

BOROUGH OF RIVERTON
County of Burlington

Report of Audit of Financial Statements

For the Year Ended December 31, 2009

BOROUGH OF RIVERTON
COUNTY OF BURLINGTON

TABLE OF CONTENTS

PART I

	<u>Exhibits</u>	<u>Page</u>
Independent Auditor's Report		2
Report on Compliance and on Internal Control Over Financial Reporting Based On An Audit of Financial Statements Performed In Accordance with Government Auditing Standards		4
<u>Financial Statements</u>		
<u>Current Fund:</u>		
Statement of Assets, Liabilities, Reserves and Fund Balance -- - Regulatory Basis	A	6
Statement of Operations and Changes in Fund Balance - Regulatory Basis	A-1	8
Statement of Revenues - Regulatory Basis	A-2	9
Statement of Expenditures - Regulatory Basis	A-3	11
<u>Trust Fund</u>		
Statement of Assets, Liabilities, Reserves and Fund Balance -- - Regulatory Basis	B	16
<u>General Capital Fund</u>		
Statement of Assets, Liabilities, Reserves and Fund Balance -- - Regulatory Basis	C	17
Statement of Operations and Changes in Fund Balance -- - Regulatory Basis	C-1	18
<u>Public Assistance Fund</u>		
Statement of Assets, Liabilities and Reserves and Fund Balance - - Regulatory Basis	D	19
<u>General Fixed Assets Account Group</u>		
Statement of General Fixed Assets Group of Accounts	E	20
Notes to Financial Statements		21
<u>Current Fund</u>		
Statement of Cash - Collector/Treasurer	A-4	34
Schedule of Taxes Receivable and Analysis of Property Tax Levy	A-5	35
Schedule of Revenue Accounts Receivable	A-6	36
Schedule of Sewer Rent Receivable	A-7	37
Schedule of Deferred Charges	A-8	38
Statement of 2005 Appropriation Reserves and Reserve for Encumbrances	A-9	39
Schedule of Due State of New Jersey - Senior Citizen and Veterans' Deductions	A-10	41
Schedule of Local District School Tax Payable	A-11	42
<u>Federal and State Grant Fund</u>		
Schedule of Federal and State Grants Receivable	A-12	43
Schedule of Reserve for Federal and State Grants - Unappropriated	A-13	44
Schedule of Reserve for Federal and State Grants - Appropriated	A-14	45

Part I (Continued):

Trust Fund

Schedule of Cash - Treasurer	B-1	47
Schedule of Reserve for Animal Control Fund Expenditures	B-2	49
Statement of Payroll Deductions Payable	B-3	50
Schedule of Reserve for Developer's Escrow Deposits	B-4	51
Schedule of Reserve for Environmental Fund	B-5	51
Schedule of Reserve for Construction Code Fund	B-6	52
Schedule of Community Development Block Grant Receivable	B-7	53
Schedule of Reserve For Community Development Block Grants	B-8	53

General Capital Fund

Schedule of Cash - Treasurer	C-2	55
Analysis of General Capital Cash and Investments	C-3	56
Schedule of Federal and State Grants Receivable	C-4	57
Schedule of Deferred Charges to Future Taxation - Unfunded	C-5	58
Schedule of Capital Improvement Fund	C-6	59
Schedule of Improvement Authorizations	C-7	60
Schedule of General Serial Bonds	C-8	61
Statement of Green Acres Trust Loan Proceeds Payable	C-9	62
Schedule of Bond Anticipation Notes	C-10	63
Statement of Bonds and Notes Authorized but not Issued	C-11	64

Public Assistance Fund

Schedule of Cash - Treasurer	D-1	66
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PART II

Schedule of Findings and Recommendations

Schedule of Findings and Recommendations	68
Summary Schedule of Prior Year Audit	69
Officials in Office and Surety Bonds	70
Acknowledgment	70

BOROUGH OF RIVERTON

PART I

Report of Audit of Financial Statements

For the Year Ended December 31, 2009

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, 2009 and 2008, 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 and statement of expenditures - regulatory basis and statement of general fixed assets group of accounts for the year ended December 31, 2009, which collectively comprise the Borough's basic financial statements as listed in the table of contents. 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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 opinions.

