

**BOROUGH OF RIVERTON**  
**County of Burlington**

**Report of Audit of Financial Statements**  
**For the Year Ended December 31, 2007**

**BOROUGH OF RIVERTON**  
**COUNTY OF BURLINGTON**

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**BOROUGH OF RIVERTON**

**PART I**

**Report of Audit of Financial Statements**

**For the Year Ended December 31, 2007**

# ***INVERSO & STEWART, LLC***

**Certified Public Accountants  
Registered Municipal Accountants**

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## **INDEPENDENT AUDITOR'S REPORT**

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

We 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, 2007 and 2006, 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, 2007. These financial statements are the responsibility of the Borough's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, the financial statements previously referred to have been prepared in conformity with accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which differ from accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects on the financial statements of the requirement that the Borough prepare its financial statements in accordance with the accounting practices discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity 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, 2007 and 2006, or the results of its operations and changes in fund balance for the years then ended.

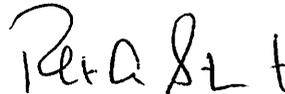
Furthermore, in our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Borough of Riverton, in the County of Burlington, State of New Jersey, as of December 31, 2007 and 2006, 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, 2007 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 29, 2008 on our consideration of the Borough of Riverton, County of Burlington, State of New Jersey's, internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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* and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough of Riverton's basic financial statements. The supplementary 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. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements of each of the respective individual funds and account group taken as a whole.

Respectfully submitted,

***INVERSO & STEWART, LLC***  
Certified Public Accountants



Robert A. Stewart  
Certified Public Accountant  
Registered Municipal Accountant

Marlton, New Jersey  
February 29, 2008

# ***INVERSO & STEWART, LLC***

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## **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***

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

We have audited the financial statements (regulatory basis) of the Borough of Riverton, in the County of Burlington, State of New Jersey, as of and for the year ended December 31, 2007, and have issued our report thereon dated February 29, 2008, which indicated that the 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. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Borough of Riverton's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Borough's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Borough's ability to initiate, authorize, record, process, or report financial data reliably in accordance with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey such that there is more than a remote likelihood that a misstatement of the Borough's financial statements that is more than inconsequential will not be prevented or detected by the Borough's internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Borough's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Borough of Riverton's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance that is required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is described in the accompanying *Schedule of Findings and Recommendations* as finding no: #2007-1.

The Borough of Riverton's response to the finding identified in our audit is described in the accompanying *Schedule of Findings and Recommendations*. We did not audit the Borough of Riverton's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the management of the Borough, the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

***INVERSO & STEWART, LLC***  
Certified Public Accountants



Robert A. Stewart  
Certified Public Accountant  
Registered Municipal Accountant

Marlton, New Jersey  
February 29, 2008

## BOROUGH OF RIVERTON

## Current Fund

Statement of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis  
For the Years Ended December 31, 2007 and 2006

	<u>Reference</u>	<u>2007</u>	<u>2006</u>
<b><u>ASSETS</u></b>			
Regular Fund:			
Cash - Treasurer	A-4	\$ 1,832,040.34	\$ 1,569,564.73
Cash - Collector's Change Fund		120.00	120.00
Investments - Bond Anticipation Notes	C-10	<u>262,500.00</u>	<u>262,500.00</u>
Total		<u>2,094,660.34</u>	<u>1,832,184.73</u>
Receivables:			
Due from State of New Jersey per Chapter 20 PL 1971	A-10		<u>1,478.40</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-5	86,285.05	141,128.20
Property Acquired for Taxes - Assessed Valuation		325.00	325.00
Revenue Accounts Receivable	A-6	9,614.46	9,385.85
Sewer Rent Receivable	A-7	22,809.17	28,704.53
Due from Animal Control Fund	B	1,354.11	1,354.11
Due from Trust Other Fund	B	10,359.21	5,706.28
Total		<u>130,747.00</u>	<u>186,603.97</u>
Deferred Charges:			
Special Emergency (NJS 40A:4-55)	A-8	<u>55,920.00</u>	<u>69,900.00</u>
Total Regular Fund		<u>2,281,327.34</u>	<u>2,090,167.10</u>
Federal and State Grant Fund:			
Cash - Treasurer (Overdraft)	A-4	28,119.29	(301,308.67)
Due from Trust Other Fund	B	14,412.23	14,412.23
Federal and State Grants Receivable	A-12	<u>267,157.08</u>	<u>371,360.00</u>
Total Federal and State Grant Fund		<u>309,688.60</u>	<u>84,463.56</u>
Total		<u>\$ 2,591,015.94</u>	<u>\$ 2,174,630.66</u>

(Continued)

## BOROUGH OF RIVERTON

## Current Fund

**Statement of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis  
For the Years Ended December 31, 2007 and 2006**

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Reference</u>	<u>2007</u>	<u>2006</u>
<b>Regular Fund:</b>			
<b>Liabilities:</b>			
Appropriation Reserves	A-3, A-9	\$ 194,647.37	\$ 91,389.70
Reserve for Encumbrances	A-3, A-9	128,025.65	146,981.28
Reserve for Cost of Revaluation		69,900.00	69,900.00
Prepaid Taxes	A-4, A-5	34,657.37	31,097.46
Tax Overpayments		11,133.39	8,895.19
Sewer Rent Overpayments		659.31	1,605.98
Due to State of New Jersey per Chapter 20 PL 1971	A-10	1,766.19	
Due to Capital Fund	C		124,377.54
Due to Trust - Other Funds	B	32,757.29	27,757.29
Due County for Added Taxes	A-1, A-4	9,816.31	310.24
Local District School Tax Payable	A-11	<u>1,118,663.53</u>	<u>1,054,393.55</u>
<b>Total Liabilities</b>		<b>1,602,026.41</b>	<b>1,556,708.23</b>
<b>Reserve for Receivables and Other Assets</b>	<b>A</b>	<b>130,747.00</b>	<b>186,603.97</b>
<b>Fund Balance</b>	<b>A-1</b>	<u><b>548,553.93</b></u>	<u><b>346,854.90</b></u>
<b>Total Regular Fund</b>		<u><b>2,281,327.34</b></u>	<u><b>2,090,167.10</b></u>
<b>Federal and State Grant Fund:</b>			
Unappropriated Reserves	A-13	3,036.35	6,093.37
Appropriated Reserves	A-14	<u>306,652.25</u>	<u>78,370.19</u>
<b>Total Federal and State Grant Fund</b>		<u><b>309,688.60</b></u>	<u><b>84,463.56</b></u>
<b>Total</b>		<u><b>\$ 2,591,015.94</b></u>	<u><b>\$ 2,174,630.66</b></u>

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

## BOROUGH OF RIVERTON

## Current Fund

**Statement of Operations and Changes in Fund Balance – Regulatory Basis  
For the Years Ended December 31, 2007 and 2006**

	<u>2007</u>	<u>2006</u>
Revenue and Other Income Realized:		
Fund Balance Utilized	\$ 150,000.00	\$ 250,000.00
Miscellaneous Revenue Anticipated	1,415,338.73	1,057,325.09
Receipts from Delinquent Taxes	139,398.02	78,885.30
Receipts from Current Taxes	6,803,242.89	6,456,203.72
Nonbudget Revenues	41,884.30	42,231.85
Other Credits to Income:		
Unexpended Prior Year Appropriation Reserves and Encumbrances Payable	114,757.07	55,779.51
Prior Year Interfunds Received	4,283.00	14,636.13
Sewer Rent Overpayments Canceled	946.67	1,772.15
Tax Overpayments Canceled		<u>2,364.44</u>
Total Revenue and Other Income Realized	<u>8,669,850.68</u>	<u>7,959,198.19</u>
Expenditures		
Operations Within "CAPS":		
Salaries and Wages	989,240.40	961,392.98
Other Expenses	1,215,641.19	939,844.02
Deferred Charges and Statutory Expenditures Within "CAPS"	45,000.00	48,300.00
Operations Excluded from "CAPS":		
Other Expenses	416,487.37	535,751.95
Capital Improvements	150,000.00	
Municipal Debt Service Excluded from "CAPS"	479,918.51	587,489.99
Deferred Charges Excluded "CAPS"	13,980.00	
Local District School Tax	3,934,859.00	3,806,319.00
County Taxes	1,063,206.52	1,032,271.46
Due County for Added Taxes	9,816.31	310.24
Due County for Added Taxes - Prior Year Adjustment	2.35	
Federal and State Grants Receivable Canceled		<u>7,147.50</u>
Total	<u>8,318,151.65</u>	<u>7,918,827.14</u>
Excess in Revenue	351,699.03	40,371.05
Adjustments to Income Before Fund Balance:		
Expenditures Included Above Which are by Statute Deferred Charges to Budget of Succeeding Year		<u>69,900.00</u>
Statutory Excess in Fund Balance	351,699.03	110,271.05
Fund Balance January 1	<u>346,854.90</u>	<u>486,583.85</u>
Total	<u>698,553.93</u>	<u>596,854.90</u>
Decreased by Utilization as Anticipated Revenue	<u>150,000.00</u>	<u>250,000.00</u>
Balance December 31	<u>\$ 548,553.93</u>	<u>\$ 346,854.90</u>

