3,250.00
Total	$ 5,950.00
Miscellaneous Revenue Not Anticipated:	
Site Plans	$ 150.00
Application Fees	320.00
Tax Search	10.00
DMV Inspections	850.00
Insurance Refund	500.00
Tire Removal	240.00
Sale of Assets	46,745.78
Towing	455.00
Zoning Variance	330.05
Fence/Sign Permits	1,118.00
Cat Licenses	60.00
Admin Fee - SC & Vet	630.00
Police Reports	322.65
Sewer Penalties	7,507.55
Other Refunds	16,503.47
County Reimbursement	8,903.50
Miscellaneous	730.34
Total	$ 85,376.34

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

BOROUGH OF RIVERTON
Current Fund
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2015

	Appropriations		Expended			Unexpended
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Balance Canceled
GENERAL APPROPRIATIONS:						
Operations Within "CAPS":						
General Government						
Mayor and Council						
Other Expenses	$ 1,000.00	$ 1,000.00	$ 1,000.00	$ -	$ -	$ -
Borough Clerk						
Salaries and Wages	84,349.00	72,560.00	71,863.92		696.08	
Other Expenses	22,700.00	24,100.00	23,707.84	343.26	48.90	
Financial Administration:						
Salaries and Wages	61,751.00	58,309.00	58,232.20		76.80	
Other Expenses	4,700.00	4,700.00	3,790.31	343.13	566.56	
Audit Services						
Other Expenses	27,300.00	27,300.00	27,300.00			
Computerized Data Processing						
Other Expenses	9,000.00	9,500.00	9,294.19		205.81	
Collection of Taxes						
Salaries and Wages	17,976.00	26,318.00	25,944.09		373.91	
Other Expenses	3,300.00	4,100.00	3,004.81	961.56	133.63	
Assessment of Taxes						
Salaries and Wages	10,455.00	10,455.00	10,454.91		0.09	
Other Expenses	2,950.00	2,950.00	2,119.49		830.51	
Legal Services & Costs						
Other Expenses	40,000.00	40,000.00	34,870.71	2,978.38	2,150.91	
Engineer						
Other Expenses	5,000.00	13,000.00	9,223.20		3,776.80	
Land Use Administration:						
Planning Board:						
Salaries and Wages	12,188.00	12,188.40	12,188.30		0.10	
Other Expenses	10,925.00	18,925.00	14,153.89	96.22	4,674.89	

(Continued)

BOROUGH OF RIVERTON
Current Fund
Statement of Expenditures – Regulatory Basis
For the Year Ended December 31, 2015

	Appropriations		Expended			Unexpended Balance
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Canceled
Operations Within "CAPS" (Continued)						
General Government (Continued)						
Insurance:						
Liability Insurance	$ 78,496.00	$ 85,196.00	$ 84,755.50	$ 426.00	$ 14.50	$ -
Worker Compensation	96,993.00	103,193.00	103,126.00		67.00	
Employees Group Insurance	332,599.00	332,599.00	326,847.90	5,429.47	321.63	
Public Safety:					-	
Police:					-	
Salaries and Wages	497,004.00	474,626.60	442,336.94		32,289.66	
Other Expenses	50,400.00	50,400.00	46,291.17	931.73	3,177.10	
Office of Emergency Management						
Other Expenses	750.00	750.00	304.74		445.26	
Aid to Volunteer Ambulance Squad					-	
Other Expenses					-	
Fire Department					-	
Other Expenses	25,000.00	25,000.00	21,329.31	635.80	3,034.89	
Fire Official						
Salaries and Wages	5,049.00	5,049.00	5,016.97	31.95	0.08	
Other Expenses	1,000.00	1,300.00	1,062.65		237.35	
Public Works:					-	
Road Repairs and Maintenance					-	
Salaries and Wages	215,008.00	215,008.00	211,401.36		3,606.64	
Other Expenses	48,600.00	50,600.00	48,969.40	695.28	935.32	
Shade Tree Commission					-	
Other Expenses	40,000.00	33,000.00	31,785.00		1,215.00	
Solid Waste Collection					-	
Other Expenses	112,596.00	107,596.00	87,040.81	7,783.00	12,772.19	
Public Buildings and Grounds					-	
Other Expenses	18,600.00	22,600.00	21,766.64	754.35	79.01	
Vehicle Maintenance					-	
Other Expenses	21,000.00	42,000.00	35,998.53	2,516.38	3,485.09	
Registrar of Vital Statistics:					-	
Salaries and Wages	5,910.00	5,910.00	5,525.85		384.15	
Other Expenses	150.00	170.00	170.00		-	

(Continued)

BOROUGH OF RIVERTON
Current Fund
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2015

	Appropriations		Expended			Unexpended
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Balance Canceled
Operations Within "CAPS" (Continued)						
General Government (Continued)						
Animal Control						
Other Expenses	$ 5,000.00	$ 5,200.00	$ 4,530.00	$ 603.00	$ 67.00	$ -
Parks and Recreation:						
Recreation Services:						
Other Expenses	11,750.00	9,850.00	8,315.01	924.85	610.14	
Celebration of Public Events:						
Other Expenses	500.00	587.00	585.56		1.44	
Contribution to Senior Citizens Club:						
Other Expenses						
Utilities:						
Electricity	82,000.00	82,000.00	67,763.90	5,435.11	8,800.99	
Street Lighting	50,000.00	45,000.00	36,935.56	4,504.13	3,560.31	
Telephone	14,000.00	14,400.00	13,051.89	1,188.35	159.76	
Water	3,250.00	3,250.00	2,648.82	215.21	385.97	
Fire Hydrant Service	41,000.00	41,000.00	33,719.99		7,280.01	
Sewerage Processing:						
Salaries and Wages	82,328.00	82,328.00	81,861.92		466.08	
Other Expenses	48,925.00	35,925.00	17,361.16	15,166.29	3,397.55	
Gasoline	25,000.00	23,500.00	21,031.34	686.61	1,782.05	
Landfill and Solid Waste Disposal Costs - Landfill Fees	95,000.00	95,000.00	85,943.16	4,767.90	4,288.94	
Municipal Court:						
Other Expenses	74,747.00	75,247.00	984.08		74,262.92	
Construction Code Office:						
Salaries and Wages	27,817.00	27,817.00	26,282.30		1,534.70	
Other Expenses	850.00	2,150.00	1,872.56		277.44	
Total Operations - Within "CAPS"	2,424,916.00	2,423,657.00	2,183,763.88	57,417.96	182,475.16	
Detail:						
Salaries and Wages	1,019,835.00	990,569.00	951,108.76	31.95	39,428.29	
Other Expenses	1,405,081.00	1,433,088.00	1,232,655.12	57,386.01	143,046.87	

(Continued)

BOROUGH OF RIVERTON
Current Fund
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2015

	Appropriations		Expended			Unexpended
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Balance Canceled
Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS":						
STATUTORY EXPENDITURES:						
Contribution to:						
Social Security System (O.A.S.I.)	$ 50,020.00	$ 48,520.00	$ 47,175.54	$ -	$ 1,344.46	$ -
Police & Fireman's Retirement System	92,760.00	96,566.00	96,566.00			
Public Employees' Retirement System	60,340.00	59,293.00	59,293.00			
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	203,120.00	204,379.00	203,034.54		1,344.46	
Total General Appropriations - For Municipal Purposes Within "CAPS"	2,628,036.00	2,628,036.00	2,386,798.42	57,417.96	183,819.62	-
Operations Excluded from "CAPS":						
Aid To Library (N.J.S.A.40:54-35)	9,000.00	9,000.00	9,000.00			
Insurance - Employee Group Health Insurance	10,764.00	10,764.00	10,764.00			
Additional Appropriations Offset By Revenues						
Sewerage Processing						
Other Expenses	75,000.00	75,000.00	75,000.00			
Public and Private Programs Offset By Revenues:						
Recycling Tonnage Grant	3,647.91	3,647.91	3,647.91			
Alcohol Education & Rehabilitation	59.08	59.08	59.08			
County Park Development Grant	125,000.00	125,000.00	125,000.00			
Clean Communities	921.76	921.76	921.76			
Bullet Proof Vest	737.14	737.14	737.14			
Total Operations - Excluded From "CAPS"	225,129.89	225,129.89	225,129.89			
Detail:						
Other Expenses	225,129.89	225,129.89	225,129.89			
Capital Improvements - Excluded From "CAPS"						
Capital Improvement Fund	25,000.00	25,000.00	25,000.00			
Total Capital Improvements - Excluded From "CAPS"	25,000.00	25,000.00	25,000.00			

(Continued)

BOROUGH OF RIVERTON
Current Fund
Statement of Expenditures – Regulatory Basis
For the Year Ended December 31, 2015

	Appropriations		Expended			Unexpended
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Balance Canceled
Municipal Debt Service - Excluded From "CAPS"						
Payment of Bond Principal	$ 87,000.00	$ 87,000.00	$ 87,000.00	$ -	$ -	$ -
Payment of BAN Principal	110,000.00	110,000.00	110,000.00			
Interest on Bonds	5,692.00	5,692.00	5,692.00			-
Interest on Notes	6,357.78	6,357.78	6,357.78			-
Green Trust Loan Repayment for Principal and Interest	1,163.00	1,163.00	1,163.00			-
Total Municipal Debt Service - Excluded From "CAPS"	210,212.78	210,212.78	210,212.78			
Total General Appropriations for Municipal Purposes Excluded From "CAPS"	460,342.67	460,342.67	460,342.67			-
Subtotal General Appropriations	3,088,378.67	3,088,378.67	2,847,141.09	57,417.96	183,819.62	
Reserve for Uncollected Taxes	165,606.85	165,606.85	165,606.85			
TOTAL GENERAL APPROPRIATIONS	$ 3,253,985.52	$ 3,253,985.52	$ 3,012,747.94	$ 57,417.96	$ 183,819.62	$ -

Original Budget	$ 3,253,985.52
Amended by NJS 40A:4-87	
	$ 3,253,985.52

Expended - Paid or Charged:	
Reduction of Investment in Bond Anticipation Note	$ 110,000.00
Reserve for State Grants	130,365.89
Reserve for Uncollected Taxes	165,606.85
Disbursed	2,606,775.20
Total	$ 3,012,747.94