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, 2009 and 2008, or the results of its operations and changes in fund balance for the years then ended.

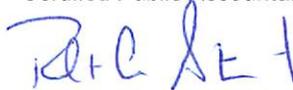
Furthermore, in our opinion, the basic financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds and account group of the Borough of Riverton, in the County of Burlington, State of New Jersey, as of December 31, 2009 and 2008, and the results of its operations and changes in fund balance - regulatory basis of such funds for the years then ended, and the revenues - regulatory basis and expenditures - regulatory basis of the various funds and general fixed assets, for the year ended December 31, 2009 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 March 16, 2010 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 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 considered in assessing 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 accompanying 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 and are not a required part of the basic financial statements. The supplementary financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Respectfully submitted,

INVERSO & STEWART, LLC
Certified Public Accountants



Robert A. Stewart
Certified Public Accountant
Registered Municipal Accountant

Marlton, New Jersey
March 16, 2010

INVERSO & STEWART, LLC

**Certified Public Accountants
Registered Municipal Accountants**

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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, 2009, and have issued our report thereon dated March 16, 2010, 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 deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Borough's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

This report is intended solely for the information and use of the management and others within the Borough of Riverton, 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
March 16, 2010

BOROUGH OF RIVERTON

Current Fund

Statement of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
For the Years Ended December 31, 2009 and 2008

	<u>Reference</u>	<u>2009</u>	<u>2008</u>
<u>ASSETS</u>			
Regular Fund:			
Cash - Treasurer	A-4	\$ 1,771,823.37	\$ 1,880,023.29
Cash - Collector's Change Fund		120.00	120.00
Investments - Bond Anticipation Notes	C-10	432,500.00	262,500.00
Due from State of N.J. for Senior Citizen and Veteran Deductions	A-10	<u>1,675.02</u>	<u> </u>
Total		<u>2,206,118.39</u>	<u>2,142,643.29</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-5	138,374.74	142,887.69
Property Acquired for Taxes - Assessed Valuation		325.00	325.00
Revenue Accounts Receivable	A-6	11,372.25	12,128.75
Sewer Rent Receivable	A-7	24,918.22	24,533.38
Due from Animal Control Fund	B		1,354.11
Due from Trust Other Fund	B	10,654.58	11,528.12
Due from Federal and State Grant Fund	A	<u> </u>	<u>42,527.08</u>
Total		<u>185,644.79</u>	<u>235,284.13</u>
Deferred Charges:			
Special Emergency (NJS 40A:4-55)	A-8	<u>27,960.00</u>	<u>41,940.00</u>
Total Regular Fund		<u>2,419,723.18</u>	<u>2,419,867.42</u>
Federal and State Grant Fund:			
Cash - Treasurer	A-4	53,361.79	
Due from Trust Other Fund	B		14,412.23
Federal and State Grants Receivable	A-12	<u>148,971.90</u>	<u>146,585.63</u>
Total Federal and State Grant Fund		<u>202,333.69</u>	<u>160,997.86</u>
Total		<u>\$ 2,622,056.87</u>	<u>\$ 2,580,865.28</u>

(Continued)