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, 2007

	<u>BUDGET</u>	<u>SPECIAL NJS 40A:4-87</u>	<u>REALIZED</u>	<u>EXCESS (DEFICIT)</u>
Fund Balance Anticipated	\$ 150,000.00		\$ 150,000.00	
Miscellaneous Revenues:				
Licenses - Other	12,000.00		10,136.50	\$ (1,863.50)
Fees and Permits - Other	800.00		5,600.00	4,800.00
Fines and Costs				
Municipal Court	58,000.00		61,646.81	3,646.81
Interest and Costs on Taxes	19,000.00		30,421.36	11,421.36
Interest on Investments and Deposits	75,000.00		87,313.55	12,313.55
Cell Tower Rental Fees	16,000.00		18,386.20	2,386.20
Sewer Rent Fees	453,400.00		452,228.39	(1,171.61)
Energy Receipts Taxes	198,099.00		198,099.00	
Consolidated Municipal Property Relief Act	115,763.00		115,763.00	
Supplemental Energy Receipts Taxes	9,185.00		9,185.00	
Legislative Initiative Municipal Block Grant	12,142.00		12,142.00	
Homeland Security Aid	25,000.00			(25,000.00)
Municipal Property tax Assistance	6,485.00		6,485.00	
Miscellaneous Revenues Offset with Appropriations:				
NJ Transportation Trust Fund	150,000.00		150,000.00	
Recycling Tonnage Grant	660.87		660.87	
Drunk Driving Enforcement Fund	3,661.47		3,661.47	
Clean Communities Grant	4,000.00		4,000.00	
Alcohol Education & Rehabilitation Grant	589.52		589.52	
Assistance to Firefighters Grant	37,800.00	\$ 45,495.00	83,295.00	
Body Armor Grant	1,181.51		1,181.51	
Community Stewardship Incentive		25,000.000	25,000.00	
Community Development Initiative		44,800.000	44,800.00	
Streetscape Enhancement	29,093.00		29,093.00	
Centers of Place	60,000.00		60,000.00	
Uniform Fire Safety Act	5,000.00		5,650.55	650.55
Total	1,292,860.37	115,295.00	1,415,338.73	7,183.36
Receipts from Delinquent Taxes	105,846.00		139,398.02	33,552.02
Amount to be Raised by Taxes for Support of				
Municipal Budget - Local Tax for Municipal Purposes	1,820,223.14		1,969,238.11	149,014.97
Budget Totals	3,368,929.51	115,295.00	3,673,974.86	\$ 189,750.35
Nonbudget Revenues			41,884.30	
 Total	 <u>\$ 3,368,929.51</u>	 <u>\$ 115,295.00</u>	 <u>\$ 3,715,859.16</u>	

(Continued)

## BOROUGH OF RIVERTON

## Current Fund

Statement of Revenues -- Regulatory Basis  
For the Year Ended December 31, 2007Analysis of Realized Revenue

## Allocation of Current Tax Collections:

Revenue from Collections	\$ 6,803,242.89
Allocated to School and County Taxes	5,007,881.83
Balance for Support of Municipal Budget Appropriations	1,795,361.06
Add Appropriation - Reserve for Uncollected Taxes	173,877.05
Amount for Support of Municipal Budget Appropriations	<u>\$ 1,969,238.11</u>

## Receipts from Delinquent Taxes:

Delinquent Tax Collections	<u>\$ 139,398.02</u>
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## Licenses - Other:

Registrar of Vital Statistics	\$ 10,066.50
Other	70.00
Total	<u>\$ 10,136.50</u>

## Fees and Permits - Other:

Street Opening Permits	<u>\$ 5,600.00</u>
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## Miscellaneous Revenue Not Anticipated:

Revenue Accounts Receivable:	
Payments in Lieu of Taxes	\$ 10,771.36
Cable TV Franchise Fee	9,385.85
Total	20,157.21

Sewer Rent Interest and Cost on Delinquencies	\$ 6,366.00	
Summer Park Program	645.00	
Field Usage	300.00	
Insurance Refund	3,022.00	
Police Fees	1,184.50	
Zoning/Site Applications	1,280.00	
Cat Licenses	196.00	
Construction Office Administrative Fee	5,908.78	
Fence/Sign Permits	284.00	
Reimbursements	768.50	
Miscellaneous	1,772.31	
	<u>21,727.09</u>	
Total		<u>\$ 41,884.30</u>

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, 2007**

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
<b>GENERAL APPROPRIATIONS:</b>						
<i>Operations Within "CAPS":</i>						
General Government						
Mayor and Council						
Salaries and Wages	\$ 7,200.00	\$ 7,149.73	\$ 7,050.00		\$ 99.73	
Other Expenses	1,000.00	1,050.27	1,050.27			
Borough Clerk						
Salaries and Wages	65,604.48	65,979.63	65,979.63			
Other Expenses	25,300.00	23,230.04	14,783.23	\$ 1,285.87	7,160.94	
Financial Administration:						
Salaries and Wages	46,695.72	46,996.22	46,996.21		0.01	
Other Expenses	6,700.00	6,780.00	5,089.62	648.69	1,041.69	
Audit Services						
Other Expenses	23,900.00	23,900.00	23,900.00			
Computerized Data Processing						
Other Expenses	14,000.00	14,179.00	14,178.30		0.70	
Collection of Taxes						
Salaries and Wages	17,635.64	17,731.34	17,731.05		0.29	
Other Expenses	4,075.00	3,460.00	3,150.00	176.00	134.00	
Assessment of Taxes						
Salaries and Wages	9,397.03	9,397.09	9,397.09			
Other Expenses	1,425.00	1,424.94	535.50		889.44	
Legal Services & Costs						
Other Expenses	35,000.00	33,000.00	23,794.20	4,704.10	4,501.70	
Engineer						
Other Expenses	10,000.00	10,000.00	7,540.10	1,102.50	1,357.40	
Economic Development Costs:						
Other Expenses	2,000.00	2,000.00	1,997.50		2.50	
Land Use Administration:						
Planning Board:						
Salaries and Wages	2,523.72	2,523.73	2,523.73			
Other Expenses	6,700.00	6,941.99	6,606.67	242.00	93.32	

(Continued)

**BOROUGH OF RIVERTON**  
**Current Fund**  
**Statement of Expenditures – Regulatory Basis**  
**For the Year Ended December 31, 2007**

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
<b>Operations Within "CAPS" (Continued)</b>						
General Government (Continued)						
Zoning Board:						
Salaries and Wages	\$ 9,318.25	\$ 9,318.25	\$ 9,177.49		\$ 140.76	
Other Expenses	2,500.00	2,824.04	2,823.18		0.86	
Insurance:						
Liability Insurance	72,265.00	72,064.72	71,364.00	\$ 250.00	450.72	
Worker Compensation	71,235.00	71,245.00	71,245.00			
Employees Group Insurance	224,917.94	225,108.22	225,108.22			
Unemployment Insurance	3,500.00	3,500.00			3,500.00	
Public Safety:						
Police:						
Salaries and Wages	538,578.07	538,032.07	449,267.81		88,764.26	
Other Expenses	38,376.00	40,546.24	32,508.84	3,435.44	4,601.96	
Office of Emergency Management						
Other Expenses	500.00	500.00			500.00	
Aid to Volunteer Ambulance Squad						
Other Expenses	20,000.00	20,000.00	20,000.00			
Fire Department						
Other Expenses	20,800.00	20,800.00	20,630.60	55.04	114.36	
Fire Official						
Salaries and Wages	4,124.46	4,124.46	4,124.41		0.05	
Other Expenses	1,500.00	1,555.00	1,081.28	473.68	0.04	
Public Works						
Road Repairs and Maintenance						
Salaries and Wages	202,696.30	192,696.30	170,860.45		21,835.85	
Other Expenses	30,000.00	37,915.75	26,046.13	8,689.38	3,180.24	
Shade Tree Commission						
Other Expenses	70,000.00	70,000.00	63,131.00	5,757.50	1,111.50	
Garbage and Trash Collection:						
Other Expenses	73,351.00	73,351.00	61,536.95	11,813.47	0.58	
Public Buildings and Grounds						
Other Expenses	21,200.00	21,200.00	19,522.28	672.49	1,005.23	

(Continued)

**BOROUGH OF RIVERTON**  
**Current Fund**  
**Statement of Expenditures -- Regulatory Basis**  
**For the Year Ended December 31, 2007**

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
<i>Operations Within "CAPS" (Continued)</i>						
Vehicle Maintenance						
Other Expenses	\$ 17,500.00	\$ 20,098.98	\$ 19,542.29	\$ 544.51	\$ 12.18	
Health and Human Services:						
Board of Health:						
Other Expenses	200.00	200.00			200.00	
Registrar of Vital Statistics:						
Salaries and Wages	4,827.74	4,827.74	4,734.83		92.91	
Other Expenses	1,000.00	500.00	397.59		102.41	
Animal Control						
Other Expenses	3,500.00	3,500.00	3,334.25		165.75	
Parks and Recreation:						
Recreation Services:						
Salaries and Wages	3,622.50	3,622.50	3,500.00		122.50	
Other Expenses	5,000.00	5,230.00	4,863.80	226.50	139.70	
Accumulated Sick Leave Compensation						
Salaries and Wages	5,000.00	5,000.00	5,000.00			
Celebration of Public Events:						
Other Expenses	2,000.00	2,000.00	1,000.00		1,000.00	
Contribution to Tri-Borough Community Center:						
Contractual						
Utilities:						
Electricity	70,000.00	70,000.00	62,766.95	5,769.10	1,463.95	
Street Lighting	48,750.00	48,750.00	39,085.59	4,129.04	5,535.37	
Telephone	14,500.00	12,500.00	10,009.24	932.65	1,558.11	
Water	3,000.00	2,453.00	1,670.74	116.65	665.61	
Sewerage Processing:						
Salaries and Wages	81,841.34	81,841.34	72,883.43		8,957.91	
Other Expenses	36,450.00	37,843.35	9,232.27	12,495.06	16,116.02	
Gasoline	25,000.00	25,708.25	20,854.28	2,569.92	2,284.05	
Fire Hydrant Service	32,500.00	34,110.00	34,110.00			
Landfill and Solid Waste Disposal Costs - Landfill Fees	108,000.00	108,000.00	90,880.11	9,333.52	7,786.37	

(Continued)

**BOROUGH OF RIVERTON**  
**Current Fund**  
**Statement of Expenditures – Regulatory Basis**  
**For the Year Ended December 31, 2007**

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
<b>Operations Within "CAPS" (Continued)</b>						
Municipal Court:						
Other Expenses	\$ 58,171.40	\$ 58,171.40		\$ 52,602.54	\$ 5,568.86	
<b>Total Operations - Within "CAPS"</b>	<b>2,204,881.59</b>	<b>2,204,881.59</b>	<b>\$ 1,884,596.11</b>	<b>128,025.65</b>	<b>192,259.83</b>	
Detail:						
Salaries and Wages	999,065.25	989,240.40	869,226.13		120,014.27	
Other Expenses	1,205,816.34	1,215,641.19	1,015,369.98	128,025.65	72,245.56	
<b>Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS":</b>						
STATUTORY EXPENDITURES:						
Contribution to:						
Social Security System (O.A.S.I.)	45,000.00	45,000.00	42,613.26		2,386.74	
<b>Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"</b>	<b>45,000.00</b>	<b>45,000.00</b>	<b>42,613.26</b>		<b>2,386.74</b>	
<b>Total General Appropriations - For Municipal Purposes Within "CAPS"</b>	<b>2,249,881.59</b>	<b>2,249,881.59</b>	<b>1,927,209.37</b>	<b>128,025.65</b>	<b>194,646.57</b>	
<b>Operations Excluded from "CAPS":</b>						
Aid To Library (N.J.S.A.40:54-35)	9,000.00	9,000.00	9,000.00			
Contribution to:						
Police & Fireman's Retirement System	58,590.00	58,590.00	58,589.60		0.40	
Public Employees' Retirement System	17,416.00	17,416.00	17,415.60		0.40	
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	660.87	660.87	660.87			
Alcohol Education and Rehabilitation Fund	589.52	589.52	589.52			
Drunk Driving Enforcement Grant	3,661.47	3,661.47	3,661.47			