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

EXHIBIT B

BOROUGH OF RIVERTON

Trust Fund

Statement of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
For the Years Ended December 31, 2015 and 2014

	Reference	2015	2014
ASSETS			
Animal Control Fund:			
Cash - Treasurer	B-1	$ 2,805.36	$ 2,591.13
Other Funds:			
Cash - Treasurer	B-1	144,671.37	144,818.26
Due from Current Fund	A	30,000.00	30,000.00
Total Other Funds		174,671.37	174,818.26
Total		$ 177,476.73	$ 177,409.39
LIABILITIES AND RESERVES			
Dog License Fund:			
Prepaid Licenses		$ -	$ 15.00
Due to Current Fund	A	2,052.96	1,787.53
Due to State		2.40	3.60
Reserve for Dog Fund Expenditures	B-2	750.00	785.00
Total Dog License Fund		2,805.36	2,591.13
Other Funds:			
Due State of New Jersey:			
Marriage License Fees	B-3	50.00	150.00
Due to Current Fund	A	28,597.29	19,694.14
Payroll Deductions Payable	B-4		
Tax Title Lien Redemption Payable	B-5	3,564.31	3,563.82
Reserve for Unemployment Compensation Trust	B-6	10,272.98	21,569.55
Reserve for Flexible Spending Account	B-7		
Reserve for Developers Escrow Fund	B-8	58,511.35	68,553.83
Reserve for Tax Sale Premiums	B-9	24,607.92	10,785.59
Reserve for Shade Tree Commission	B-10	8 620 73	8 543 84
Reserve for Environmental Fund	B-11	5,161.38	8,102.10
Reserve for Veterans Affairs Fund	B-12	1,358.00	1,143.00
Reserve for Public Defender	B-13	354.63	704.13
Reserve for Police Forfeited Property	B-14	3,232.50	1,684.81
Reserve for Compensated Absences	B-15	30,000.00	30,000.00
Reserve for POAA Funds	B-16	340.28	323.45
Total Other Funds		174,671.37	174,818.26
Total		$ 177,476.73	$ 177,409.39

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

EXHIBIT C

BOROUGH OF RIVERTON
General Capital Fund
Statement of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
For the Years Ended December 31, 2015 and 2014

	Reference	2015	2014
ASSETS			
Cash	C-2, C-3	$ 116,575.39	$ 536,459.35
Due from Current Fund	A	41,739.02	62,471.54
Deferred Charges to Future Taxation:			
Funded	C-4	83,000.00	171,150.99
Unfunded	C-5	1,933,300.00	1,566,329.00
State Grants Receivable	C-6	621,250.00	176,250.00
Total		$ 2,795,864.41	$ 2,512,660.88
LIABILITIES, RESERVES AND FUND BALANCE			
Serial Bonds	C-7	$ 83,000.00	$ 170,000.00
Green Acres Trust Loan Proceeds Payable	C-8		1,150.99
Bond Anticipation Notes Payable	C-9	1,575,376.68	1,208,405.68
Due to Federal and State Grant Fund	A	23,600.00	
Improvement Authorizations:			
Funded	C-10	607,636.55	370,332.64
Unfunded	C-10	487,515.54	743,931.93
Capital Improvement Fund	C-11	256.76	360.76
Fund Balance	C-1	18,478.88	18,478.88
Total		$ 2,795,864.41	$ 2,512,660.88

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

EXHIBIT C-1

BOROUGH OF RIVERTON
General Capital Fund
Statement of Operations and Changes in Fund Balance -- Regulatory Basis
For the Year Ended December 31, 2015

Balance December 31, 2014 and 2015	$ 18,478.88

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

EXHIBIT D

BOROUGH OF RIVERTON
PUBLIC ASSISTANCE FUND
Statement of Assets, Liabilities, Reserve and Fund Balance -- Regulatory Basis
For the Years Ended December 31, 2015 and 2014

	Reference	2015	2014
ASSETS			
Cash	D-1	$ 730.17	$ 728.37
Total		$ 730.17	$ 728.37
LIABILITIES AND RESERVES			
Reserve for Public Assistance		$ 730.17	$ 728.37

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

EXHIBIT E

BOROUGH OF RIVERTON

ACCOUNT GROUP

Statement of General Fixed Assets Group of Accounts
For the Year Ended December 31, 2015

	Balance December 31, 2014	Additions	Retirements	Balance December 31, 2015
General Fixed Assets:				
Land	$ 147,405.00	$ -	$ -	$ 147,405.00
Buildings	1,580,688.90			1,580,688.90
Land and Building Improvements	637,829.54			637,829.54
Equipment	598,995.96			598,995.96
Vehicles	1,845,553.14	601,451.00	250,000.00	2,197,004.14
Total General Fixed Assets	$ 4,810,472.54	$ 601,451.00	$ 250,000.00	$ 5,161,923.54
Total Investment in General Fixed Assets	$ 4,810,472.54	$ 601,451.00	$ 250,000.00	$ 5,161,923.54

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Financial Reporting Entity - The Borough of Riverton (hereafter referred to as the "Borough") is located in the western portion of the County of Burlington, State of New Jersey. The present population according to the 2010 census is 2,629.

The Borough was incorporated in 1893 and is governed by a Mayor/Council form of government which consists of seven members elected at large by the voters. The Mayor is elected by the voters to a four-year term and acts as the Chief Executive Officer of the Borough. Each of the six members of the Borough Council is elected to serve three year terms that are staggered. The legislative powers rest with the Borough Council. The Borough Clerk, Borough Treasurer and Borough Chief Financial Officer are appointed by the Borough Council and monitor the daily administrative and financial responsibilities, including but not limited to, staffing and personnel issues and budget preparation and implementation.

Component Units – The Borough of Riverton 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 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" are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Generally, the financial statements are presented using the flow of current financial resources measurement focus and modified accrual basis of accounting with minor exceptions as mandated by these "Requirements". In addition, the prescribed accounting principles previously referred to differ in certain respects from accounting principles generally accepted in the United States of America applicable to local government units. The more significant differences are explained in this Note.

In accordance with the "Requirements", the Borough accounts for its financial transactions through the use of separate funds 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.

Budgets and Budgetary Accounting - The Borough must adopt an annual budget for its current fund 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 Borough. 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 the 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, for all funds, include petty cash, change funds, 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash, Cash Equivalents and Investments (Continued) - 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 utilities and other state agencies.

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

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

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

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

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. Donated general fixed assets are recorded at their estimated fair market value on the acquisition date. 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. No depreciation of general fixed assets is recorded.

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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

Liens Sold for Other Governmental Units - Liens sold on behalf of other governmental units are not recorded on the records of the Borough 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 Balance included in the Current Fund represent amounts available for anticipation as revenue in future years' budgets, with certain restrictions.

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.

Compensated Absences and Postemployment Benefits - Compensated absences for vacation and sick leave 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.

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 Riverton Borough School District and the County of Burlington. Unpaid property taxes are subject to tax sale in accordance with the statutes.

School Taxes - The Borough is responsible for levying, collecting and remitting school taxes for the Riverton Borough School District. Operations is charged for the full amount required to be raised from taxation to operate the local school district for the period from July 1 to June 30, increased by the amount deferred at December 31, 2014 and decreased by the amount deferred at December 31, 2015.

County Taxes - The Borough is responsible for levying, collecting and remitting county taxes for the County of Burlington. 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. Outstanding 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Expenditures - Appropriations for principal payments on outstanding general capital bonds and notes are provided on the cash basis; interest on general capital indebtedness is also on the cash basis.

Long-Term Debt - Long-Term Debt, relative to the acquisition of capital assets, is recorded as a liability in the General Capital Fund. 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.

Interest on Delinquent Taxes – It is the policy of the Borough to collect interest for the nonpayment of taxes or assessments on or before the date when they would become delinquent. The Tax Collector is authorized to charge eight percent (8%) per annum on the first $1,500 of taxes becoming delinquent after due date and eighteen percent (18%) per annum on any amount of taxes in excess of $1,500 becoming delinquent after the due date and if a delinquency is in excess of $10,000 and remains in arrears beyond December 31st, an additional penalty of six percent (6%) shall be charged against the delinquency. There is a ten (10) day grace period.

Comparative Data – Comparative total data for the prior year have been presented in the accompanying statements of assets, liabilities, reserves and fund balance and statement of operations in order to provide an understanding of changes in the Borough's financial position. However, comparative (i.e., presentation of prior year totals by fund type) data have not been presented in the statement of revenues – regulatory basis and the statement of expenditures – regulatory basis since their inclusion would make the statements unduly complex and difficult to read.

NOTE 2. CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits – Custodial credit risk refers to the risk that, in the event of a bank failure, the Municipality's deposits may not be recovered. Although the Municipality 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 Unit. 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 or funds that may pass to the Municipality relative to the happening of a future condition. Such funds are shown as uninsured and uncollateralized. Of the Municipality's amount on deposit of $2,659,224 as of December 31, 2015, $250,000 was insured under FDIC and the remaining balance of $2,409,224 was collateralized under GUDPA.

NOTE 3. INVESTMENTS

New Jersey municipalities are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.A. 40A:5-15.1 provides a list of permissible investments that may be purchased by New Jersey municipalities. These permissible investments generally include bonds or other obligations of the United States of America or obligations guaranteed by the United States of America, government money market funds, any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, bonds or other obligations of the local unit or other obligations approved by the Division of Investment in the Department of Treasury for investment by local units, local government investment pools, deposits with the State of New Jersey Cash Management Fund, and agreements for the repurchase of fully collateralized securities with certain provisions. The Borough has no investment policy that would further limit its investment choices.

NOTE 3. INVESTMENTS (CONTINUED)

Custodial Credit Risk Related to Investments – For an investment, custodial credit risk is the risk that, in the event of failure of the counterparty, the Borough will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Borough, and are held by either the counterparty or the counterparty's trust department or agent but not in the Borough's name.