BOROUGH OF RIVERTON

Current Fund

**Statement of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
For the Years Ended December 31, 2009 and 2008**

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Reference</u>	<u>2009</u>	<u>2008</u>
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3, A-9	\$ 87,034.64	\$ 117,623.87
Reserve for Encumbrances	A-3, A-9	114,086.91	80,792.21
Accounts Payable	A-9	6,800.00	
Reserve for Cost of Revaluation			13,910.10
Reserve for Reconstruction of Morgan Avenue		25,858.12	40,000.00
Prepaid Taxes	A-4, A-5	41,624.24	35,812.69
Tax Overpayments		3,339.12	2,106.58
Sewer Rent Overpayments		1,116.71	443.07
Due to State of New Jersey per Chapter 20 PL 1971	A-10		3,521.47
Due to 4th of July Committee	A-4		2,500.00
Due to Capital Fund	C		7,500.00
Due to Lienholder	A-4	14,500.26	
Due to Trust - Other Funds	B	30,000.00	32,757.29
Due County for Added Taxes	A-1, A-4	4,733.95	6,432.10
Local District School Tax Payable	A-11	<u>1,242,512.07</u>	<u>1,196,911.03</u>
Total Liabilities		1,571,606.02	1,540,310.41
Reserve for Receivables and Other Assets	A	185,644.79	235,284.13
Fund Balance	A-1	<u>662,472.37</u>	<u>644,272.88</u>
Total Regular Fund		<u>2,419,723.18</u>	<u>2,419,867.42</u>
Federal and State Grant Fund:			
Due to Current Fund	A		42,527.08
Unappropriated Reserves	A-13	9,456.53	28,568.20
Appropriated Reserves	A-14	<u>192,877.16</u>	<u>89,902.58</u>
Total Federal and State Grant Fund		<u>202,333.69</u>	<u>160,997.86</u>
Total		<u>\$ 2,622,056.87</u>	<u>\$ 2,580,865.28</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, 2009 and 2008**

	<u>2009</u>	<u>2008</u>
Revenue and Other Income Realized:		
Fund Balance Utilized	\$ 159,000.00	\$ 150,000.00
Miscellaneous Revenue Anticipated	1,212,822.96	932,146.37
Receipts from Delinquent Taxes	136,146.13	85,667.41
Receipts from Current Taxes	6,832,823.44	6,860,079.28
Nonbudget Revenues	27,938.37	35,861.26
Other Credits to Income:		
Unexpended Prior Year Appropriation Reserves and Encumbrances Payable	28,728.71	176,845.14
Federal and State Grants Canceled		9,725.33
Sewer Rent Overpayments Canceled	100.98	216.24
Prior Year Interfunds Returned	43,881.19	
Tax Overpayments Canceled	443.07	711.52
Total Revenue and Other Income Realized	<u>8,441,884.85</u>	<u>8,251,252.55</u>
Expenditures		
Operations Within "CAPS":		
Salaries and Wages	894,933.67	928,215.40
Other Expenses	1,299,583.28	1,270,659.05
Deferred Charges and Statutory Expenditures Within "CAPS"	179,607.05	45,000.00
Operations Excluded from "CAPS":		
Other Expenses	239,407.73	211,741.35
Capital Improvements	180,000.00	51,000.00
Municipal Debt Service Excluded from "CAPS"	210,315.50	275,933.70
Deferred Charges Excluded "CAPS"	13,980.00	13,980.00
Local District School Tax	4,182,556.00	4,091,354.00
County Taxes	1,058,314.79	1,068,690.92
Due County for Added Taxes	4,733.95	6,432.10
Prior year Tax Overpayments adjusted	1,253.39	
Prior Year Interfunds Created		42,527.08
Total	<u>8,264,685.36</u>	<u>8,005,533.60</u>
Statutory Excess in Fund Balance	177,199.49	245,718.95
Fund Balance January 1	<u>644,272.88</u>	<u>548,553.93</u>
Total	821,472.37	794,272.88
Decreased by Utilization as Anticipated Revenue	<u>159,000.00</u>	<u>150,000.00</u>
Balance December 31	<u>\$ 662,472.37</u>	<u>\$ 644,272.88</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, 2009