(Continued)

**BOROUGH OF RIVERTON**  
**Current Fund**  
**Statement of Expenditures – Regulatory Basis**  
**For the Year Ended December 31, 2007**

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
<b>Operations Excluded from "CAPS" (Continued)</b>						
Clean Communities Grant	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00			
Streetscape Enhancement Grant	29,093.00	29,093.00	29,093.00			
Body Armor Grant	1,181.51	1,181.51	1,181.51			
Assistance to Firefighters (NJSA 40A:4-87)	42,000.00	87,495.00	87,495.00			
Centers of Place Grant	60,000.00	60,000.00	60,000.00			
Community Development Initiative (NJSA 40A:4-87)		44,800.00	44,800.00			
Community Steward Incentive (NJSA 40A:4-87)		25,000.00	25,000.00			
<b>Total Operations - Excluded From "CAPS"</b>	<u>301,192.37</u>	<u>416,487.37</u>	<u>416,486.57</u>	<u>\$ -</u>	<u>\$ 0.80</u>	
<b>Detail:</b>						
Other Expenses	<u>301,192.37</u>	<u>416,487.37</u>	<u>416,486.57</u>		<u>0.80</u>	
<b>Capital Improvements - Excluded From "CAPS"</b>						
NJ Transportation Trust Fund	<u>150,000.00</u>	<u>150,000.00</u>	<u>150,000.00</u>			
<b>Total Capital Improvements - Excluded From "CAPS"</b>	<u>150,000.00</u>	<u>150,000.00</u>	<u>150,000.00</u>			
<b>Municipal Debt Service - Excluded From "CAPS"</b>						
Payment of Bond Principal	219,000.00	219,000.00	219,000.00			
Payment of BAN Principal	180,000.00	180,000.00	180,000.00			
Interest on Bonds	44,187.50	44,187.50	44,107.51			\$ 79.99
Interest on Notes	34,486.00	34,486.00	34,486.00			
Green Trust Loan Repayment for Principal and Interest	2,325.00	2,325.00	2,325.00			
<b>Total Municipal Debt Service - Excluded From "CAPS"</b>	<u>479,998.50</u>	<u>479,998.50</u>	<u>479,918.51</u>			<u>79.99</u>
<b>Deferred Charges - Municipal - Excluded from "CAPS"</b>						
Special Emergency Authorization	<u>13,980.00</u>	<u>13,980.00</u>	<u>13,980.00</u>			
<b>Total General Appropriations for Municipal Purposes Excluded From "CAPS"</b>						
	<u>945,170.87</u>	<u>1,060,465.87</u>	<u>1,060,385.08</u>		<u>0.80</u>	<u>79.99</u>
Subtotal General Appropriations	3,195,052.46	3,310,347.46	2,987,594.45	128,025.65	194,647.37	79.99
Reserve for Uncollected Taxes	<u>173,877.05</u>	<u>173,877.05</u>	<u>173,877.05</u>			
<b>TOTAL GENERAL APPROPRIATIONS</b>	<u>\$ 3,368,929.51</u>	<u>\$ 3,484,224.51</u>	<u>\$ 3,161,471.50</u>	<u>\$ 128,025.65</u>	<u>\$ 194,647.37</u>	<u>\$ 79.99</u>

(Continued)

**BOROUGH OF RIVERTON**  
**Current Fund**  
**Statement of Expenditures -- Regulatory Basis**  
**For the Year Ended December 31, 2007**

	<u>Appropriations</u>	<u>Expended</u>			Unexpended
	Budget After	Paid or	<u>Encumbered</u>	<u>Reserved</u>	Balance
	<u>Budget</u>	<u>Modification</u>	<u>Charged</u>		<u>Canceled</u>
Original Budget	\$ 3,368,929.51				
Amended by NJS 40A:4-87	115,295.00				
	<u>\$ 3,484,224.51</u>				
Expended - Paid or Charged:					
Deferred Charge - Special Emergency		\$ 13,980.00			
Reserve for State Grants		406,481.37			
Reserve for Compensated Absences		5,000.00			
Reserve for Uncollected Taxes		173,877.05			
Disbursed		<u>2,562,133.08</u>			
Total		<u>\$ 3,161,471.50</u>			

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

## BOROUGH OF RIVERTON

## Trust Fund

**Statement of Assets, Liabilities, Reserves and Fund Balance – Regulatory Basis  
For the Years Ended December 31, 2007 and 2006**

	<u>Reference</u>	<u>2007</u>	<u>2006</u>
<b><u>ASSETS</u></b>			
Animal Control Fund:			
Cash - Treasurer	B-1	\$ 2,475.70	\$ 4,063.21
Other Funds:			
Cash - Treasurer	B-1	377,543.08	139,938.95
Due from Current Fund	A	32,757.29	27,757.29
Total Other Funds		<u>410,300.37</u>	<u>167,696.24</u>
Total		<u>\$ 412,776.07</u>	<u>\$ 171,759.45</u>
<b><u>LIABILITIES AND RESERVES</u></b>			
Dog License Fund:			
Due to Current Fund	A	\$ 1,354.11	\$ 1,354.11
Prepaid Licenses	B-1, B-2	24.80	43.40
Reserve for Dog Fund Expenditures	B-2	1,096.79	2,665.70
Total Dog License Fund		<u>2,475.70</u>	<u>4,063.21</u>
Other Funds:			
Due State of New Jersey:			
Construction Code Fees			1,518.00
Marriage License Fees		170.00	50.00
Due to Current Fund	A	10,359.21	5,706.28
Due to Federal and State Grant Fund	A	14,412.23	14,412.23
Payroll Deductions Payable	B-3	1,435.31	4,863.94
Accounts Payable - Police Forfeited Property			933.00
Reserve for Unemployment Compensation Trust		20,871.24	19,634.35
Reserve for Developers Escrow Fund	B-4	142,371.53	17,767.35
Reserve for Tax Sale Premiums		118,234.16	20,810.18
Reserve for Shade Tree Commission		7,086.86	5,986.86
Reserve for Environmental Fund	B-5	465.81	465.81
Reserve for Construction Code Fund	B-6	64,102.31	49,809.32
Reserve for Parks and Recreation		526.08	503.35
Reserve for Police Forfeited Property		60.12	54.65
Reserve for Compensated Absences		30,000.00	25,000.00
Reserve for POAA		205.51	180.92
Total Other Funds		<u>410,300.37</u>	<u>167,696.24</u>
Total		<u>\$ 412,776.07</u>	<u>\$ 171,759.45</u>

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

## BOROUGH OF RIVERTON

## General Capital Fund

**Statement of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis  
For the Years Ended December 31, 2007 and 2006**

	<u>Reference</u>	<u>2007</u>	<u>2006</u>
<b><u>ASSETS</u></b>			
Cash	C-2	\$ 212,912.81	\$ 160,098.81
Federal and State Grants Receivable	C-4	37,500.00	37,500.00
Due from Current Fund	A		124,377.54
Deferred Charges to Future Taxation:			
Funded		795,118.13	1,016,091.12
Unfunded	C-5	<u>884,500.00</u>	<u>1,064,500.00</u>
Total		<u>\$ 1,930,030.94</u>	<u>\$ 2,402,567.47</u>
<b><u>LIABILITIES, RESERVES AND FUND BALANCE</u></b>			
Serial Bonds	C-8	\$ 779,000.00	\$ 998,000.00
Green Acres Trust Loan Proceeds Payable	C-9	16,118.13	18,091.12
Bond Anticipation Notes Payable	C-10	884,500.00	1,064,500.00
Improvement Authorizations:			
Funded	C-7	173,202.64	238,770.18
Unfunded	C-7	32,048.72	38,044.72
Capital Improvement Fund	C-6	43,494.81	43,494.81
Fund Balance	C-1	<u>1,666.64</u>	<u>1,666.64</u>
Total		<u>\$ 1,930,030.94</u>	<u>\$ 2,402,567.47</u>

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

**BOROUGH OF RIVERTON**

**General Capital Fund**

**Statement of Operations and Changes in Fund Balance -- Regulatory Basis  
For the Year Ended December 31, 2007**

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Balance December 31, 2007 and 2006

\$ 1,666.64

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

## BOROUGH OF RIVERTON

## PUBLIC ASSISTANCE FUND

**Statement of Assets, Liabilities, Reserve and Fund Balance -- Regulatory Basis  
For the Years Ended December 31, 2007 and 2006**

	<u>Reference</u>	<u>2007</u>	<u>2006</u>
<b><u>ASSETS</u></b>			
Cash	D-1	\$ 700.03	\$ 6,421.68
Total		<u>\$ 700.03</u>	<u>\$ 6,421.68</u>
<b><u>LIABILITIES AND RESERVES</u></b>			
Reserve for Public Assistance		<u>\$ 700.03</u>	<u>\$ 6,421.68</u>

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

## BOROUGH OF RIVERTON

## ACCOUNT GROUP

**Statement of General Fixed Assets Group of Accounts  
For the Year Ended December 31, 2007**

	Balance December 31, <u>2006</u>	<u>Additions</u>	<u>Retirements</u>	Balance December 31, <u>2007</u>
<b>General Fixed Assets:</b>				
Buildings	\$ 1,055,203.00			\$ 1,055,203.00
Vehicles and Equipment	2,120,839.62	\$ 24,621.01		2,145,460.63
Improvements	1,437,465.15			1,437,465.15
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total General Fixed Assets</b>	<b><u>\$ 4,613,507.77</u></b>	<b><u>\$ 24,621.01</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 4,638,128.78</u></b>
<b>Total Investment in General Fixed Assets</b>	<b><u>\$ 4,613,507.77</u></b>	<b><u>\$ 24,621.01</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 4,638,128.78</u></b>

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

**Borough of Riverton  
Notes to Financial Statements  
December 31, 2007**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Description of Financial Reporting Entity** - The Borough of Riverton is located in the western portion of Burlington County, New Jersey, directly across the Delaware River from the City of Philadelphia, Pennsylvania. The present population according to the 2000 census is 2,759.