As of December 31, 2015 the Borough had the following investments bearing a zero rate of interest:

Investment	Maturities	Credit Rating	Fair Value
Bond Anticipation Note	October 10, 2015	N/A	$ 52,500.00
Bond Anticipation Note	December 8, 2015	N/A	198,201.68
			$ 250,701.68

NOTE 4. PROPERTY TAXES

The following is a comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four years ending December 31.

Comparative Schedule of Tax Rates	2015	2014	2013	2012	2011
Total Tax Rate without Business Improvement District Tax Rate	$ 3.272	$ 3.192	$ 3.137	$ 2.621	$ 2.590
Apportionment of Tax Rate:					
Municipal	0.818	0.796	0.754	0.606	0.598
County	0.438	0.407	0.406	0.373	0.385
Local School	2.016	1.989	1.977	1.642	1.607

Assessed Valuation	
2015	$ 241,817,400
2014	241,818,548
2013	241,971,286
2012	282,890,056
2011	283,668,389

NOTE 4. PROPERTY TAXES (CONTINUED)

Comparison of Tax Levies and Collections

Year	Tax Levy	Collections	Percentage of Collections
2015	$ 7,923,797	$ 7,809,121	98.55%
2014	7,722,182	7,592,515	98.32%
2013	7,592,003	7,487,692	98.62%
2012	7,412,561	7,264,680	98.00%
2011	7,357,578	7,186,719	97.68%

Delinquent Taxes and Tax Title Liens

Year	Tax Title Liens	Delinquent Taxes	Total Delinquent	Percentage of Tax Levy
2015	$ -	$ 117,737	$ 117,737	1.49%
2014	-	127,518	127,518	1.65%
2013	-	103,896	103,896	1.37%
2012	-	150,165	150,165	2.03%
2011	-	173,503	173,503	2.36%

There were no tax title liens receivables on December 31, of the current year and previous four years.

NOTE 5. 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:

Year	Amount
2015	$ -
2014	-
2013	-
2012	325
2011	325

NOTE 6. SEWER UTILITY SERVICE CHARGES

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

Year	Balance Beginning of Year Receivables	Balance Beginning of Year Liens	Levy	Total	Cash Collections	Percentage
2015	$ 31,797	$ -	$ 446,149	$ 477,946	$ 448,129	93.76%
2014	38,010	-	450,139	488,149	456,352	93.49%
2013	28,925	-	451,313	480,238	442,228	92.09%
2012	34,965	-	447,585	482,550	453,625	94.01%
2011	52,936	-	448,100	501,036	466,071	93.02%

NOTE 7. 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.

Year	Balance December 31,	Utilized in Budget of Succeeding Year	Percentage of Fund Balance Used
Current Fund			
2015	$ 615,160	$ 150,000	24.38%
2014	415,758	150,000	36.08%
2013	340,051	200,000	58.81%
2012	542,786	250,000	46.06%
2011	584,751	210,000	35.91%

NOTE 8. INTERFUND RECEIVABLES AND ABLES

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balances as of December 31, 2015:

Fund	Interfund Receivables	Interfund Payables
Current Fund	$ 30,650	$ 78,445
Federal and State Grant Fund	30,306	
Trust Fund:		
Animal Control Fund		2,053
Other Trust Funds	30,000	28,597
General Capital Fund	41,739	23,600
	$ 132,695	$ 132,695

NOTE 9. PENSION PLANS

Substantially all of the Borough's employees participate in one of the following pension plans which have been established by State statute, and are administered by the New Jersey Division of Pensions and Benefits (Division): the Police and Firemen's Retirement System (PFRS), the Public Employees' Retirement System (PERS) or the Defined Contribution Retirement Program (DCRP). 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 the State of New Jersey, Division of Pensions and Benefits. P.O. Box 295, Trenton, New Jersey, 08625-0295.

Significant Legislation

P.L. 2011, c.78, effective June 28, 2011, made various changes to the manner in which PERS and PFRS operate and to the benefit provisions of those systems.

Chapter 78's provisions impacting employee pension and health benefits include:

- For new members of PERS hired on or after June 28, 2011 (Tier 5 members), the years of creditable service needed for early retirement benefits increased from 25 to 30 years and the early retirement age from age 55 to 65 for Tier 5 members
- The eligible age to qualify for a service retirement in the PERS increased from age 62 to 65 for Tier 5 members
- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), decreased from 65 percent of final compensation to 60 percent of final compensation after 25 years of service and from 70 percent of final compensation to 65 percent of final compensation after 30 or more years of service.
- It increases in active member contribution rates for PERS active members from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years. For fiscal year 2012, the member contribution rates will increase in 2011. The phase-in of the additional incremental member contribution rates for PERS members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by law.
- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4 year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary
- In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay.)

Police and Firemen's Retirement System (PFRS)

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

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 204, P.L. 1989, plan members enrolled in the PFRS are required to contribute 8.5% of their annual covered salary. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased to 10.0% in October, 2011. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, the statute also requires the return to the normal rate when such surplus pension assets no longer exist.

NOTE 9. PENSION PLANS (CONTINUED)

Police and Firemen's Retirement System (PFRS) (Continued)

The Borough is billed annually for its normal contributions plus any accrued liability. These contributions, equal to the required contributions are detailed below.

	Police & Firemen's Retirement System				
	Borough Contributions				
	Pension				
Year	Normal Contribution	Percentage of Covered Payrolls	Accrued Liability	Non-Contributory Life Insurance	Employee Contributions
2015	$ 31,984	13.30%	$ 59,163	$ 4,253	$ 24,044
2014	31,583	11.74%	51,990	3,190	26,907
2013	37,252	10.04%	49,298	3,574	37,017

At June 30, 2015, the Borough's net pension liability for PFRS was $1,954,887.

Actuarial assumptions – The total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation as of July 1, 2014, which was rolled forward to June 30, 2015. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate: 3.04%
Salary Increases:
2012-2021: 2.60-9.48% based on age
Thereafter: 3.60-10.48% based on age
Investment Rate of Return: 7.90%

Mortality rates were based on the RP-2000 Combined Healthy Mortality Tables projected one year using Projection Scale AA and one year using Projection Scale BB for male service retirements with adjustments for mortality improvements from the base year based on Projection Scale BB. Mortality rates were based on the RP-2000 Combined Healthy Mortality Tables projected fourteen years using Projection Scale BB for female service retirements and beneficiaries with adjustments for mortality improvements from base year of 2014 based on Projection Scale BB.

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2010 to June 30, 2013.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.90% at June 30, 2015) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long term expected rate of return was determined using a building block method n which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

NOTE 9. PENSION PLANS (CONTINUED)

Police and Firemen's Retirement System (PFRS) (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2015 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	05.00%	01.04%
U.S. Treasuries	01.75%	01.64%
Investment Grade Credit	10.00%	01.79%
Mortgages	02.10%	01.62%
High Yield Bonds	02.00%	04.03%
Inflation Indexed Bonds	01.50%	03.25%
Broad US Equities	27.25%	08.52%
Developed Foreign Equities	12.00%	06.88%
Emerging Market Equities	06.40%	10.00%
Private Equity	09.25%	12.41%
Hedge Funds/Absolute Ret	12.00%	04.72%
Real Estate (Property)	02.00%	06.83%
Commodities	01.00%	05.32%
Global Debt ex US	03.50%	-0.40%
REIT	04.25%	5.12%

Discount rate. The discount rate used to measure the State's total pension liability was 5.79% as of June 30, 2015. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.90%, and a municipal bond rate of 3.8% as of June 30, 2015, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be made based on the average of the last five years of contributions made in relation to the last five years of recommended contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2045. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2045, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the Borough's proportionate share of the net pension liability to changes in the discount rate. The following presents the Borough's proportionate share of the net pension liability measured as of June 30, 2015, calculated using the discount rate of 5.79%, as well as what the Borough's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (4.79%) or 1 percentage point higher (6.79%) that the current rate:

	1% Decrease (4.79%)	Current Discount Rate (5.79%)	1% Increase (6.79%)
Borough's proportionate share of the net pension liability	$ 2,577,162	$ 1,954,887	$ 1,447,478

Pension Plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report.

Public Employees' Retirement System (PERS)

The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established on January 1, 1955. The PERS provides retirement, death and disability, and medical benefits to certain 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.

NOTE 9. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (PERS) (Continued)

Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate was increased to 6.5%. An additional 1.0% increase is being phased-in over seven years beginning on July 1, 2012 and increases each subsequent July 1. The State Treasurer has the right under the current law to make temporary reductions in rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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

	Public Employee's Retirement System				
	Borough Contributions				
	Pension				
Year	Normal Contribution	Percentage of Covered Payrolls	Accrued Liability	Non-Contributory Life Insurance	Employee Contributions
2015	$ 10,223	2.44%	$ 47,093	$ 3,069	$ 29,296
2014	9,874	2.19%	43,410	906	30,556
2013	15,113	3.06%	36,136	3,050	33,128

At June 30, 2015, the Borough's net pension liability for PERS was $1,576,680.

Actuarial assumptions – The total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation as of July 1, 2014, which was rolled forward to June 30, 2015. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate: 3.04%
Salary Increases:
2012-2021: 2.15-4.40% based on age
Thereafter: 3.15-5.40% based on age
Investment Rate of Return: 7.90%

Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for females) for service retirement and beneficiaries of former members with adjustments for mortality improvements from the base year of 2012 based on Projection Scale AA. The RP-2000 Disabled Mortality Tables (setback 3 years for males and setback 1 year for females) are used to value disabled retirees.

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.90% at June 30, 2015) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long term expected rate of return was determined using a building block method n which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

NOTE 9. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (PERS) (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2015 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	05.00%	01.04%
U.S. Treasuries	01.75%	01.64%
Investment Grade Credit	10.00%	01.79%
Mortgages	02.10%	01.62%
High Yield Bonds	02.00%	04.03%
Inflation Indexed Bonds	01.50%	03.25%
Broad US Equities	27.25%	08.52%
Developed Foreign Equities	12.00%	06.88%
Emerging Market Equities	06.40%	10.00%
Private Equity	09.25%	12.41%
Hedge Funds/Absolute Ret	12.00%	04.72%
Real Estate (Property)	02.00%	06.83%
Commodities	01.00%	05.32%
Global Debt ex US	03.50%	-0.40%
REIT	04.25%	5.12%

Discount rate. The discount rate used to measure the State's total pension liability was 4.90% as of June 30, 2015. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.90%, and a municipal bond rate of 3.8% as of June 30, 2015, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of recommended contributions.

Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2033. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the Borough's proportionate share of the net pension liability to changes in the discount rate. The following presents the Borough's proportionate share of the net pension liability measured as of June 30, 2015, calculated using the discount rate of 4.90%, as well as what the Borough's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.90%) or 1 percentage point higher (5.90%) that the current rate:

	1% Decrease (3.90%)	Current Discount Rate (4.90%)	1% Increase (5.90%)
Borough's proportionate share of the net pension liability	$ 1,959,620	$ 1,576,680	$ 1,255,626

Pension Plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report.

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program 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 Defined Contribution Retirement Program Board oversees the DCRP, which is administered by Prudential Financial on behalf of the Divisions of Pensions and Benefits. 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 9. PENSION PLANS (CONTINUED)

Defined Contribution Retirement Program (DCRP)

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. Pursuant to the provisions of Chapter 78 P.L. 2011, the active member contribution rate was increased to 6.5% plus an additional 1.0% phased-in over seven years beginning in the first year. The phase-in of the additional incremental member contribution amount will take place in July of each subsequent year. The State Treasurer has the right under the current law to make temporary reductions in rates based on the existence of surplus pension assets in the retirement system; however, state statute also requires the return to the normal rate when such surplus pension assets no longer exist. The employee contributions along with the Borough's contribution 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.

There were no Borough employees enrolled in the DCRP for the years ended December 31, 2015, 2014 and 2013.

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

NOTE 10. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

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

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

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

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

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

Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Borough on a monthly basis. The Borough funds these benefits on a pay-as-you-go basis and therefore does not record accrued expenses related to these benefits. During the year 2015, 2014 and 2013 there were ten, nine, and seven retired employees, respectively who received this benefit resulting in payments of $154,216, $121,228, and $113,726 in related health care premiums.

NOTE 11. COMPENSATED ABSENCES

Police officers hired prior to January 8, 2009 are entitled to thirty paid sick leave days each year and are permitted to accumulate up to ten sick days per year with a maximum of seventy days. Officers hired after January 8, 2009 are entitled to fifteen days of sick leave each year and are permitted to accumulate up to fifteen sick days per year with a maximum of eighty-five days. Vacation days not used during the year may not be accumulated and carried forward. At the time of an officer's retirement, in accordance with the New Jersey Police and Firemen's Pension System, the officer will be paid fifty percent of all accumulated sick pay based on an eight-hour day at their current hourly rate.

NOTE 11. COMPENSATED ABSENCES (CONTINUED)

All other Borough employees are not entitled to be compensated for accumulated unused sick leave days.

The Borough does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2015, accrued benefits for compensated absences are valued at $16,654.

The Borough has established a Compensated Absences Trust Fund to set aside funds for the future payments of compensated absences. At December 31, 2015 the balance of the fund is $30,000.00.

NOTE 12. DEFERRED COMPENSATION SALARY ACCOUNT

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

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 13. RISK MANAGEMENT

The Borough is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; employee health and accident claims; and natural disasters.

Commercial Insurance Coverage - The Borough maintains commercial insurance coverage for property and general liability, health benefits, boiler and machinery, surety bonds, crime, public officials' liability, and excess liability coverage for workers compensation and disability benefits.

NOTE 14. NEW JERSEY UNEMPLOYMENT COMPENSATION ISURANCE

The Borough has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Borough is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Borough is billed quarterly for amounts due to the State.

The following is a summary of Borough contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the Borough's trust fund for the current and previous two years:

Fiscal Year	Interest Earnings	Employee Contributions	Amount Reimbursed	Ending Balance
2015	$ 79	$ 1,327	$ 12,703	$ 10,273
2014	106	1,780	3,792	21,570
2013	113	1,631	447	23,476

NOTE 15. CAPITAL DEBT

Summary of Municipal Debt

	Year 2015	Year 2014	Year 2013
Issued:			
General Bonds and Notes	$ 1,658,377	$ 1,378,406	$ 737,702
Loans		1,151	3,419
Total Issued	1,658,377	1,379,557	741,121
Authorized But Not Issued:			
General Bonds and Notes	357,923	357,923	357,923
Net Debt	$ 2,016,300	$ 1,737,480	$ 1,099,044

Serial Bonds are authorized in accordance with State law. All bonds are retired in serial installments within the statutory period of usefulness. Serial Bonds payable at December 31, 2015 consisted of the following issues:

Purpose	Date of Maturity	Interest Rate	Amount
General Obligation Bonds of 2002	3/15/2016	4.50%	$ 83,000

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with required method of setting up the Annual Debt Statement and indicates a statutory net debt of 0.781%.

	Gross Debt	Deductions	Net Debt
Local School District Debt	$ 130,000	$ 13,000	$ -
General Debt	2,016,300		2,016,300
Total	$ 2,146,300	$ 13,000	$ 2,016,300

Net Debt, $2,016,300 divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2, as amended, $258,14,369 equals 0.781%.

Equalized Valuation Basis:

2013	$ 256,836,609
2014	254,808,836
2015	262,730,661
Average	$ 258,125,369

NOTE 15. CAPITAL DEBT (CONTINUED)

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

3 1/2% of Equalized Valuation Basis (Municipal)	$	9,034,388
Net Debt		2,016,300
Remaining Borrowing Power	$	7,018,088

The foregoing debt information is in agreement with the Annual Debt Statement filed by the Chief Financial Officer.

Schedule of Annual Debt Service for Principal and Interest for Bonded Debt Issued and Outstanding

Serial Bonds Payable

	General		
Year	Principal	Interest	Total
2016	$ 83,000	$ 1,867	$ 84,867
Total	$ 83,000	$ 1,867	$ 84,867

Bond Anticipation Notes Payable

The Borough issues bond anticipation notes to temporarily fund various capital projects prior to the issuance of serial bonds. The term of the Notes can not exceed one year from the date of issuance, however the Notes may be renewed from time to time for a period not to exceed one year. Generally, such Notes must be paid no later than the first day of the fifth month following the close of the tenth fiscal year following the date of the original Notes. The State of New Jersey also prescribes that on or before the third anniversary date of the original Note a payment of an amount at least equal to the first legally payable installment of the bonds in anticipation of which such Notes were issued be paid or retired. A second and third legal installment must be paid if the Notes are to be renewed beyond the forth and fifth anniversary date of the original issuance.

As of December 31, 2015 the Borough had outstanding bond anticipation notes as follows:

Fund	Amount Outstanding	Interest Rate	Maturity Date
General Capital	$ 52,500	(1)	October 10, 2016
General Capital	198,202	(1)	December 8, 2016
General Capital	1,324,675	0.79%	September 9, 2015
Total	$ 1,575,377		

(1) There is no interest rate as the Current Fund of the Borough holds these notes as an investment. See Note 3.

NOTE 15. CAPITAL DEBT (CONTINUED)

At December 31, 2015 the Borough had operating lease agreements in effect for the rental of the fire engine room, police station and storage space and a copier. All lease agreements are for an indefinite period of time. Rental payments under the operating leases for the year ended December 31, 2015 were $14,028.

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

Year	Total
2016	$ 14,028
2017	14,028
2018	2,028
Total	$ 30,084

NOTE 17. SCHOOL TAXES

Local District School Tax has been raised and liabilities deferred by statute, resulting in the school taxes payable set forth in the Current Fund Liabilities as follows:

	Local District School Tax Balance December 31,	
	2015	2014
Balance of Tax	$ 2,437,661	$ 2,404,931
Deferred	848,766	848,766
School Tax Payable	$ 1,588,895	$ 1,556,165

NOTE 18. CONTINGENCIES

The Borough participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. Management believes that the amount from future audits, if any, would not be material.

SUPPLEMENTAL EXHIBITS

CURRENT FUND

EXHIBIT A-4

BOROUGH OF RIVERTON

Current Fund

Statement of Cash - Collector/Treasurer
For the Year Ended December 31, 2015

	CURRENT FUND		FEDERAL AND STATE GRANT FUND	
Balance December 31, 2014		$ 2,100,429.32		$ 65,687.91
Receipts:				
Taxes Receivable	$ 7,858,335.88			
Sewer Rent Receivable	446,466.69			
Revenue Accounts Receivable	478,789.77			
Due from State of New Jersey - Senior Citizens and Veterans Deductions	31,500.00			
Prepaid 2015 Taxes	54,530.12			
Tax Overpayments	6,414.28			
Sewer Overpayments	2,105.24			
Federal and State Grants Receivable			$ 17,638.02	
Due to Current Fund				
Due to Trust Fund	17,500.00			
Due to Capital Fund			209,264.79	
Due from federal & state grant fund	6,706.00			
Due to State of NJ - Construction Code Fees	1,736.02			
Miscellaneous Revenue Not Anticipated	85,376.34			
Total Receipts		8,989,460.34		226,902.81
Total Funds Available		11,089,889.66		292,590.72
Disbursements:				
2015 Appropriations	2,606,775.20			
2014 Appropriation Reserves and Accounts Payable	194,190.47			
Due to State of NJ - Construction Code Fees	1,592.04			
County Taxes Payable	1,055,232.49			
Due County for Added Taxes	425.06			
Local District School Tax	4,842,590.60			
Due to Current Fund				
Due to Trust Fund	17,500.00			
Due to Capital Fund	20,732.52		232,864.79	
Due from Other Trust Fund	8,800.00			
Tax Overpayments Refunded	575.00			
Reserve for Federal and State Grant Funds - Appropriated			44,717.35	
Total Disbursements		8,748,413.38		277,582.14
Balance December 31, 2015		$ 2,341,476.28		$ 15,008.58

EXHIBIT A-5

BOROUGH OF RIVERTON

Current Fund

Schedule of Taxes Receivable and Analysis of Property Tax Levy
For the Year Ended December 31, 2015