	<u>BUDGET</u>	SPECIAL <u>NJS 40A:4-87</u>	<u>REALIZED</u>	<u>EXCESS (DEFICIT)</u>
Fund Balance Anticipated	\$ 159,000.00		\$ 159,000.00	
Miscellaneous Revenues:				
Licenses - Other	8,000.00		7,417.00	\$ (583.00)
Fees and Permits - Other	1,300.00		1,800.00	500.00
Fines and Costs				
Municipal Court	65,000.00		42,164.50	(22,835.50)
Interest and Costs on Taxes	20,000.00		31,956.69	11,956.69
Interest on Investments and Deposits	25,000.00		11,199.57	(13,800.43)
Cell Tower Rental Fees	20,700.00		29,287.36	8,587.36
Sewer Rent Fees	370,000.00		450,851.51	80,851.51
Additional Sewer Charges	75,000.00			(75,000.00)
Payments in Lieu of Taxes	10,000.00		12,100.00	2,100.00
Energy Receipts Taxes	232,607.00		232,607.00	
Consolidated Municipal Property Relief Act	57,244.00		57,244.00	
Homeland Security Aid				
Miscellaneous Revenues Offset with Appropriations:				
NJ Transportation Trust Fund	180,000.00		180,000.00	
Centers of Place	90,000.00		90,000.00	
Clean Communities	8,039.53		8,039.53	
Green Community	3,000.00		3,000.00	
Drunk Driving Enforcement Fund	4,805.31		4,805.31	
Motor Vehicle Aggressive Driver	8,076.94		8,076.94	
Recycling Tonnage Grant	1,165.86		1,165.86	
Safe Route to School	23,000.00		23,000.00	
Streetscape Enhancement Grant	8,993.43		8,993.43	
Body Armor Grant	1,205.39		1,205.39	
Alcohol Education & Rehabilitation Grant	321.27		321.27	
Uniform Fire Safety Act	7,000.00		7,587.60	587.60
Total	1,220,458.73		1,212,822.96	(7,635.77)
Receipts from Delinquent Taxes	140,000.00		136,146.13	(3,853.87)
Amount to be Raised by Taxes for Support of				
Municipal Budget - Local Tax for Municipal Purposes	1,697,849.20		1,767,164.93	69,315.73
Budget Totals	3,217,307.93		3,275,134.02	\$ 57,826.09
Nonbudget Revenues			27,938.37	
Total	<u>\$ 3,217,307.93</u>	<u>\$ -</u>	<u>\$ 3,303,072.39</u>	

(Continued)

BOROUGH OF RIVERTON

Current Fund

Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2009Analysis of Realized Revenue

Allocation of Current Tax Collections:

Revenue from Collections	\$ 6,832,823.44
Allocated to School and County Taxes	5,245,604.74
Balance for Support of Municipal Budget Appropriations	1,587,218.70
Add Appropriation - Reserve for Uncollected Taxes	179,946.23
Amount for Support of Municipal Budget Appropriations	<u>\$ 1,767,164.93</u>

Receipts from Delinquent Taxes:

Delinquent Tax Collections	<u>\$ 136,146.13</u>
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Licenses - Other:

Registrar of Vital Statistics	\$ 7,397.00
Other	20.00
Total	<u>\$ 7,417.00</u>

Fees and Permits - Other:

Street Opening Permits	<u>\$ 1,800.00</u>
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Miscellaneous Revenue Not Anticipated:

Revenue Accounts Receivable:	
Cable TV Franchise Fee	\$ 9,180.19

Sewer Rent Interest and Cost on Delinquencies	\$ 6,482.11	
Summer Park Program	735.00	
Field Usage	300.00	
Zoning/Site Applications	1,300.00	
Fence/Sign Permits	411.00	
Reimbursements	7,948.21	
Miscellaneous	<u>1,581.86</u>	
		<u>18,758.18</u>
Total		<u>\$ 27,938.37</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, 2009