The Borough of Riverton was incorporated in 1893 and is governed by a Mayor-Council form of government. The Mayor is elected for a four-year term and serves as the chief executive officer of the Borough. Members of the Borough Council are elected to three-year terms on a staggered basis and function as the legislative body of the Borough. The Borough Clerk and Borough Chief Financial Officer are appointed by the Mayor 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 of Riverton contain all funds and account groups in accordance with the "Requirements of Audit" as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. The principles and practices established by the Requirements of Audit are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Generally, the financial statements are presented using the flow of current financial resources measurement focus and modified accrual basis of accounting with minor exceptions as mandated by these "Requirements". In addition, the prescribed accounting principles previously referred to differ in certain respects from accounting principles generally accepted in the United States of America applicable to local government units. The more significant differences are explained in this Note.

In accordance with the "Requirements", the Borough of Riverton 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.

**Public Assistance Fund** - The Public Assistance Fund accounts for receipt and disbursement of funds that provide assistance to certain residents of the Borough pursuant to Title 44 of New Jersey Statutes. The governing body resolved to transfer all public assistance activities to the County of Burlington effective July 1, 2007.

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

**Borough of Riverton**  
**Notes to Financial Statements**  
**December 31, 2007**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Budgets and Budgetary Accounting (Cont'd)** - An extension of the statutory dates for introduction, approval and adoption of the municipal budget may be granted by the Director of the Division of Local Government Services, with the permission of the Local Finance Board.

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

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

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

**Borough of Riverton**  
**Notes to Financial Statements**  
**December 31, 2007**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**General Fixed Assets (Cont'd)** – 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. 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.

**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 tax collector until such liens are collected. Upon their collection, such liens are recorded as a liability due to the governmental unit net of the costs of the initial sale. The related costs of sale are recognized as revenue when received.

**Borough of Riverton  
Notes to Financial Statements  
December 31, 2007**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Fund Balance** - Fund Balance included in the current and utility operating 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, sick leave and other compensated absences are recorded and provided for in the annual budget in the year in which they are paid, on a pay-as-you-go basis. Likewise, no accrual is made for postemployment benefits, if any, which are also funded on a pay-as-you-go basis.

**Revenues** - Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Revenues 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 January 1 to December 31. (July 1 to June 30, increased by the amount deferred at December 31, 2006 and decreased by the amount deferred at December 31, 2007)

**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 as required by 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.

**Borough of Riverton  
Notes to Financial Statements  
December 31, 2007**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Expenditures (Cont'd)** - Appropriations for principal and interest payments on outstanding general capital bonds and notes are provided 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.

**NOTE 2. CASH AND CASH EQUIVALENTS**

**Custodial Credit Risk** – Custodial credit is the risk that, in the event of a bank failure, the Borough's deposits may not be returned to it. The Borough's formal policy regarding custodial credit risk is the same as described in Note 1, N.J.S.A. 17:9-41. et seq. and included in its cash management plan. The Borough shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Of the Borough's bank balance of \$2,837,767.12 as of December 31, 2007, \$100,000.00 was insured by the Federal Deposit Insurance Corporation, \$2,737,767.12 was collateralized under the Governmental Unit Deposit Protection Act.

**NOTE 3. INVESTMENTS**

**Custodial Credit Risk** – 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. All of the Borough's \$262,500.00 investments in bond anticipation notes are held by the Borough, in the name of the Borough.

**Interest Rate Risk** – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Borough has no formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Credit Risk** – Credit risk is the risk that an issuer or counterparty to an investment will not fulfill its obligations. N.J.S.A. 40A:5-15.1 limits the investments that the Borough may purchase such as Treasury securities in order to limit the exposure of governmental units to credit risk. The Borough has no investment policy that would further limit its investment choices.

**Concentration of Credit Risk** – The Borough does not place a limit on the amount it may invest in any one issuer. All of the Borough's investments are Borough created bond anticipation notes.

**Borough of Riverton  
Notes to Financial Statements  
December 31, 2007**

**NOTE 4. PROPERTY TAXES**

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

<u>Comparative Schedule of Tax Rates</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Total Tax Rate	<u>\$ 5.190</u>	<u>\$ 5.019</u>	<u>\$ 4.800</u>	<u>\$ 4.486</u>	<u>\$ 4.114</u>
Apportionment of Tax Rate:					
Municipal	1.385	1.337	1.280	1.199	1.068
County	.811	.786	.700	.653	.639
Local School	2.994	2.896	2.820	2.634	2.407

<u>Assessed Valuation</u>	<u>Amount</u>
2007	\$ 131,439,091
2006	131,439,137
2005	131,106,426
2004	131,108,448
2003	131,010,321

**Comparison of Tax Levies and Collections**

<u>Year Ended</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2007	\$ 6,889,459	\$ 6,803,243	98.74 %
2006	6,599,755	6,456,204	97.82
2005	6,320,621	6,241,736	98.75
2004	5,890,008	5,699,254	96.76
2003	5,396,685	5,242,049	97.13

**Delinquent Taxes and Tax Title Liens**

<u>Year Ended</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2007	-0-	\$ 86,285	\$ 86,285	1.25 %
2006	-0-	141,128	141,128	2.14
2005	-0-	78,885	78,885	1.24
2004	-0-	190,754	190,754	3.24
2003	-0-	154,389	154,389	2.86

**Borough of Riverton  
Notes to Financial Statements  
December 31, 2007**

**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 valuation of such properties, for the current and previous four years was as follows:

<u>Year Ended</u>	<u>Amount</u>
2007	\$ 325
2006	325
2005	325
2004	325
2003	325

**NOTE 6. FUND BALANCES APPROPRIATED**

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

<u>Current Fund</u>	<u>Balance December 31</u>	<u>Utilized In Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2007	\$ 548,554	\$ 150,000	27.34%
2006	346,855	150,000	43.24
2005	486,584	250,000	51.38
2004	270,098	150,000	55.54
2003	320,592	150,000	46.78

**NOTE 7. INTERFUND RECEIVABLES AND PAYABLES**

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of December 31, 2007:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund	\$ 11,713.32	\$ 32,757.29
Federal and State Grant Fund	14,412.23	
Trust Fund – Dog License Fund		1,354.11
Trust Fund - Other Funds	32,757.29	24,771.44
	<hr/>	<hr/>
	<u>\$ 58,882.84</u>	<u>\$ 58,882.84</u>

**Borough of Riverton  
Notes to Financial Statements  
December 31, 2007**

**NOTE 8. SEWER SERVICE CHARGES**

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

<u>Year</u>	<u>Beginning of Year Balance Receivable</u>	<u>Current Year Billings</u>	<u>Total</u>	<u>Cash Collections</u>	<u>Percentage</u>
2007	\$ 28,704.53	\$ 446,333.03	\$ 475,037.56	\$ 452,228.39	95.20 %
2006	20,601.76	453,232.75	473,834.51	442,242.56	93.33
2005	30,823.60	452,168.75	482,992.35	462,390.59	95.73
2004	11,646.19	330,631.45	342,277.64	311,454.04	90.99
2003	15,529.98	333,167.65	348,697.63	337,051.44	96.66

**NOTE 9. PENSION PLANS**

**Description of Plans** - The Borough contributes to two cost-sharing multiple-employer defined benefit pension plans, which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division): the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS). These plans provide retirement, death and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:15A and 43.3B, for the PERS and N.J.S.A. 43A:16A and 43:3B for the PFRS. Each plan has a Board of Trustees that is primarily responsible for its administration. According to the State of New Jersey Administrative Code, all obligations of both systems will be assumed by the State of New Jersey should the systems terminate. The Division issues a publicly available financial report that includes the 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.

**Contribution Requirements** - 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 are required to contribute 5% of their annual covered salary. In accordance with Chapter 204, P.L. of 1989, plan members enrolled in the Police and Firemen's Retirement System are required to contribute 8.5% of their annual covered salary. The Borough is billed annually for its normal contribution plus any accrued liability.

The Borough's contributions to the various plans, equal to the required contributions for each year, were as follows:

**Public Employees Retirement System**

<u>Fiscal Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Funded by State</u>	<u>Paid by Borough</u>
2007	\$ 19,105	\$ 9,921	\$ 29,026	\$ 11,610	\$ 17,416
2006	18,371	5,053	23,424	14,054	9,369
2005	17,867	248	18,115	14,492	3,623

**Borough of Riverton  
Notes to Financial Statements  
December 31, 2007**

**NOTE 9. PENSION PLANS (CONT'D)**

**Police and Firemen's Retirement System**

<u>Fiscal Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Funded by State</u>	<u>Paid by Borough</u>
2007	\$ 48,858	\$ 24,379	\$ 73,237	\$ 14,647	\$ 58,590
2006	40,917	15,007	55,924	22,369	33,554
2005	40,151	5,901	46,052	27,631	18,420

Under the provisions of Chapter 108, P.L. 2003 the Borough's share of the total normal contribution and accrued liability will increase approximately 20% per year until the Borough is paying 100% of the total normal contribution and accrued liability.

**NOTE 10. OTHER POSTEMPLOYMENT BENEFITS**

In addition to the pension benefits described in Note 9, the Borough provides post employment health insurance premiums and prescription and dental plan coverage for seven retired employees. The Borough accounts for and finances such expense on a pay-as-you-go basis. The expense for the aforementioned benefits for the year ended December 31, 2007 and December 31, 2006 were \$74,398.97 and \$62,800.20, respectively.

**NOTE 11. COMPENSATED ABSENCES**

Police officers are entitled to thirty paid sick leave days each year. Up to ten days per year of unused sick leave may be accumulated from year to year with a maximum of seventy days. After 25 years of service to the Borough the employee, upon retirement, will be compensated on 50% of all accumulated sick days at their current rate.

Vacation days not used during the year may not be accumulated and carried forward.

Other Borough employees are not entitled to be compensated for accumulate unused sick leave days.

The Borough does not accrue expenses related to compensated absences. However, it is estimated that, at December 31, 2007, accrued benefits for compensated absences are valued at \$73,839.26.

The Borough has established a Compensated Absences Trust Fund to set aside funds for the future payments of compensated absences. At December 31, 2007 the balance of the fund is \$30,000.00.