Year	Balance December 31, 2014	Added Taxes	2015 Levy	Collections by Cash 2014	Collections by Cash 2015	State Share of Senior Citizen and Veterans Deductions Allowed	Over Payments Applied	Canceled	Balance December 31, 2015
2014	$ 127,518.43	$ -	$ -	$ -	$ 124,457.40	$ -	$ -	$ -	$ 3,061.03
	127,518.43				124,457.40				3,061.03
2015			7,923,797.22	43,567.53	7,733,878.48	31,000.00	674.76		114,676.45
Total	$ 127,518.43	$ -	$ 7,923,797.22	$ 43,567.53	$ 7,858,335.88	$ 31,000.00	$ 674.76	$ -	$ 117,737.48

ANALYSIS OF PROPERTY TAX LEVY

Tax Yield:		
General Purpose Tax		$ 7,881,515.33
Added Taxes (54:4 -63.1 et seq.)		11,531.89
Senior Citizens and Veterans Deductions Allowed Per Original Levy		30,750.00
Total		$ 7,923,797.22
Tax Levy:		
Local District School Tax (Abstract)		$ 4,875,321.00
County Taxes:		
Regular Tax (Abstract)	$ 871,818.44	
Library Tax (Abstract)	81,227.20	
Open Space Preservation Tax (Abstract)	102,186.85	
Amount Due County for Added Taxes (54:4-63.1 et. Seq.)	1,543.71	1,056,776.20
Local Tax for Municipal Purposes	1,980,342.63	
Additional Tax Levies	11,357.39	1,991,700.02
Total		$ 7,923,797.22

EXHIBIT A-6

BOROUGH OF RIVERTON

Current Fund

Schedule of Revenue Accounts Receivable
For the Year Ended December 31, 2015

	Balance December 31, 2014	Accrued in 2015	Collected	Balance December 31, 2015	Remarks
Borough Clerk:					
Registrar of Vital Statistics - Licenses	$ -	$ 1,579.00	$ 1,579.00	$ -	
Fees and Permits		8,650.00	8,650.00		
Cell Tower Fees		37,391.99	37,391.99		
Municipal Court - Fines and Costs	8,122.73	95,932.20	94,489.03	9,565.90	Dec. 2015
Interest and Costs on Taxes		31,759.63	31,759.63		
Fire Official - Uniform Fire Safety - Fees and Permits		8,786.39	8,786.39		
Construction Code Fees		32,320.98	32,320.98		
Interest on Investments and Bank Deposits		6,199.81	6,199.81		
Energy Receipts Tax		225,167.00	225,167.00		
Consolidated Municipal Property Tax Relief Aid		5,410.00	5,410.00		
Payments in Lieu of Taxes		17,166.04	17,166.04		
Cable TV Franchise Fees	9,869.90	10,644.53	9,869.90	10,644.53	Dec. 2015
Total	$ 17,992.63	$ 481,007.57	$ 478,789.77	$ 20,210.43	

EXHIBIT A-7

BOROUGH OF RIVERTON

Current Fund

Schedule of Sewer Rent Recievable
For the Year Ended December 31, 2015

Balance December 31, 2014		$ 31,796.90
Increased by:		
Sewer Rent Billed in 2015		446,149.08
Total		477,945.98
Decreased by:		
Collections	$ 446,466.69	
Overpayments Applied	1,662.03	448,128.72
Balance December 31, 2015		$ 29,817.26

EXHIBIT A-8

BOROUGH OF RIVERTON

Current Fund

Schedule of Due From State of New Jersey-
Senior Citizen and Veterans' Deductions
For the Year Ended December 31, 2015

Balance December 31, 2014		$ 9,598.21
Increased by:		
Accrued in 2015:		
Senior Citizens Deductions Per Billings	$ 4,000.00	
Veterans Deductions Per Billings	26,750.00	
	30,750.00	
Add - Current Year Senior Citizen and Veteran Allowed by Collector	500.00	
Less - Current Year Senior Citizen and Veteran Disallowed by Collector	(250.00)	
		31,000.00
		40,598.21
Decreased by:		
Cash Received	31,500.00	
Prior Year Adjustment	9,098.21	40,598.21
Balance December 31, 2015		$ -

BOROUGH OF RIVERTON
CURRENT FUND
Statement of 2014 Appropriation Reserves and Reserve for Encumbrances
For The Year Ended December 31, 2015

	Balance December 31, 2014		Balance After	Paid or	Balance
	Encumbered	Reserved	Transfers	Charged	Lapsed
Salaries and Wages:					
Financial Administration	$ -	$ 30.95	$ 30.95	$ -	$ 30.95
Borough Clerk		0.41	0.41		0.41
Assessment of Taxes		69.91	69.91		69.91
Planning Board			-		-
Police		129,946.37	97,019.50	3,602.80	93,416.70
Fire Official		0.08	0.08		0.08
Road Repair and Maintenance	1,652.00	1,550.21	3,202.21	2,206.00	996.21
Registrar of Vital Statistics		0.22	0.22		0.22
Sewerage		1,130.76	1,130.76		1,130.76
Construction Code Office		2,127.71	2,127.71		2,127.71
			-		
Other Expenses:			-		
Mayor and Council	396.94	364.83	761.77	396.94	364.83
Borough Clerk	867.25	25.00	1,108.38	1,083.38	25.00
Financial Administration	420.28	435.35	509.78	457.78	52.00
Computerizing Data Processing	16.00		16.00	16.00	-
Collection of Taxes		63.60	63.60		63.60
Assessment of Taxes		650.93	650.93		650.93
Legal Services and Costs	1,347.50	3,132.78	1,546.28	1,545.50	0.78
Engineer	1,643.00		2,097.00	2,097.00	-
Planning Board	456.78	2,426.13	3,092.88	666.75	2,426.13
Employees Group Insurance		41,418.60	41,418.60	24,378.48	17,040.12
Police	1,368.11	4,336.69	5,704.80	1,625.35	4,079.45
Office of Emergency Management		2.25	2.25		2.25
Fire	6,836.24		6,887.77	6,887.77	-
Fire Official		310.00	310.00	51.53	258.47
Road Repair and Maintenance	708.42	4,967.59	5,676.01	759.95	4,916.06
Shade Tree Commission	4,625.00	11,895.00	16,520.00	4,751.87	11,768.13
Solid Waste Collection	7,948.98		8,117.97	8,117.97	-
Public Buildings and Grounds	670.42		1,277.74	647.61	630.13
Vehicle Maintenance	6,065.35	431.54	6,665.79	6,234.25	431.54
Registrar of Vital Statistics		150.00	150.00		150.00
Forward	35,022.27	205,466.91	206,159.30	65,526.93	140,632.37

(Continued)

BOROUGH OF RIVERTON
CURRENT FUND
Statement of 2014 Appropriation Reserves and Reserve for Encumbrances
For The Year Ended December 31, 2015

	Balance December 31, 2014		Balance After	Paid or	Balance
	Encumbered	Reserved	Transfers	Charged	Lapsed
Brought Forward	$ 35,022.27	$ 205,466.91	$ 206,159.30	$ 65,526.93	$ 140,632.37
Other Expenses (Cont'd):					
Animal Control	603.00	544.75	1,147.75	948.00	199.75
Recreation	175.00		175.00	175.00	
Celebration of Public Events			-		
Electricity	6,744.03	5,561.48	13,423.45	13,423.45	
Street Lighting	4,307.10	2,916.16	8,567.07	8,567.07	
Telephone	1,156.00		1,156.00	1,156.00	
Water	160.81		160.81	160.81	
Fire Hydrant Service	3,357.20		3,357.20	3,357.20	
Sewerage Processing	15,096.21	9,438.95	24,535.16	15,141.95	9,393.21
Gasoline	4,024.72		4,024.72	4,024.72	
Landfill and Solid Waste Disposal Costs	7,271.93	3,204.93	10,476.86	7,271.93	3,204.93
Municipal Court		47,708.58	74,026.41	74,026.41	
Construction Code Office	110.00		5,660.30	411.00	5,249.30
Social Security System		2,857.00	2,857.00		2,857.00
Total	$ 78,028.27	$ 277,698.76	$ 355,727.03	$ 194,190.47	$ 161,536.56

EXHIBIT A-10

BOROUGH OF RIVERTON

Current Fund

Schedule of Tax Overpayments
For the Year Ended December 31, 2015

Balance December 31, 2014		$ 4,651.77
Increased by:		
Collected		6,414.28
Subtotal		11,066.05
Decreased by:		
Refunds	$ 575.00	
Overpayment Applied to 2015 Taxes	674.76	1,249.76
Balance December 31, 2015		$ 9,816.29

EXHIBIT A-11

Schedule of Prepaid Taxes
For the Year Ended December 31, 2015

Balance December 31, 2014	$ 43,567.53
Increased by:	
Collected	54,530.12
Subtotal	98,097.65
Decreased by:	
Applied to 2015 Taxes	43,567.53
Balance December 31, 2015	$ 54,530.12

Exhibit A-12

BOROUGH OF RIVERTON

Current Fund

Schedule of Sewer Rent Overpayments
For the Year Ended December 31, 2015

Balance December 31, 2014	$	1,662.03
Increased by:		
Collected		2,105.24
		3,767.27
Decreased by:		
Applied to 2015 Sewer Rents		1,662.03
Balance December 31, 2015	$	2,105.24

Exhibit A-13

Schedule of Due to State of NJ - UCC Fees
For the Year Ended December 31, 2015

Balance December 31, 2014	$	421.00
Increased by:		
State Portion of UCC Fees		1,736.02
		2,157.02
Decreased by:		
Disbursements		1,592.04
Balance December 31, 2015	$	564.98

BOROUGH OF RIVERTON

Current Fund

Schedule of County Taxes Payable
For the Year Ended December 31, 2015

Balance December 31, 2014		$ 425.06
Increased by:		
2015 Levy:		
General County	$ 871,818.44	
County Library	81,227.20	
County Open Space	102,186.85	
Added and Omitted Taxes	1,543.71	
		1,056,776.20
Subtotal		1,057,201.26
Decreased by:		
Payments		1,055,657.55
Balance December 31, 2015		$ 1,543.71

BOROUGH OF RIVERTON

Current Fund

Schedule of Local District School Tax Payable
For the Year Ended December 31, 2015