	<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>	
GENERAL APPROPRIATIONS:						
<i>Operations Within "CAPS":</i>						
General Government						
Mayor and Council						
Salaries and Wages	\$ 3,600.00	\$ 2,700.00	\$ 2,550.00		\$ 150.00	
Other Expenses	1,000.00	3,933.60	3,328.60	\$ 605.00		
Borough Clerk						
Salaries and Wages	68,655.00	68,785.00	68,784.29		0.71	
Other Expenses	19,800.00	19,876.39	16,618.83	1,976.40	1,281.16	
Financial Administration:						
Salaries and Wages	50,235.00	51,108.02	49,830.40		1,277.62	
Other Expenses	6,800.00	5,552.49	4,874.47	678.02		
Audit Services						
Other Expenses	25,000.00	25,750.00	25,750.00			
Computerized Data Processing						
Other Expenses	13,855.00	13,124.00	13,124.00			
Collection of Taxes						
Salaries and Wages	18,371.00	19,228.00	18,543.11		684.89	
Other Expenses	3,375.00	2,025.36	2,025.36			
Assessment of Taxes						
Salaries and Wages	10,066.00	10,066.00	9,227.25		838.75	
Other Expenses	940.00	940.00	643.72	33.32	262.96	
Legal Services & Costs						
Other Expenses	35,000.00	42,260.72	37,036.72	5,224.00		
Engineer						
Other Expenses	10,000.00	14,078.50	6,958.50	7,120.00		
Economic Development Costs:						
Other Expenses	2,000.00					
Land Use Administration:						
Planning Board:						
Salaries and Wages	2,703.00	2,703.00	2,478.09		224.91	
Other Expenses	7,760.00	7,760.00	4,008.90	670.00	3,081.10	

(Continued)

BOROUGH OF RIVERTON
Current Fund
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2009

	<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>	
Operations Within "CAPS" (Continued)						
General Government (Continued)						
Zoning Board:						
Salaries and Wages	\$ 9,831.00	\$ 9,831.00	\$ 9,011.64		\$ 819.36	
Other Expenses	2,550.00	2,550.00	1,183.20	\$ 413.00	953.80	
Insurance:						
Liability Insurance	69,059.00	67,844.50	67,844.50			
Worker Compensation	68,630.00	68,630.00	68,630.00			
Employees Group Insurance	239,329.00	241,449.71	241,449.71			
Public Safety:						
Police:						
Salaries and Wages	512,283.00	442,516.66	415,952.29		26,564.37	
Other Expenses	36,132.00	67,753.77	54,628.42	7,292.06	5,833.29	
Aid to Volunteer Ambulance Squad						
Other Expenses	15,000.00	15,000.00	15,000.00			
Fire Department						
Other Expenses	25,000.00	24,634.00	22,183.12	531.96	1,918.92	
Fire Official						
Salaries and Wages	4,418.00	4,418.00	4,049.88		368.12	
Other Expenses	1,500.00	1,866.00	1,866.00			
Public Works						
Road Repairs and Maintenance						
Salaries and Wages	200,234.00	201,897.49	198,282.71		3,614.78	
Other Expenses	30,000.00	34,559.28	23,604.05	10,955.23		
Shade Tree Commission						
Other Expenses	45,000.00	48,166.34	45,046.34	3,120.00		
Solid Waste Collection:						
Other Expenses	121,420.00	121,420.00	82,229.50	37,616.92	1,573.58	
Public Buildings and Grounds						
Other Expenses	22,700.00	21,500.89	19,681.04	1,583.23	236.62	

(Continued)

BOROUGH OF RIVERTON
Current Fund
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2009