**Borough of Riverton  
Notes to Financial Statements  
December 31, 2007**

**NOTE 12. RISK MANAGEMENT**

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

**Commercial Insurance Coverage** - The Borough maintains commercial insurance coverage for buildings and contents; general liability; automobile liability; boiler and machinery; surety bonds; crime; law enforcement liability; workers compensation; and commercial catastrophe liability coverage. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

**NOTE 13. NEW JERSEY UNEMPLOYMENT COMPENSATION INSURANCE**

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

<u>Year</u>	<u>Borough Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2007	\$ 795	\$ 1,545	\$ 1,103	\$ 20,871
2006	802	1,540	4,674	19,634
2005	706	1,518	0	21,966

**NOTE 14. CAPITAL DEBT**

**Summary of Municipal Debt**

	<u>Year 2007</u>	<u>Year 2006</u>	<u>Year 2005</u>
Issued:			
General Bonds and Notes	\$ 1,663,500	\$ 2,062,500	\$ 2,287,000
Long-Term Loans	16,118	18,091	20,025
Total Issued	<u>1,679,618</u>	<u>2,080,591</u>	<u>2,307,025</u>
Authorized but not Issued:			
General Bonds and Notes			262,500
Net Debt	<u>\$ 1,679,618</u>	<u>\$ 2,080,591</u>	<u>\$ 2,569,525</u>

**Schedule of Serial Bonds Issued**

<u>Purpose</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Amount</u>
General Bonds of 2002	07/15/2023	4.50%	<u>\$ 779,000</u>

**Borough of Riverton  
Notes to Financial Statements  
December 31, 2007**

**NOTE 14. CAPITAL DEBT (CONT'D)**

**Summary of Statutory Debt Condition - Annual Debt Statement**

The summarized statement of debt condition which follows is prepared in accordance with required method of setting up the Annual Debt Statement and indicates a statutory net debt of .66%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ 1,050,000	\$ 1,050,000	-
General Debt	1,679,618		\$ 1,679,618
Total	\$ 2,729,618	\$ 1,050,000	\$ 1,679,618

Net Debt, \$1,679,618 divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2, as amended, \$252,131,671 equals .66%.

**Equalized Valuation Basis:**

2005	\$ 232,457,401
2006	252,704,445
2007	271,233,168
Average	\$ 252,131,671

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

3-1/2% of Equalized Valuation Basis (Municipal)	\$ 8,824,608
Net Debt	1,679,618
Remaining Borrowing Power	\$ 7,144,990

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**

<u>Year</u>	<u>General</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2008	\$ 87,000	\$ 33,097	\$ 120,097
2009	87,000	29,183	116,183
2010	87,000	25,268	112,268
2011	87,000	21,353	108,353
2012	87,000	17,437	104,437
2013-16	344,000	30,690	374,690
Total	\$ 779,000	\$ 157,028	\$ 936,028

**Borough of Riverton  
Notes to Financial Statements  
December 31, 2007**

**NOTE 14. CAPITAL DEBT (CONT'D)**

**Loans** - The Borough received a \$35,000 loan from the State of New Jersey Green Acres Trust Loan Program. The loan payable at December 31, 2007 of \$16,118.13 matures on April 17, 2015 and bears an interest rate of 2.00%. The repayment schedule of this debt is as follows:

<u>Calendar Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 2,012.65	\$ 312.35	\$2,325.00
2009	2,053.11	271.89	2,325.00
2010	2,094.38	230.62	2,325.00
2011	2,136.47	188.53	2,325.00
2012	2,179.41	145.59	2,325.00
2013-2015	<u>5,642.11</u>	<u>170.39</u>	<u>5,812.50</u>
<b>Total</b>	<u><b>\$ 16,118.13</b></u>	<u><b>\$ 1,319.37</b></u>	<u><b>\$ 17,437.50</b></u>

**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 fourth and fifth anniversary date of the original issuance.

As of December 31, 2007, the Borough had \$884,500 in outstanding general capital bond anticipation notes. Of this amount \$622,000 matures on July 3, 2008 and bears an interest rate of 3.78%, while \$262,500 are held by the Current Fund as an investment and does not bear any interest rate.

**NOTE 15. 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:

	<u>Balance Dec. 31, 2007</u>	<u>Balance Dec. 31, 2006</u>
Balance of Tax	\$ 1,967,430	\$ 1,903,160
Deferred	<u>848,766</u>	<u>848,766</u>
<b>Tax Payable</b>	<u><b>\$ 1,118,664</b></u>	<u><b>\$ 1,054,394</b></u>

**Borough of Riverton  
Notes to Financial Statements  
December 31, 2007**

**NOTE 16. LEASE OBLIGATIONS**

At December 31, 2007 the Borough had operating lease agreements in effect for the rental of the police office and storage space; municipal court office; postage machine; and a leaf compost site. All lease agreements are for an indefinite period of time. Total operating lease payments made during the year ended December 31, 2007 and 2006 were \$67,210.54 and \$68,601.33 respectively. Future minimum lease payments are as follows:

<u>Year Ended</u>	<u>Amount</u>
December 31, 2008	\$ 67,362.54
December 31, 2008	67,362.54
December 31, 2009	67,362.54
December 31, 2010	55,362.54
December 31, 2011	<u>55,362.54</u>
Total Future minimum lease payments	<u>\$ 312,812.70</u>

**NOTE 17. DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2007, the following deferred charge is shown on the statement of assets, liabilities, reserves and fund balance of the following fund:

	<u>Balance December 31, 2007</u>	<u>2008 Budget Appropriation</u>	<u>Subsequent Year's</u>
Current Fund; Special Emergency - Revaluation	<u>\$ 55,920.00</u>	<u>\$ 13,980.00</u>	<u>\$ 41,940.00</u>

The appropriations in the 2008 Budget as introduced are not less than that required by the statutes.

**SUPPLEMENTAL EXHIBITS**

**CURRENT FUND**

## BOROUGH OF RIVERTON

## Current Fund

Statement of Cash - Collector/Treasurer  
For the Year Ended December 31, 2007

	<u>CURRENT FUND</u>	<u>FEDERAL AND STATE GRANT FUND</u>
Balance December 31, 2006	\$ 1,569,564.73	\$ (301,308.67)
Receipts:		
Taxes Receivable	\$ 6,866,856.60	
Sewer Rent Receivable	452,228.39	
Revenue Accounts Receivable	550,564.82	
Due from State of New Jersey - Senior Citizens and Veterans Deductions	39,036.25	
Interest and Cost on Taxes	30,421.36	
Prepaid 2008 Taxes	34,657.37	
Tax Overpayments	13,368.85	
Federal and State Grants Receivable		\$ 499,964.27
Federal and State Grant Receivables Canceled	83.00	
Miscellaneous Revenue Not Anticipated	21,727.09	
Total Receipts	<u>8,008,943.73</u>	<u>499,964.27</u>
Total Funds Available	<u>9,578,508.46</u>	<u>198,655.60</u>
Disbursements:		
2007 Appropriations	2,562,133.08	
2006 Appropriation Reserves and Accounts Payable	123,613.91	
County Taxes Payable	1,063,208.87	
Local District School Tax	3,870,589.02	
Refund of Tax Overpayments	2,235.46	
Due County for Added Taxes	310.24	
Due from Capital Fund	124,377.54	
Federal and State Grant Receivables Canceled		83.00
Reserve for Federal and State Grant Funds - Appropriated		170,453.31
Total Disbursements	<u>7,746,468.12</u>	<u>170,536.31</u>
Balance December 31, 2007	<u>\$ 1,832,040.34</u>	<u>\$ 28,119.29</u>

BOROUGH OF RIVERTON

Current Fund

Schedule of Taxes Receivable and Analysis of Property Tax Levy  
For the Year Ended December 31, 2007

Year	Balance	Added	2007 Levy	Collections by Cash		State Share of Senior Citizen and Veterans Deductions Allowed	Tax Overpayments Applied	Canceled	Balance
	December 31, 2006			Taxes	2006				2007
2006	\$ 141,128.20				\$ 141,127.19			\$ 1.01	
2007			\$ 6,889,527.94	\$ 31,097.46	6,725,729.41	\$ 37,520.83	\$ 8,895.19		\$ 86,285.05
Total	\$ 141,128.20	\$ -	\$ 6,889,527.94	\$ 31,097.46	\$ 6,866,856.60	\$ 37,520.83	\$ 8,895.19	\$ 1.01	\$ 86,285.05

ANALYSIS OF PROPERTY TAX LEVY

Tax Yield:

General Purpose Tax	\$ 6,787,458.57
Added Taxes (54:4 -63.1 et seq.)	62,819.37
Senior Citizens and Veterans Deductions Allowed Per Original Levy	<u>39,250.00</u>
Total	<u>\$ 6,889,527.94</u>

Tax Levy:

Local District School Tax (Abstract)	\$ 3,934,859.00
County Taxes:	
Regular Tax (Abstract)	\$ 881,017.92
Library Tax (Abstract)	80,846.85
Open Space Preservation Tax (Abstract)	101,341.75
Amount Due County for Added Taxes (54:4-63.1 et. Seq.)	<u>9,816.31</u>
Local Tax for Municipal Purposes	1,820,223.14
Additional Tax Levies	<u>61,422.97</u>
Total	<u>\$ 6,889,527.94</u>

## BOROUGH OF RIVERTON

## Current Fund

Schedule of Revenue Accounts Receivable  
For the Year Ended December 31, 2007

	Balance December 31, <u>2006</u>	Accrued in 2007	Collected	Balance December 31, <u>2007</u>	Remarks
Energy Receipts Tax		\$ 198,099.00	\$ 198,099.00		
Borough Clerk:					
Registrar of Vital Statistics - Licenses		10,066.50	10,066.50		
Street Opening Permits		5,600.00	5,600.00		
Licenses - Other		70.00	70.00		
Tax Search Fees					
Cell Tower Fees		18,386.20	18,386.20		
Municipal Court - Fines and Costs		61,646.81	61,646.81		
Fire Official - Uniform Fire Safety - Fees and Permits		5,650.55	5,650.55		
Interest on Investments and Bank Deposits		87,313.55	87,313.55		
Consolidated Municipal Property Tax Relief Aid		115,763.00	115,763.00		
Supplemental Energy Receipts Tax		9,185.00	9,185.00		
Legislative Initiative Municipal Block Grant		12,142.00	12,142.00		
Municipal Property Tax Assistance		6,485.00	6,485.00		
Payments in Lieu of Taxes		10,771.36	10,771.36		
Cable TV Franchise Fees	\$ 9,385.85	9,614.46	9,385.85	\$ 9,614.46	Dec. 2007
<b>Total</b>	<b>\$ 9,385.85</b>	<b>\$ 550,793.43</b>	<b>\$ 550,564.82</b>	<b>\$ 9,614.46</b>	