Balance December 31, 2014:		
School Tax Payable	$ 1,556,165.03	
School Tax Deferred	848,766.00	$ 2,404,931.03
Increased by:		
Levy - School Year July 1, 2015 to June 30, 2016		4,875,321.00
Total		7,280,252.03
Decreased by:		
Payments		4,842,590.60
Balance December 31, 2015:		
School Tax Payable	1,588,895.43	
School Tax Deferred	848,766.00	$ 2,437,661.43

2015 Liability for Local District School Tax:	
Tax Paid	$ 4,842,590.60
Tax Payable December 31, 2015	1,588,895.43
Total	6,431,486.03
Less:	
Tax Payable December 31, 2014	1,556,165.03
Amount Charged to 2015 Operations	$ 4,875,321.00

EXHIBIT A-16

BOROUGH OF RIVERTON

Federal and State Grant Fund

Schedule of Federal and State Grants Receivable
For the Year Ended December 31, 2015

	Balance December 31, 2014	Accrued	Received	Transferred From Unappropriated Reserves	Transferred To Unappropriated	Balance December 31, 2015
State Grants:						
Clean Communities Grant	$ -	$ 921.76	$ 6,601.01	$ 921.76	$ 6,601.01	$ -
Alcohol Education Rehab		59.08	530.40	59.08	530.40	
Recycling Tonnage Grant		3,647.91	3,497.82	3,647.91	3,497.82	
Body Armor Grant			920.97		920.97	
Drunk Driving Enforcement Grant			6,087.82		6,087.82	
Burlington County Park Improvement						
Burlington County Park Grant - 2014	125,000.00					125,000.00
Burlington County Park Grant - 2015		125,000.00				125,000.00
NJ State Forestry Grant	20,000.00					20,000.00
Total State Grants	145,000.00	129,628.75	17,638.02	4,628.75	17,638.02	270,000.00
Federal Grants:						
NJ Transportation Trust Fund	9,248.00					9,248.00
Bullet Proof Vest Partnership Program		737.14		737.14		
Total Federal Grants	9,248.00	737.14		737.14		9,248.00
Total Federal and State Grants	$ 154,248.00	$ 130,365.89	$ 17,638.02	$ 5,365.89	$ 17,638.02	$ 279,248.00

EXHIBIT A-17

BOROUGH OF RIVERTON

Federal and State Grant Fund

Schedule of Reserve for Federal and State Grants - Unappropriated
For the Year Ended December 31, 2015

	Balance December 31, 2014	Federal and State Grant Receivable	Realized as Revenue 2015	Balance December 31, 2015
State Grants:				
Clean Communities Grant	$ -	$ 6,601.01	$ -	$ 6,601.01
Recycling Tonnage Grant	3,647.91	3,497.82	3,647.91	3,497.82
Alcohol Education Rehab Grant	59.08	530.40	59.08	530.40
Body Armor Grant	921.76	920.97	921.76	920.97
Drunk Driving Enforcement Grant		6,087.82		6,087.82
Federal Grants:				
Bullet Proof Vest	737.14		737.14	
Total State Grants	5,365.89	17,638.02	5,365.89	17,638.02
Total Federal and State Grants	$ 5,365.89	$ 17,638.02	$ 5,365.89	$ 17,638.02

BOROUGH OF RIVERTON

Federal and State Grant Fund

Schedule of Reserve for Federal and State Grants - Appropriated
For the Year ended December 31, 2015

	Balance December 31, 2014	Transferred from 2015 Budget Appropriation	Disbursed	Balance December 31, 2015
State Grants:				
Clean Communities Grant	$ 33,718.66	$ 921.76	$ 34,640.42	$ -
Recycling Tonnage Grant	2,592.75	3,647.91	4,150.00	2,090.66
Drunk Driving Enforcement Fund	78.71		78.71	
Community Steward Incentive	325.00			325.00
Alcohol Education Rehabilitation	3,790.03	59.08		3,849.11
Green Communities	946.25			946.25
Burlington County Park Improvement				
Body Armor Grant	5,007.08			5,007.08
Stormwater Grant	3,875.97			3,875.97
N.J. State Forestry Grant	20,000.00			20,000.00
Emergency Management Grant	823.59			823.59
Domestic Violence	137.04			137.04
Burlington County Park Improvement - 2014	125,000.00			125,000.00
Burlington County Park Improvement - 2015		125,000.00		125,000.00
Total State Grants	196,295.08	129,628.75	38,869.13	287,054.70
Federal Grants:				
NJ Transportation Trust Fund	10,198.00			10,198.00
Motor Veh. Aggressive Driver Crack Down	8,076.94			8,076.94
Bullet Proof Vest Program		737.14		737.14
Total Federal Grants	18,274.94	737.14	-	19,012.08
Total Federal and State Grants	$ 214,570.02	$ 130,365.89	$ 38,869.13	$ 306,066.78

Cash Disbursed	$ 44,717.35
Encumbrances Payable	857.78
Due from Current Fund	(6,706.00)
Total	$ 38,869.13

TRUST FUND

BOROUGH OF RIVERTON

Trust Fund

Schedule of Cash - Treasurer
For the Year Ended December 31, 2015

	Animal Control	Total Other Trust Funds	Registrar of Vital Statistics	Flexible Spending	Unemployment Compensation	Trust Other	Trust Premium	Police Forfeited Property (MLETA)	POAA	Public Defender	Development Fees	Payment In Lieu of Construction	Payroll
Balance December 31, 2014	$ 2,591.13	$ 144,818.26	$ 162.07	$ 761.06	$ 21,569.55	$ 35,815.14	$ 10,785.59	$ 1,684.81	$ 323.45	$ 750.72	$ 4,664.65	$ 55,891.03	$ 12,410.19
Receipts:													
Dog License Fees:													
Municipal Licenses	378.40												
State Registration Fees	96.00												
Marriage Licenses Issued		75.00	75.00										
Employee Contributions		2,327.37		999.96	1,327.41								
Redemption		39,637.82				39,637.82							
Escrow		9,609.78				9,609.78							
Veteran Affairs		215.00				215.00							
Shade Tree		200.00				200.00							
POAA Fees		16.00							16.00				
Public Defender Fees		5,050.50								5,050.50			
COAH Fees		758.50									758.50		
Forfeited Property		1,929.72						1,929.72					
Payroll Deductions Payable		338,320.19											338,320.19
Net Payroll		655,549.64											655,549.64
Due to Current		8,200.00			8,200.00								
Interest Earned	7.03	440.00	0.14	1.38	78.68	97.78	22.33	7.96	0.83	1.89	13.20	139.88	75.93
Total Receipts	481.43	1,062,329.52	75.14	1,001.34	9,606.09	49,760.38	22.33	1,937.68	16.83	5,052.39	771.70	139.88	993,945.76
Disbursements:													
Expenditures Under RS4:19-15.11	267.20												
State Registration Fees													
Employee Claims		1,000.00		1,000.00									
Redemption		22,137.33				22,137.33							
Escrow		20,410.76				20,410.76							
Shade Tree		123.11				123.11							
Other Funds		2,940.72				2,940.72							
Redemption of Premiums		3,700.00					3,700.00						
Forfeited Property		389.99						389.99					
Public Defender Fees		4,800.00								4,800.00			
Payroll Deductions Payable		338,386.23											338,386.23
Net Payroll		655,549.64											655,549.64
Due to State of NJ		12,877.66	175.00		12,702.66								
Due to Current Fund		160.97				96.40							64.57
Total Disbursements	267.20	1,062,476.41	175.00	1,000.00	12,702.66	45,708.32	3,700.00	389.99	-	4,800.00	-	-	994,000.44
Balance December 31, 2015	$ 2,805.36	$ 144,671.37	$ 62.21	$ 762.40	$ 18,472.98	$ 39,867.20	$ 7,107.92	$ 3,232.50	$ 340.28	$ 1,003.11	$ 5,436.35	$ 56,030.91	$ 12,355.51

EXHIBIT B-2

BOROUGH OF RIVERTON

Dog License Fund

Schedule of Reserve for Animal Control Fund Expenditures
For the Year Ended December 31, 2015

Balance December 31, 2014		$ 785.00
Increased by:		
2015 Dog License Fees Collected	$ 340.00	
Late Fees	53.40	
		393.40
Total		1,178.40
Decreased by:		
Expenditures Under RS4:19-15.11	170.00	
Due to Current Fund	258.40	
		428.40
Balance December 31, 2015		$ 750.00

License Fees Collected

Year:	
2013	$ 395.00
2014	355.00
Total	$ 750.00

EXHIBIT B-3

BOROUGH OF RIVERTON

Trust - Other Funds

Schedule of Due to State of New Jersey
For the Year Ended December 31, 2015

Balance December 31, 2014	$ 150.00
Increased by: Marriage Licenses Issued	75.00
Subtotal	225.00
Decreased by:	
Cash Disbursed to State of New Jersey	175.00
Balance December 31, 2015	$ 50.00

EXHIBIT B-4

Schedule of Payroll Deductions Payable
For the Year Ended December 31, 2015

Balance December 31, 2014	$ -
Increased by:	
Payroll Deductions Received	993,945.76
Total	993,945.76
Decreased by:	
Payroll Deductions Disbursed	993,945.76
Balance December 31, 2015	$ -

EXHIBIT B-5

BOROUGH OF RIVERTON

Trust - Other Funds

Schedule of Tax Title Lien Payable
For the Year Ended December 31, 2015

Balance December 31, 2015 and 2014	$ 3,564.31

EXHIBIT B-6

Schedule of Reserve For Payment of Unemployment Claims
For the Year Ended December 31, 2015

Balance December 31, 2014		$ 21,569.55
Increased by:		
Employee withholdings	$ 1,327.41	
Interest Earned	78.68	
		1,406.09
Subtotal		21,569.55
Decreased by:		
Payment of Unemployment Claims		12,702.66
Balance December 31, 2015		$ 8,866.89

EXHIBIT B-7

Schedule of Reserve For Flexible Spending Benefits
For the Year Ended December 31, 2015

Balance December 31, 2014	$ -
Increased by:	
Employee withholdings	1,000.00
Subtotal	1,000.00
Decreased by:	
Payment of Flexible Spending Benefits	1,000.00
Balance December 31, 2015	$ -