	<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>	
Operations Within "CAPS" (Continued)						
Vehicle Maintenance						
Other Expenses	\$ 17,500.00	\$ 20,869.18	\$ 18,378.79	\$ 2,187.64	\$ 302.75	
Registrar of Vital Statistics:						
Salaries and Wages	5,171.00	5,270.80	5,171.35		99.45	
Other Expenses	500.00	500.00			500.00	
Animal Control						
Other Expenses	5,000.00	6,347.75	5,404.25	943.50		
Parks and Recreation:						
Recreation Services:						
Salaries and Wages	3,605.00	3,605.00	3,500.00		105.00	
Other Expenses	8,500.00	8,500.00	7,430.39	2.62	1,066.99	
Celebration of Public Events:						
Other Expenses	500.00	500.00	168.00		332.00	
Contribution to Senior Citizens Club:						
Other Expenses	500.00	500.00	500.00			
Utilities:						
Electricity	75,000.00	85,755.13	79,762.36	5,992.77		
Street Lighting	50,000.00	50,000.00	45,118.08	4,129.02	752.90	
Telephone	12,000.00	12,000.00	10,740.94	919.38	339.68	
Water	2,920.00	2,920.00	1,610.56	111.24	1,198.20	
Sewerage Processing:						
Salaries and Wages	73,916.00	72,804.70	71,244.02		1,560.68	
Other Expenses	36,925.00	39,828.00	32,865.35	2,347.07	4,615.58	
Gasoline	25,000.00	20,237.64	13,959.74	5,540.96	736.94	
Fire Hydrant Service	39,187.00	39,187.00	37,779.35		1,407.65	
Landfill and Solid Waste Disposal Costs - Landfill Fees	99,290.00	103,592.03	95,360.02	8,232.01		
Municipal Court:						
Other Expenses	58,171.00	58,171.00	41,766.95		16,404.05	
Total Operations - Within "CAPS"	2,195,931.00	2,194,516.95	2,007,184.79	108,225.35	79,106.81	
Detail:						
Salaries and Wages	963,088.00	894,933.67	858,625.03		36,308.64	
Other Expenses	1,232,843.00	1,299,583.28	1,148,559.76	108,225.35	42,798.17	

(Continued)

BOROUGH OF RIVERTON
Current Fund
Statement of Expenditures – Regulatory Basis
For the Year Ended December 31, 2009

	<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>	
Deferred Charges and Statutory Expenditures -						
Municipal - Within "CAPS":						
STATUTORY EXPENDITURES:						
Contribution to:						
Social Security System (O.A.S.I.)	\$ 45,000.00	\$ 46,414.05	\$ 45,286.22		\$ 1,127.83	
Police & Fireman's Retirement System	96,028.00	96,028.00	96,028.00			
Public Employees' Retirement System	37,165.00	37,165.00	37,165.00			
Total Deferred Charges and Statutory Expenditures -						
 Municipal Within "CAPS"	<u>178,193.00</u>	<u>179,607.05</u>	<u>178,479.22</u>		<u>1,127.83</u>	
Total General Appropriations -						
 For Municipal Purposes Within "CAPS"	<u>2,374,124.00</u>	<u>2,374,124.00</u>	<u>2,185,664.01</u>	<u>\$ 108,225.35</u>	<u>80,234.64</u>	
Operations Excluded from "CAPS":						
Aid To Library (N.J.S.A.40:54-35)	9,000.00	9,000.00	9,000.00			
Recycling Tax						
Other Expenses	6,800.00	6,800.00			6,800.00	
Additional Appropriations Offset By Revenues						
Sewerage Processing						
Other Expenses	75,000.00	75,000.00	69,138.44	5,861.56		
Public and Private Programs Offset By Revenues:						
Recycling Tonnage Grant	1,165.86	1,165.86	1,165.86			
Alcohol Education and Rehabilitation Fund	321.27	321.27	321.27			
Green Communities	3,000.00	3,000.00	3,000.00			
Historic Streetscape Project	8,993.43	8,993.43	8,993.43			
Motor Vehicle Aggressive Driver Crack Down	8,076.94	8,076.94	8,076.94			
Body Armor Grant	1,205.39	1,205.39	1,205.39			
Safe Routes to School	23,000.00	23,000.00	23,000.00			
Clean Communities	8,039.53	8,039.53	8,039.53			
Drunk Driving Enforcement	4,805.31	4,805.31	4,805.31			
Centers of Place	90,000.00	90,000.00	90,000.00			
Total Operations - Excluded From "CAPS"	<u>239,407.73</u>	<u>239,407.73</u>	<u>226,746.17</u>	<u>5,861.56</u>	<u>6,800.00</u>	
Detail:						
Other Expenses	<u>239,407.73</u>	<u>239,407.73</u>	<u>226,746.17</u>	<u>5,861.56</u>	<u>6,800.00</u>	