BOROUGH OF RIVERTON

Current Fund

Schedule of Sewer Rent Recievable  
For the Year Ended December 31, 2007

---

Balance December 31, 2006	\$ 28,704.53
Increased by:	
Sewer Rent Billed in 2007	<u>446,333.03</u>
Total	475,037.56
Decreased by:	
Collections	<u>452,228.39</u>
Balance December 31, 2007	<u><u>\$ 22,809.17</u></u>

BOROUGH OF RIVERTON

CURRENT FUND

Schedule of Deferred Charges  
For the Year Ended December 31, 2007

---

	Balance December 31, <u>2006</u>	Issued in <u>2007</u>	Raised in 2007 <u>Budget</u>	Balance December 31, <u>2007</u>
Special Emergency - NJS 40A:4-55 Revaluation Program	\$ 69,900.00	_____	\$ 13,980.00	\$ 55,920.00
	_____	_____	_____	_____
Total	<u>\$ 69,900.00</u>	<u>\$ -</u>	<u>\$ 13,980.00</u>	<u>\$ 55,920.00</u>

## BOROUGH OF RIVERTON

## CURRENT FUND

Statement of 2006 Appropriation Reserves and Reserve for Encumbrances  
For The Year Ended December 31, 2007

	<u>Balance December 31, 2006</u>		<u>Balance After Transfers</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
	<u>Reserved</u>	<u>Encumbered</u>			
<b>Salaries and Wages:</b>					
Mayor and Council	\$ 2,325.00		\$ 2,325.00		\$ 2,325.00
Borough Clerk	5,031.07		5,031.07		5,031.07
Financial Administration	0.25		0.25		0.25
Assessment of Taxes	0.70		0.70		0.70
Collection of Taxes	256.35		256.35		256.35
Planning Board	0.05		13.30		13.30
Zoning Board	178.65				
Fire Official	0.03		0.03		0.03
Police	817.28	\$ 19,000.00	19,817.28	\$ 14,760.13	5,057.15
Road Repair and Maintenance	9,026.86				
Registrar of Vital Statistics	0.52		0.52		0.52
Administration of Public Assistance	3,487.00		3,487.00		3,487.00
Recreation	105.00		105.00		105.00
Public Defender	500.00		500.00		500.00
Sewer System	459.23		459.23		459.23
<b>Other Expenses:</b>					
Mayor and Council	172.48		4,709.61	4,709.61	
Borough Clerk	1,583.04	7,748.18	9,331.22		9,331.22
Financial Administration	862.09	634.71	1,496.80	634.71	862.09
Computerized Data Processing	10.00	460.00	1,920.00	460.00	1,460.00
Audit Services	1,000.00		1,000.00		1,000.00
Assessment of Taxes	926.83		926.83		926.83
Collection of Taxes	1,275.95	355.04	1,630.99	355.04	1,275.95
Legal Services and Costs:	2.14	5,296.50	14,068.64	4,206.50	9,862.14
Engineer		670.94	670.94		670.94
Redevelopment Costs	5,598.50	701.25	6,299.75	701.25	5,598.50
Planning Board	0.24	2,719.22	3,568.71	2,383.22	1,185.49
Zoning Board	3,297.15	52.04	3,349.19	52.04	3,297.15
Unemployment Compensation Insurance	266.00		154.00		154.00
Fire	0.39	2,151.54	2,627.93	2,151.54	476.39
Fire Official	528.50		528.50		528.50
Police	2,144.80	3,441.08	5,585.88	3,441.07	2,144.81
Office of Emergency Management	500.00		500.00		500.00
Road Repair and Maintenance		9,671.30	13,247.80	9,582.30	3,665.50
Shade Tree Commission		2,340.00	4,680.00	2,340.00	2,340.00
Public Buildings and Grounds	295.47	633.28	928.75	550.77	377.98
Garbage and Trash Removal	0.61	12,035.47	14,305.08	11,671.43	2,633.65
<b>Forward</b>	<b>40,652.18</b>	<b>67,910.55</b>	<b>123,526.35</b>	<b>58,670.55</b>	<b>64,855.80</b>

(Continued)

## BOROUGH OF RIVERTON

## CURRENT FUND

Statement of 2006 Appropriation Reserves and Reserve for Encumbrances  
For The Year Ended December 31, 2007

	<u>Balance December 31, 2006</u>		<u>Balance After Transfers</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
	<u>Reserved</u>	<u>Encumbered</u>			
Forward	\$ 40,652.18	\$ 67,910.55	\$ 123,526.35	\$ 58,670.55	\$ 64,855.80
<b>Other Expenses (Cont'd):</b>					
Vehicle Maintenance	6,473.78	1,575.19	8,048.97	1,575.19	6,473.78
Board of Health	200.00		200.00		200.00
Registrar of Vital Statistics	800.26		800.26		800.26
Administration of Public Assistance	65.05		65.05		65.05
Animal Control	0.25	530.00	779.75	265.00	514.75
Recreation	9,568.32	159.00	1,217.30	159.00	1,058.30
Celebration of Public Events		1,000.00	1,000.00		1,000.00
Tri-Boro Senior Citizen Contribution	400.00		400.00		400.00
Gasoline	1,071.16	2,380.13	3,451.29	2,442.71	1,008.58
Electricity	375.04	12,087.69	13,462.73	11,117.87	2,344.86
Telephone	1,012.86	2,741.86	3,754.72	2,738.69	1,016.03
Street Lighting	47.28	9,004.87	12,852.15	8,297.81	4,554.34
Fire Hydrant Service	10.00		10.00		10.00
Water	1,717.14	100.71	1,817.85	100.71	1,717.14
Landfill and Solid Waste Disposal Costs	9,765.95	11,514.55	9,657.40	9,657.40	
Municipal Court	5,651.67		5,651.67		5,651.67
Social Security System	6,873.58		6,873.58		6,873.58
Employee Group Insurance	5,576.64		5,576.64		5,576.64
Police and Firemen's Retirement System	0.60		0.60		0.60
Sewer System	1,127.94	37,976.73	39,224.67	28,588.98	10,635.69
<b>Total</b>	<u>\$ 91,389.70</u>	<u>\$ 146,981.28</u>	<u>\$ 238,370.98</u>	<u>\$ 123,613.91</u>	<u>\$ 114,757.07</u>

## BOROUGH OF RIVERTON

## Current Fund

**Schedule of Due From (To) State of New Jersey-  
Senior Citizen and Veterans' Deductions  
For the Year Ended December 31, 2007**

Balance December 31, 2006 (Due From)		\$ 1,478.40
Increased by:		
Accrued in 2007:		
Senior Citizens Deductions Per Billings	\$ 5,750.00	
Veterans Deductions Per Billings	33,500.00	
	39,250.00	
Add - Allowed by Collector During the Year:		
Senior Citizen Deductions		
Veteran Deductions		
Total	39,250.00	
Less - Disallowed by Collector During the Year:		
Senior Citizen's Deductions	1,729.17	
		37,520.83
		38,999.23
Decreased by:		
Cash Received	39,036.25	
Prior Year allowed during the year	1,729.17	
		40,765.42
Balance December 31, 2007 (Due To)		\$ (1,766.19)

## BOROUGH OF RIVERTON

## Current Fund

Schedule of Local District School Tax Payable  
For the Year Ended December 31, 2007

<b>Balance December 31, 2006:</b>		
School Tax Payable	\$ 1,054,393.55	
School Tax Deferred	<u>848,766.00</u>	\$ 1,903,159.55
<b>Increased by:</b>		
Levy - School Year July 1, 2007 to June 30, 2008		<u>3,934,859.00</u>
<b>Total</b>		<b>5,838,018.55</b>
<b>Decreased by:</b>		
Payments		<u>3,870,589.02</u>
<b>Balance December 31, 2007:</b>		
School Tax Payable	1,118,663.53	
School Tax Deferred	<u>848,766.00</u>	<u>\$ 1,967,429.53</u>
<b>2007 Liability for Local District School Tax:</b>		
Tax Paid		\$ 3,870,589.02
Tax Payable December 31, 2007		<u>1,118,663.53</u>
<b>Total</b>		<b>4,989,252.55</b>
<b>Less:</b>		
Tax Payable December 31, 2006		<u>1,054,393.55</u>
<b>Amount Charged to 2007 Operations</b>		<b><u>\$ 3,934,859.00</u></b>

## BOROUGH OF RIVERTON

## Federal and State Grant Fund

Schedule of Federal and State Grants Receivable  
For the Year Ended December 31, 2007

	Balance December 31, <u>2006</u>	<u>Accrued</u>	<u>Received</u>	<u>Canceled</u>	Balance December 31, <u>2007</u>
<b>State Grants:</b>					
Clean Communities Grant		\$ 4,000.00	\$ 4,000.00		
Alcohol Education Rehabilitation		789.33	789.33		
Smart Growth Planning Grant	\$ 32,950.00				\$ 32,950.00
Recycling Tonnage Grant		247.02	247.02		
Stormwater Grant	3,410.00		1,705.00		1,705.00
Community Stewardship Incentive		25,000.00			25,000.00
Green Community Grant		2,000.00	2,000.00		
Centers of Place Grant		60,000.00	56,672.00		3,328.00
<b>Total State Grants</b>	<u>36,360.00</u>	<u>92,036.35</u>	<u>65,413.35</u>		<u>62,983.00</u>
<b>Federal Grants:</b>					
Assistance to Firefighters Grant		83,295.00	79,832.00	\$ 3,463.00	
Community Development Initiative		44,800.00			44,800.00
NJ Transportation Trust Fund		150,000.00	73,478.02		76,521.98
Historic Streetscape Project	335,000.00	29,093.00	281,240.90		82,852.10
<b>Total Federal Grants</b>	<u>335,000.00</u>	<u>307,188.00</u>	<u>434,550.92</u>	<u>3,463.00</u>	<u>204,174.08</u>
<b>Total</b>	<u>\$ 371,360.00</u>	<u>\$ 399,224.35</u>	<u>\$ 499,964.27</u>	<u>\$ 3,463.00</u>	<u>\$ 267,157.08</u>