EXHIBIT B-8

BOROUGH OF RIVERTON

Trust - Other Funds

Schedule of Reserve For Developer's Escrow Deposits
For the Year Ended December 31, 2015

Balance December 31, 2014	$ 68,553.83
Increased by Receipts	10,368.28
Subtotal	78,922.11
Decreased by:	
Cash Disbursed	20,410.76
Balance December 31, 2015	$ 58,511.35

EXHIBIT B-9

Schedule of Reserve For Tax Sale Premiums
For the Year Ended December 31, 2015

Balance December 31, 2014	$ 10,785.59
Increased by:	
Premiums Collected	17,522.33
Subtotal	28,307.92
Decreased by:	
Payment of Premiums	3,700.00
Balance December 31, 2015	$ 24,607.92

EXHIBIT B-10

BOROUGH OF RIVERTON

Trust - Other Funds

Schedule of Reserve For Shade Tree Commission
For the Year Ended December 31, 2015

Balance December 31, 2014		$ 8,543.84
Increased by:		
Receipts		200.00
	Subtotal	8,743.84
Decreased by:		
Payments		123.11
Balance December 31, 2015		$ 8,620.73

EXHIBIT B-11

Schedule of Reserve For Environmental Fund
For the Year Ended December 31, 2015

Balance December 31, 2014	$ 8,102.10
Decreased by:	
Payments	2,940.72
Balance December 31, 2015	$ 5,161.38

EXHIBIT B-12

Schedule of Reserve For Veteran Affairs
For the Year Ended December 31, 2015

Balance December 31, 2014	$ 1,143.00
Increased by:	
Receipts	215.00
Balance December 31, 2015	$ 1,358.00

EXHIBIT B-13

BOROUGH OF RIVERTON

Trust - Other Funds

Schedule of Reserve For Public Defender
For the Year Ended December 31, 2015

Balance December 31, 2014	$ 704.13
Increased by:	
Receipts from Municipal Court	5,050.50
Subtotal	5,754.63
Decreased by:	
Payments	5,400.00
Balance December 31, 2015	$ 354.63

EXHIBIT B-14

BOROUGH OF RIVERTON

Trust - Other Funds

Schedule of Reserve For Police Forfeited Property
For the Year Ended December 31, 2015

Balance December 31, 2014		$ 1,684.81
Increased by:		
Receipts	$ 1,929.72	
Interest Earned	7.96	
		1,937.68
Subtotal		1,684.81
Decreased by:		
Payments		389.99
Balance December 31, 2015		$ 1,294.82

EXHIBIT B-15

Schedule of Reserve For Compensated Absences
For the Year Ended December 31, 2015

Balance December 31, 2015 and 2014	$ 30,000.00

EXHIBIT B-16

Schedule of Reserve For POAA Funds
For the Year Ended December 31, 2015

Balance December 31, 2014		$ 323.45
Increased by:		
Receipts from Municipal Court	$ 16.00	
Interest Earned	0.83	
		16.83
Subtotal		340.28
Decreased by:		
Payments		
Balance December 31, 2015		$ 340.28

GENERAL CAPITAL FUND

EXHIBIT C-2

BOROUGH OF RIVERTON
General Capital Fund
Schedule of Cash - Treasurer
For the Year Ended December 31, 2015

Balance December 31, 2014		$ 536,459.35
Receipts:		
Current Fund Budget Appropriation - Capital Improvement Fund	$ 25,000.00	
Bond Anticipation Notes	1,324,675.00	
Due to Current Fund	117,119.70	
		1,466,794.70
Total		2,003,254.05
Disbursements:		
Improvement Authorizations	921,821.68	
Bond Anticipation Notes	847,704.00	
Due to Current Fund	117,152.98	
		1,886,678.66
Balance December 31, 2015		$ 116,575.39

EXHIBIT C-3

BOROUGH OF RIVERTON
General Capital Fund
Analysis of General Capital Cash and Investments
For the Year Ended December 31, 2015

Fund Balance		$ 18,478.88
Capital Improvement Fund		256.76
Due from Current Fund		(41,739.02)
Improvement Authorizations:		
Ordinance Number		
2002-4	Various Improvements	1,211.66
2007-3	Various Improvements:	
	Purchase of Police Equipment	741.17
	2007 Road Program	19,563.21
	Computer Equipment	381.28
	Office Equipment	3,715.23
2010-4	Various Improvements	(129,132.10)
2011-8	Various Improvements	29,780.00
2013-5	Various Improvements	(33,784.21)
2013-7	Sewer System Upgrades	(47,500.00)
2014-8	Multi-purpose:	
	Police Vehicles	471.30
	Borough Roof and Police remodeling	501.05
	Road Improvements to Elm Terrace	(41,508.35)
	Acquisition of Public Works Equipment	5,873.53
	Acquisition of Fire Truck	1,787.00
2015-2	Multi-purpose:	
	Acquisition of Computer Equipment	2,335.00
	Improvements to Riverton Park	37,500.00
	Road Improvements	191,685.00
	Acquisition of Street Signs	10,000.00
	Acquisition of Public Works Equipment	40,458.00
	Sewer System-Wide Improvements	45,500.00
	Total	$ 116,575.39

EXHIBIT C-4

BOROUGH OF RIVERTON
General Capital Fund
Schedule of Deferred Charges to Future Taxation - Funded
For the Year Ended December 31, 2015

Balance December 31, 2014		$ 171,150.99
Decreased by:		
Serial Bond Principal	$ 87,000.00	
Green Acres Loan Principal	1,150.99	88,150.99
Balance December 31, 2015		$ 83,000.00

EXHIBIT C-5

BOROUGH OF RIVERTON
General Capital Fund
Schedule of Deferred Charges to Future Taxation - Unfunded
For the Year Ended December 31, 2015

Ordinance Number	Improvement Description	Balance December 31, 2014	2015 Authorizations	Paid by Budget	Balance December 31, 2015	Analysis of Balance December 31, 2015: Financed by Bond Aniticpation Notes	Analysis of Balance December 31, 2015: Expenditures	Analysis of Balance December 31, 2015: Unexpended Improvement Authorization
2005-6	Various Capital Improvements	$ 82,500.00	$ -	$ 30,000.00	$ 52,500.00	$ 52,500.00	$ -	$ -
2009-5	2009 Road Program	214,000.00		50,000.00	164,000.00	98,363.68		65,636.32
2010-4	Various Capital Improvements	231,900.00		15,000.00	216,900.00	29,588.00	152,732.10	34,579.90
2011-8	Various Capital Improvements	85,250.00		15,000.00	70,250.00	70,250.00		
2013-5	Various Capital Improvements	57,475.00			57,475.00		33,784.21	23,690.79
2013-7	Upgrades to Sewer System	47,500.00			47,500.00		47,500.00	
2014-8	Various Capital Improvements	847,704.00			847,704.00	847,704.00		
2015-2	Various Capital Improvements		476,971.00		476,971.00	476,971.00		
		$ 1,566,329.00	$ 476,971.00	$ 110,000.00	$ 1,933,300.00	$ 1,575,376.68	$ 234,016.31	$ 123,907.01

Improvement Authorizations - Unfunded		$ 487,515.54
Less - Unexpended Proceeds from Bond Anticipation Notes:		
Ordinance 2011-8	$ 29,780.00	
Ordinance 2014-8	18,374.53	
Ordinance 2015-2	315,454.00	
		363,608.53
Total		$ 123,907.01

EXHIBIT C-6

BOROUGH OF RIVERTON
General Capital Fund
Statement of Grants Receivable
For the Year Ended December 31, 2015

Balance December 31, 2014		$ 176,250.00
Increased by:		
Department of Transportation - Road Improvements	$ 195,000.00	
Burlington County Park Development Grant	250,000.00	445,000.00
		621,250.00
Decreased by:		
Due from Current Fund		
Balance December 31, 2015		$ 621,250.00

Analysis of Balance	
Department of Transportation - Elm Terrace	$ 51,250.00
Burlington County Park Development Grant - Memorial Park	125,000.00
Burlington County Park Development Grant - Memorial Park	250,000.00
Department of Transportation - Road Improvements	195,000.00
	$ 621,250.00

EXHIBIT C-7

BOROUGH OF RIVERTON
General Capital Fund
Schedule of General Serial Bonds
For the Year Ended December 31, 2015

Purpose	Date of Issue	Amount of Original Note	Maturities of Bonds Outstanding December 31, 2015 Date	Amount	Interest Rate	Balance December 31, 2014	Issued	Decreased	Balance December 31, 2015
General Bonds of 2001	3/15/01	$ 1,301,000	3/15/2016	$ 83,000.00	4.50%	$ 170,000.00	$ -	$ 87,000.00	$ 83,000.00
				Total		$ 170,000.00	$ -	$ 87,000.00	$ 83,000.00

EXHIBIT C-8

BOROUGH OF RIVERTON
General Capital Fund
Statement of Green Acres Trust Loan Proceeds Payable
For the Year Ended December 31, 2015

Balance December 31, 2014	$	1,150.99
Decreased by:		
Paid by Budget Appropriation		1,150.99
Balance December 31, 2015	$	-

EXHIBIT C-9

BOROUGH OF RIVERTON
General Captial Fund
Schedule of Bond Anticipation Notes
For the Year Ended December 31, 2015

Ordinance Number	Improvement Description	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2014	Increased	Decreased	Balance December 31, 2015
2005-6	Multi-Purpose	10/12/06	10/10/14	10/10/15	Nil.	$ 82,500.00	$ -	$ 82,500.00	$ -
2005-6	Multi-Purpose	10/12/06	10/10/15	10/10/16	Nil.		52,500.00		52,500.00
2009-5	2009 Road Program	12/12/09	12/8/14	12/8/15	Nil.	148,363.68		148,363.68	-
2009-5	2009 Road Program	10/12/06	10/10/15	10/10/16	Nil.		98,363.68		98,363.68
2010-4	Multi-Purpose	12/10/10	12/8/14	12/8/15	Nil.	44,588.00		44,588.00	-
2010-4	Multi-Purpose	10/12/06	10/10/15	10/10/16	Nil.		29,588.00		29,588.00
2011-8	Multi-Purpose	12/10/11	12/8/14	12/8/15	Nil.	85,250.00		85,250.00	-
2011-8	Multi-Purpose	12/10/11	10/10/15	10/10/16	Nil.		70,250.00		70,250.00
	Investment in Current Fund					360,701.68	250,701.68	360,701.68	250,701.68
2014-8	Multi-Purpose	9/9/14	9/9/14	9/9/15	0.75%	847,704.00		847,704.00	
2014-8	Multi-Purpose	9/9/14	9/8/15	9/8/15	0.79%		847,704.00		847,704.00
2015-02	Multi-Purpose	9/8/15	9/8/15	9/8/15	0.79%		476,971.00		476,971.00
						$ 1,208,405.68	$ 1,575,376.68	$ 1,208,405.68	$ 1,575,376.68

Renewal	$ 1,098,405.68	$ 1,098,405.68
Issued for Cash	476,971.00	
Paid by Budget		110,000.00
	$ 1,575,376.68	$ 1,208,405.68

Nil. = Held as an investment in the Current Fund

EXHIBIT C-10

BOROUGH OF RIVERTON
General Capital Fund
Schedule of Improvement Authorizations
For the Year Ended December 31, 2015

Ordinance Number	Improvement Description	Ordinance Date	Ordinance Amount	Balance December 31, 2014 Funded	Balance December 31, 2014 Unfunded	2015 Authorizations: Capital Improvement Fund	2015 Authorizations: Grant Receivable	2015 Authorizations: Deferred Charges To Future Taxation Unfunded	Paid or Charged	Balance December 31, 2015 Funded	Balance December 31, 2015 Unfunded
2002-4	Multi-purpose:	07/11/02									
	c. Repairs to Seawall		$ 16,000	$ 1,211.66	$ -	$ -	$ -	$ -	$ -	$ 1,211.66	$ -
2007-3	Multi-purpose:	05/21/07	153,800								
	a. Purchase of Police Equipment			741.17						741.17	
	b. 2007 Road Program			19,563.21						19,563.21	
	c. Computer Equipment			381.28						381.28	
	d. Office Equipment			3,800.32					85.09	3,715.23	
2009-5	2009 Road Program	12/12/09	200,000		65,636.32						65,636.32
2010-4	Multi-purpose:	07/14/10									
	c. Improvements to Park		201,875		73,069.90				38,490.00		34,579.90
2011-8	Multi-purpose:	06/08/11									
	c. 2011 Road Program		50,000		29,780.00						29,780.00
2013-5	Multi-purpose:	05/08/13									
	a. Purchase of Loader Bucket		15,500		217.15						217.15
	b. Imps and upgrades to WW Treatment Tank		30,000		23,189.97						23,189.97
	c. Acq. of Equipment for Public Works Dept.		15,000		3,855.00				3,571.33		283.67
2013-7	Sewer System Upgrades	12/01/13	50,000		30,595.25				30,595.25		
2014-8	Multi-purpose:	06/11/14									
	a. Police Vehicles		68,000.00		7,262.34				6,791.04		471.30
	b. Borough Roof and Police Remodeling		38,000.00		32,600.00				32,098.95		501.05
	c. Road Improvements to Elm Terrace		497,700.00	219,635.00	268,440.00				478,333.35		9,741.65
	d. Various Memorial Park Improvements		125,000.00	125,000.00						125,000.00	
	e. Acquisition of Public Works Equipment		43,620.00		11,414.00				5,540.47		5,873.53
	f. Acquisition of Fire Truck		450,000.00		197,872.00				196,085.00		1,787.00
2015-2	Multi-purpose:										
	a. Acquisition of Computer Equipment		2,400.00			120.00		2,280.00	65.00	55.00	2,280.00
	b. Improvements to Riverton Park		287,500.00			1,875.00	250,000.00	35,625.00		251,875.00	35,625.00
	c. Road Improvements		366,675.00			9,594.00	195,000.00	182,091.00		204,594.00	182,091.00
	d. Acquisition of Street Signs		10,000.00			500.00		9,500.00		500.00	9,500.00
	e. Acquisition of Public Works Equipment		210,500.00			10,515.00		199,975.00	170,032.00		40,458.00
	f. Sewer System-Wide Improvements		50,000.00			2,500.00		47,500.00	4,500.00		45,500.00
	Total			$ 370,332.64	$ 743,931.93	$ 25,104.00	$ 445,000.00	$ 476,971.00	$ 966,187.48	$ 607,636.55	$ 487,515.54

Cash Disbursed	$ 921,821.68
Due to Current Fund	20,765.80
Due to Federal and State Grant Fund	23,600.00
	$ 966,187.48

EXHIBIT C-11

BOROUGH OF RIVERTON
General Capital Fund
Statement of Capital Improvement Fund
For the Year Ended December 31, 2015

Balance December 31, 2014	$	360.76
Increased by:		
2015 Budget Appropriation		25,000.00
		25,360.76
Decreased by:		
Appropriated to Finance Improvement Authorization		25,104.00
Balance December 31, 2015	$	256.76

EXHIBIT C-12

BOROUGH OF RIVERTON
General Capital Fund
Statement of Bonds and Notes Authorized but not Issued
For the Year Ended December 31, 2015

Ordinance Number	Improvement Description	Balance December 31, 2014	2015 Authorizations	Bond Anticipation Notes Issued	Balance December 31, 2015
2009-5	2009 Road Program	$ 65,636.32	$ -	$ -	$ 65,636.32
2010-4	Multi-Purpose	187,312.00			187,312.00
2013-5	Multi-Purpose	57,475.00			57,475.00
2013-7	Sewer System Upgrades	47,500.00			47,500.00
2015-2	Multi-Purpose		476,971.00	476,971.00	
	Total	$ 357,923.32	$ 476,971.00	$ 476,971.00	$ 357,923.32

PUBLIC ASSISTANCE FUND

EXHIBIT D-1

BOROUGH OF RIVERTON
PUBLIC ASSISTANCE FUND
Schedule of Cash - Treasurer
For the Year Ended December 31, 2015

	P.A.T.F. I
Balance December 31, 2014	$ 728.37
Increased by Receipts:	
Interest Earned	1.80
Total	730.17
Decreased by Disbursements	
Balance December 31, 2015	$ 730.17

BOROUGH OF RIVERTON

PART II

Schedule of Findings and Recommendations

For the Year Ended December 31, 2015

BOROUGH OF RIVERTON
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2015

Section 1 -- Summary of Auditor's Results

Financial Statement Section

Type of auditor's report issued:	Unmodified			
Internal control over financial reporting:				
1) Material weaknesses identified?		yes	X	no
2) Significant deficiencies identified that are not considered to be material weaknesses?		yes	X	none reported
Noncompliance material to financial statements noted?		yes	X	no

Federal Awards

NOT APPLICABLE

State Awards

NOT APPLICABLE

BOROUGH OF RIVERTON
Schedule of Findings and Recommendations
For the Year Ended December 31, 2015

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 requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Finding #2015-1

Condition:
Vacation pay was paid for two employees without supporting documentation.

Criteria or specific requirement:
Local Finance Notice 2002-1 requires that documentation of the accumulated absence time and total value of the compensation due be calculated prior to payment.

Context:
Transition of employees.

Effect:
The lack of effective internal controls in determining if correct amounts were paid.

Recommendation:
That supporting documentation is available for all paid accumulated absences.

View of Responsible Official and Planned Corrective Action:
The responsible officials agree with the finding and will address the matter as part of the corrective action plan.

BOROUGH OF RIVERTON
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2015

Section 3 -- Schedule of Federal Awards and State Financial Assistance Findings and Questioned Costs

This section identifies reportable conditions, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major Federal and State Programs, as required by OMB Circular A-133 and New Jersey OMB's Circular 15-08.

FEDERAL AWARDS

A federal single audit was not required.

STATE AWARDS

A state single audit was not required.

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

This section identifies the status of prior year findings related to the financial statements and federal awards and state financial assistance that are required to be reported in accordance with *Government Auditing Standard*, OMB Circular A-133 and New Jersey OMB's Circular 15-08.

FINANCIAL STATEMENT FINDINGS

No prior year findings.

FEDERAL AWARDS

A Federal Single Audit was not required.

STATE AWARDS

A State Single Audit was not required.

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office at December 31, 2015:

Name	Title	Amount of Bond	Name of Corporate Surety
William C. Brown	Mayor		
Suzanne Cairns Wells	President of Council		
Armand Bianchini	Councilman		
William Corbi	Councilman		
Renee Azelby	Councilwoman		
Michael Kinzler	Councilman		
Joseph Creighton	Councilman		
Mary Longbottom	Borough Clerk and Registrar of Vital Statistics - Until 7/31/2015	$ 35,000	(B)
Michelle Hack	Borough Clerk and Registrar of Vital Statistics - From 8/1/2015 to Present	35,000	(B)
Marianne Hulme	Chief Financial Officer - Until 7/31/2015	10,000	(A)
Donna Condo	Chief Financial Officer - From 8/1/2015 to Present	200,000	(B)
Marianne Hulme	Tax Collector - Until 7/31/2015	200,000	(B)
Dolores Rosso	Tax Collector - 8/1/2015 to Present	100,000	(B)
Betty Boyle	Treasurer - Until 7/31/2015	175,000	(B)
Ashley Mele	Treasurer - From 8/1/2015	175,000	(B)
Roger Fort	Construction Code Official	10,000	(A)
Mary Lodato	Code Enforcement and Zoning Official	10,000	(A)
James Duda	Assessor		
Harry Fox	Engineer		
Bruce M. Gunn	Solicitor		

All Bonds were examined and properly executed.

(A) Selective Insurance Company - Employee Dishonesty Coverage

(B) Selective Insurance Company - Separate Surety Bond.

ACKNOWLEDGMENT

I express my appreciation for the assistance and courtesies extended to the audit team by the Borough Officials during the course of our audit.

Respectfully submitted,

INVERSO & STEWART, LLC
Certified Public Accountant

Robert P. Inverso
Certified Public Accountant
Registered Municipal Accountant

May 27, 2016