## BOROUGH OF RIVERTON

## Federal and State Grant Fund

**Schedule of Reserve for Federal and State Grants - Unappropriated  
For the Year Ended December 31, 2007**

	Balance December 31, <u>2006</u>	Federal and State Grant <u>Receivable</u>	Realized as Revenue <u>2007</u>	Balance December 31, <u>2007</u>
<b>State Grants:</b>				
Alcohol Education Rehabilitation	\$ 589.52	\$ 789.33	\$ 589.52	\$ 789.33
Drunk Driving Enforcement Fund	3,661.47		3,661.47	
Body Armor Grant	1,181.51		1,181.51	
Community Stewardship Incentive		25,000.00	25,000.00	
Centers of Place Grant		60,000.00	60,000.00	
Recycling Tonnage Grant	660.87	247.02	660.87	247.02
Green Communities		2,000.00		2,000.00
Clean Communities Grant		4,000.00	4,000.00	
<b>Total State Grants</b>	<u>6,093.37</u>	<u>92,036.35</u>	<u>95,093.37</u>	<u>3,036.35</u>
<b>Federal Grants:</b>				
Assistance to Firefighters Grant		83,295.00	83,295.00	
Community Development Initiative		44,800.00	44,800.00	
NJ Transportation Trust Fund		150,000.00	150,000.00	
Historic Streetscape Project		29,093.00	29,093.00	
<b>Total Federal Grants</b>		<u>307,188.00</u>	<u>307,188.00</u>	
<b>Total</b>	<u>\$ 6,093.37</u>	<u>\$ 399,224.35</u>	<u>\$ 402,281.37</u>	<u>\$ 3,036.35</u>

## BOROUGH OF RIVERTON

## Federal and State Grant Fund

**Schedule of Reserve for Federal and State Grants - Appropriated  
For the Year ended December 31, 2007**

	Balance December 31, <u>2006</u>	Transferred from 2007 Budget <u>Appropriation</u>	<u>Disbursed</u>	<u>Canceled</u>	Balance December 31, <u>2007</u>
<b>State Grants:</b>					
Clean Communities Grant	\$ 4,431.33	\$ 4,000.00	\$ 456.25		\$ 7,975.08
Recycling Tonnage Grant	2,909.50	660.87	690.00		2,880.37
Drunk Driving Enforcement Fund	741.55	3,661.47	1,256.42		3,146.60
Community Steward Incentive		25,000.00			25,000.00
Alcohol Education Rehabilitation Centers of Place	2,779.40	589.52			3,368.92
Smart Growth Planning Grant	59,453.10	60,000.00	57,520.00		2,480.00
Body Armor Grant	2,971.68	1,181.51	17,706.75		41,746.35
Stormwater Grant	4,123.00		903.19		3,250.00
Emergency Management Grant	823.59		247.03		3,875.97
Domestic Violence	137.04				823.59
<b>Total State Grants</b>	<u>78,370.19</u>	<u>95,093.37</u>	<u>78,779.64</u>	<u>-</u>	<u>94,683.92</u>
<b>Federal Grants:</b>					
Assistance to Firefighters Grant		87,495.00	79,749.00	7,746.00	
NJ Transportation Trust Fund		150,000.00			150,000.00
Community Development Initiative		44,800.00			44,800.00
Historic Streetscape Project		29,093.00	11,924.67		17,168.33
	<u>-</u>	<u>311,388.00</u>	<u>91,673.67</u>	<u>7,746.00</u>	<u>211,968.33</u>
<b>Total State Grants</b>	<u>\$ 78,370.19</u>	<u>\$ 406,481.37</u>	<u>\$ 170,453.31</u>	<u>\$ 7,746.00</u>	<u>\$ 306,652.25</u>

**TRUST FUND**

## BOROUGH OF RIVERTON

## Trust Fund

Schedule of Cash - Treasurer  
For the Year Ended December 31, 2007

	<u>Animal Control</u>	<u>Other</u>
Balance December 31, 2006	\$ 4,063.21	\$ 139,938.95
Receipts:		
Animal Control Fund:		
Reserve for Animal Control Fund Expenditures	803.74	
State Registration Fees	156.00	
Prepaid 2007 Dog License Permits	24.80	
Due State of New Jersey:		
Marriage License Fees		505.00
Construction Code Fees		2,192.00
Reserve for Unemployment Compensation		2,340.01
Reserve for Shade Tree Commission		1,100.00
Reserve for Tax Sale Premium		116,423.98
Reserve for Public Defender Fees		1,749.99
Due to Current Fund:		
Marriage License Account Interest		3.18
Escrow Account Interest		5,099.76
Reserve for Developers Escrow Fund		198,336.16
Payroll Account:		
Net Payroll		628,466.15
Payroll Withholdings		398,130.39
Reserve for Construction Code Fund		43,737.71
Reserve for Police Forfeited Property		5.47
Reserve for POAA		24.59
Reserve for Parks and Recreation		22.73
Total Receipts	<u>984.54</u>	<u>1,398,137.12</u>
Subtotal	<u>5,047.75</u>	<u>1,538,076.07</u>

(Continued)

## BOROUGH OF RIVERTON

## Trust Fund

Schedule of Cash - Treasurer  
For the Year Ended December 31, 2007

	<u>Animal Control</u>	<u>Other</u>
Disbursements:		
Due State of New Jersey:		
Marriage License Fees		\$ 385.00
Construction Code Fees		3,710.00
Animal Control Account:		
State of New Jersey	\$ 156.00	
Expenditures Under RS4:19-15.11	2,416.05	
Reserve for Construction Code Fund		29,444.72
Reserve for Unemployment Compensation		1,103.12
Reserve for Developers Escrow Fund		73,731.98
Payroll Account:		
Payment to Withholding Agencies		401,559.02
Net Payroll		628,466.15
Reserve for Tax Sale Premium		19,000.00
Reserve for Police Forfeited Property		933.00
Reserve for Public Defender Fees		2,200.00
	<hr/>	<hr/>
Total Disbursements	2,572.05	1,160,532.99
	<hr/>	<hr/>
Balance December 31, 2007	\$ 2,475.70	\$ 377,543.08
	<hr/>	<hr/>

BOROUGH OF RIVERTON

Dog License Fund

Schedule of Reserve for Animal Control Fund Expenditures  
For the Year Ended December 31, 2007

<hr/>	
Balance December 31, 2006	\$ 2,665.70
Increased by:	
2007 Dog License Fees Collected	\$ 612.40
Interest Earned	191.34
	<hr/>
	803.74
2007 Dog License Fees Applied	43.40
	<hr/>
	847.14
Total	<hr/>
	3,512.84
Decreased by:	
Expenditures Under RS4:19-15.11	<hr/>
	2,416.05
Balance December 31, 2007	<hr/>
	<u>\$ 1,096.79</u>

License Fees Collected

<u>Year:</u>	
2005	\$ 1,139.70
2006	<hr/>
	701.00
Total	<hr/>
	<u>\$ 1,840.70</u>

## BOROUGH OF RIVERTON

## Trust - Other Funds

Schedule of Payroll Deductions Payable  
For the Year Ended December 31, 2007

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Balance December 31, 2006	\$ 4,863.94
Increased by:	
Payroll Deductions Received	<u>398,130.39</u>
Total	402,994.33
Decreased by:	
Payroll Deductions Disbursed	<u>401,559.02</u>
Balance December 31, 2007	<u>\$ 1,435.31</u>
Analysis of Balance:	
Due to Unemployment Compensation Fund	<u>\$ 1,435.31</u>

## BOROUGH OF RIVERTON

## Trust - Other Funds

**Schedule of Reserve For Developer's Escrow Deposits  
For the Year Ended December 31, 2007**

---

Balance December 31, 2006	\$ 17,767.35
Increased by Receipts	<u>198,336.16</u>
Subtotal	216,103.51
Decreased by:	
Cash Disbursed	<u>73,731.98</u>
Balance December 31, 2007	<u><u>\$ 142,371.53</u></u>

Note: A permanent list of individual account balances was not on file in the Treasurer's office.

**Schedule of Reserve For Environmental Fund  
For the Year Ended December 31, 2007**

---

Balance December 31, 2006	\$ 465.81
Increased by Receipts	<u>465.81</u>
Decreased by Disbursements	<u>          </u>
Balance December 31, 2007	<u><u>\$ 465.81</u></u>

## BOROUGH OF RIVERTON

## Trust - Other Funds

Schedule of Reserve for Construction Code Fund  
For the Year Ended December 31, 2007

---

Balance December 31, 2006		\$ 49,809.32
Increased by - Receipts:		
Building Permits	\$ 22,380.00	
Plumbing Permits	5,398.00	
Electrical Permits	5,561.00	
Fire Permits	3,896.00	
Certificate of Occupancy	3,396.00	
Interest Earned	3,106.71	
		<u>43,737.71</u>
Subtotal		93,547.03
Decreased by - Expenditures:		
Salaries	23,535.94	
Administration Fee	5,908.78	
		<u>29,444.72</u>
Total Disbursements		<u>29,444.72</u>
Balance December 31, 2007		<u>\$ 64,102.31</u>

**GENERAL CAPITAL FUND**

## BOROUGH OF RIVERTON

## General Capital Fund

Schedule of Cash - Treasurer  
For the Year Ended December 31, 2007

---

Balance December 31, 2006		\$ 160,098.81
Receipts:		
Due to Current Fund		<u>297,266.41</u>
Total		457,365.22
Disbursements:		
Improvement Authorizations	71,563.54	
Due to Current Fund	<u>172,888.87</u>	
		<u>244,452.41</u>
Balance December 31, 2007		<u>\$ 212,912.81</u>

## BOROUGH OF RIVERTON

## General Capital Fund

**Analysis of General Capital Cash and Investments  
For the Year Ended December 31, 2007**

Fund Balance		\$ 1,666.64
Capital Improvement Fund		43,494.81
Due from State Grants		(37,500.00)
Improvement Authorizations:		
Ordinance		
<u>Number</u>		
2007-8	2007 Road Program	40,000.00
2002-4	Various Improvements:	
	Purchase and/or Renovations to Municipal Facility	42,478.88
	Repairs to Seawall	7,851.66
2005-6	2005 Road Program	24,197.06
2007-3	Various Improvements:	
	Purchase of Police Equipment	4,510.00
	2007 Road Program	70,544.77
	Computer Equipment	7,868.99
	Office Equipment	7,800.00
Total		\$ 212,912.81

BOROUGH OF RIVERTON

General Capital Fund

Schedule of Federal and State Grants Receivable  
For the Year Ended December 31, 2007

	Balance December 31, <u>2006</u>	<u>Accrued</u>	<u>Received</u>	<u>Canceled</u>	Balance December 31, <u>2007</u>
State Aid:					
1984 New Jersey Transportation Trust Fund Authority Act - Municipal Aid					
Fulton Street	\$ 37,500.00				\$ 37,500.00
<b>Total</b>	<b>\$ 37,500.00</b>				<b>\$ 37,500.00</b>

BOROUGH OF RIVERTON

General Capital Fund

Schedule of Deferred Charges to Future Taxation - Unfunded  
For the Year Ended December 31, 2007

Ordinance Number	Improvement Description	Balance December 31, 2007	Analysis of Balance December 31, 2007	
			Financed by Bond Anticipation Notes	Unexpended Improvement Authorization
			Expenditures	
2002-4	Various Improvements:			
	2003 Road Repairs	\$ 2,127.00	\$ 2,127.00	
	Purchase of Fire Truck	523,800.00	523,800.00	
	Purchase of Police Vehicle & Equipment	30,873.00	30,873.00	
2003-5	Landscaping along Railroad Tracks	20,700.00	20,700.00	
2003-6	Paving of Municipal Parking Lot, Curbing Repairs, & Sidewalk Repairs at Park	44,500.00	44,500.00	
2005-6	Various Improvements:			
	Purchase of Police Vehicle & Equipment	23,000.00	23,000.00	
	2005 Road Program	235,000.00	235,000.00	
	Improvements to Riverton Park	4,500.00	4,500.00	
		<u>\$ 884,500.00</u>	<u>\$ 884,500.00</u>	<u>\$ -</u>
				<u>\$ -</u>
				Improvement Authorizations - Unfunded \$ 32,048.72
				Less - Unexpended Proceeds from Bond
				Anticipation Notes:
				Ordinance 2002-4 \$ 7,851.66
				Ordinance 2005-6 <u>24,197.06</u>
				<u>32,048.72</u>
				Total <u>\$ -</u>

**BOROUGH OF RIVERTON**

**General Capital Fund**

**Statement of Capital Improvement Fund  
For the Year Ended December 31, 2007**

---

Balance December 31, 2006	\$ 43,494.81
Increased by - 2007 Budget Appropriation	<u>43,494.81</u>
Decreased by - Appropriated to Finance Improvement Authorization	<u>                    </u>
Balance December 31, 2007	<u><u>\$ 43,494.81</u></u>

BOROUGH OF RIVERTON

General Capital Fund

Schedule of Improvement Authorizations  
For the Year Ended December 31, 2007

Ordinance Number	Improvement Description	Ordinance Date	Amount	Balance December 31, 2006		2007 Authorizations		Reallocation	Paid or Charged	Balance December 31, 2007	
				Funded	Unfunded	Capital Improvement Fund	Deferred Charges To Future Taxation Unfunded			Funded	Unfunded
2000-5	Multi-purpose: f. Paving of Municipal Parking Lot and Morgan Avenue	04/13/00	\$ 40,000	\$ 40,000.00				\$ (40,000.00)			
2007-8	2007 Road Program	11/07/07	40,000				40,000.00			\$ 40,000.00	
2002-4	Multi-purpose: a. Purch. and/or Renov. to Municipal Facility c. Repairs to Seawall	07/11/02	706,400 16,000	198,770.18	\$ 13,847.66		(153,800.00)	\$ 2,491.30 5,996.00		42,478.88	\$ 7,851.66
2005-6	Multi-purpose: b. 2005 Road Program	04/13/05	400,000		24,197.06						24,197.06
2007-3	Multi-purpose: a. Purchase of Police Equipment b. 2007 Road Program c. Computer Equipment d. Office Equipment e. Improvements to Riverton Park	05/21/07	153,800				22,000.00 91,000.00 15,000.00 7,800.00 18,000.00	17,480.00 20,455.23 7,131.01 18,000.00		4,510.00 70,544.77 7,868.99 7,800.00	
Total				\$ 238,770.18	\$ 38,044.72	\$ -	\$ -	\$ -	\$ 71,563.54	\$ 173,202.64	\$ 32,048.72

## BOROUGH OF RIVERTON

## General Capital Fund

Schedule of General Serial Bonds  
For the Year Ended December 31, 2007

Purpose	Date of Issue	Amount of Original Note	Maturities of Bonds Outstanding December 31, 2007		Interest Rate	Balance December 31, 2006	Issued	Decreased	Balance December 31, 2007
			Date	Amount					
General Bonds of 1996	7/1/96	\$ 1,282,000	7/1/2007	\$ 132,000	5.375%	\$ 132,000.00		\$ 132,000.00	\$ -
General Bonds of 2001	3/15/01	1,301,000	3/15/08 - 3/15/15 3/15/2016	87,000 83,000	4.50% 4.50%	866,000.00		87,000.00	779,000.00
Total						\$ 998,000.00	\$ -	\$ 219,000.00	\$ 779,000.00

(1)

(1) Paid by Budget Appropriation

## BOROUGH OF RIVERTON

## General Capital Fund

Statement of Green Acres Trust Loan Proceeds Payable  
For the Year Ended December 31, 2007

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Balance December 31, 2006	\$ 18,091.12
Decreased by:	
Paid by Budget Appropriation	<u>1,972.99</u>
Balance December 31, 2007	<u>\$ 16,118.13</u>

Analysis of Balance - December 31, 2007

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 2,012.65	\$ 312.35	\$ 2,325.00
2009	2,053.11	271.89	2,325.00
2010	2,094.38	230.62	2,325.00
2011	2,136.47	188.53	2,325.00
2012	2,179.47	145.59	2,325.06
Thereafter	<u>5,642.05</u>	<u>170.39</u>	<u>5,812.44</u>
	<u>\$ 16,118.13</u>	<u>\$ 1,319.37</u>	<u>\$ 17,437.50</u>

## BOROUGH OF RIVERTON

## General Capital Fund

Schedule of Bond Anticipation Notes  
For the Year Ended December 31, 2007

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Issue of Original Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance December 31, 2006</u>	<u>Increased by Cash Received</u>	<u>Decreased by Cash Disbursed</u>	<u>Balance December 31, 2007</u>
2002-4	Multi-Purpose	7/24/03	7/6/06	7/6/07	4.30%	\$ 802,000.00		\$ 802,000.00	
2002-4	Multi-Purpose	7/24/03	7/6/07	7/3/08	3.78%		\$ 622,000.00		\$ 622,000.00
2005-6	Multi-Purpose	7/6/06	7/6/06	7/6/07	Nil.	262,500.00		262,500.00	
2005-6	Multi-Purpose	7/6/06	7/6/06	7/6/07	Nil.		262,500.00		262,500.00
						<u>\$ 1,064,500.00</u>	<u>\$ 884,500.00</u>	<u>\$ 1,064,500.00</u>	<u>\$ 884,500.00</u>

**PUBLIC ASSISTANCE FUND**

## BOROUGH OF RIVERTON

## PUBLIC ASSISTANCE FUND

Schedule of Cash - Treasurer  
For the Year Ended December 31, 2007

	P.A.T.F. I	P.A.T.F. II	Fund Total
Balance December 31, 2006	\$ 669.80	\$ 5,751.88	\$ 6,421.68
Increased by Receipts:			
Interest Earned	<u>30.23</u>	<u>100.96</u>	<u>131.19</u>
Total	700.03	5,852.84	6,552.87
Decreased by Disbursements:			
Transfer to Current Fund	<u>          </u>	<u>5,852.84</u>	<u>5,852.84</u>
Balance December 31, 2007	<u>\$ 700.03</u>	<u>\$ -</u>	<u>\$ 700.03</u>

**BOROUGH OF RIVERTON**

**PART II**

**Schedule of Findings and Recommendations**

**For the Year Ended December 31, 2007**

**BOROUGH OF RIVERTON**  
**Schedule of Findings and Recommendations**  
**For the Year Ended December 31, 2007**

***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 #2007-1***

**Condition:**

Several construction code permit fees were not charged in accordance with the State mandated schedule of fees.

**Criteria:**

The Department of Community Affairs, Bureau of Local Code Enforcement issued a Permit Fee Calculation Schedule dated July 6, 2004 that all local construction code officials must use to calculate permit fees.

**Effect:**

The Borough did not charge construction permit fees in accordance with the State mandated schedule.

**Cause:**

Unknown.

**Recommendation:**

That all construction code permit fees be charged in accordance with the State mandated schedule of fees.

**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

### Summary Schedule of Prior Year Audit Findings and Recommendations as Prepared by Management

This section identifies the status of prior year findings related to the financial statements 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 04-04.

#### *FINANCIAL STATEMENT FINDINGS*

##### *Finding #2006-1*

**Condition:**

Not all general ledger account balances were reconciled to subsidiary control records as required by state regulations.

**Current Status:**

This condition has been corrected.

##### *Finding #2006-2*

**Condition:**

Construction Code Permit Fees were not always deposited within 48 hours of the date of receipt.

**Current Status:**

This condition has been corrected.

##### *Finding #2006-3*

**Condition:**

Firefighter gear purchased under a State Cooperative Purchasing contract was not approved by resolution of the Borough Council.

**Current Status:**

This condition has been corrected.

**OFFICIALS IN OFFICE AND SURETY BONDS**

The following officials were in office at December 31, 2007:

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>	<u>Name of Corporate Surety</u>
Robert Martin	Mayor		
Robert K. Smyth	President of Council		
Joseph N. Daniel	Councilman		
Ronald Cesaretti	Councilman		
Robert E. Smyth	Councilman		
William C. Brown	Councilman		
Mary Longbottom	Borough Clerk, Dog License Clerk, Registrar of Vital Statistics	\$ 35,000	(B)
Marianne Hulme	Chief Financial Officer	25,000	(A)
Marianne Hulme	Tax Collector	200,000	(B)
Betty Boyle	Treasurer, Deputy Tax Collector	175,000	(B)
Dolores Rosso	Tax Clerk	100,000	(B)
Edward Schaefer	Construction Code Official	25,000	(A)
Mary Lodato	Code Enforcement Official	25,000	(A)
Thomas Davis	Assessor		
Richard Arango	Engineer		
Bruce M. Gunn	Solicitor		

All Bonds were examined and properly executed.

(A) Selective Insurance Company - Comprehensive Crime Coverage

(B) Selective Insurance Company - Separate Surety Bond.

**ACKNOWLEDGMENT**

We express our appreciation for the assistance and courtesies extended to us by the Borough Officials during the course of our audit.

Respectfully submitted,

***INVERSO & STEWART, LLC***  
Certified Public Accountant



Robert A. Stewart  
Certified Public Accountant  
Registered Municipal Accountant

February 29, 2008