(Continued)

BOROUGH OF RIVERTON

Trust Fund

**Statement of Assets, Liabilities, Reserves and Fund Balance – Regulatory Basis
For the Years Ended December 31, 2009 and 2008**

	<u>Reference</u>	<u>2009</u>	<u>2008</u>
<u>ASSETS</u>			
Animal Control Fund:			
Cash - Treasurer	B-1	\$ 572.83	\$ 1,832.18
Other Funds:			
Cash - Treasurer	B-1	331,963.07	369,702.01
Community Development Block Grant Receivable	B-7	45,000.00	
Due from Current Fund	A	30,000.00	32,757.29
Total Other Funds		<u>406,963.07</u>	<u>402,459.30</u>
Total		<u>\$ 407,535.90</u>	<u>\$ 404,291.48</u>
<u>LIABILITIES AND RESERVES</u>			
Dog License Fund:			
Due to Current Fund	A		\$ 1,354.11
Prepaid Licenses	B-1, B-2		40.00
Reserve for Dog Fund Expenditures	B-2	\$ 572.83	438.07
Total Dog License Fund		<u>572.83</u>	<u>1,832.18</u>
Other Funds:			
Due State of New Jersey:			
Marriage License Fees		125.00	345.00
Construction Code		405.00	
Due to Current Fund	A	10,654.58	11,528.12
Due to Federal and State Grant Fund	A		14,412.23
Payroll Deductions Payable	B-3	4,103.71	1,445.10
Tax Title Lien Redemption Payable		3,523.82	
Reserve for Unemployment Compensation Trust		22,528.48	21,958.33
Reserve for Developers Escrow Fund	B-4	130,887.90	129,171.01
Reserve for Tax Sale Premiums		69,289.03	120,060.74
Reserve for Shade Tree Commission		7,661.86	7,436.86
Reserve for Environmental Fund	B-5	8,155.26	465.81
Reserve for Construction Code Fund	B-6	73,776.19	64,804.11
Reserve for Parks and Recreation		536.88	534.19
Reserve for Police Forfeited Property		61.40	61.05
Reserve for Compensated Absences		30,000.00	30,000.00
Reserve for Community Development Block Grant	B-8	45,000.00	
Reserve for POAA Funds		253.96	236.75
Total Other Funds		<u>406,963.07</u>	<u>402,459.30</u>
Total		<u>\$ 407,535.90</u>	<u>\$ 404,291.48</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, 2009 and 2008**

	<u>Reference</u>	<u>2009</u>	<u>2008</u>
<u>ASSETS</u>			
Cash	C-2	\$ 71,768.56	\$ 136,374.80
Federal and State Grants Receivable Due from Current Fund	C-4 A	180,000.00	7,500.00
Deferred Charges to Future Taxation:			
Funded		617,052.37	706,105.48
Unfunded	C-5	1,018,500.00	754,500.00
		<hr/>	<hr/>
Total		<u>\$ 1,887,320.93</u>	<u>\$ 1,604,480.28</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Serial Bonds	C-8	\$ 605,000.00	\$ 692,000.00
Green Acres Trust Loan Proceeds Payable	C-9	12,052.37	14,105.48
Bond Anticipation Notes Payable	C-10	874,500.00	754,500.00
Improvement Authorizations:			
Funded	C-7	91,537.66	83,361.69
Unfunded	C-7	288,819.45	7,851.66
Capital Improvement Fund	C-6	13,744.81	50,994.81
Fund Balance	C-1	1,666.64	1,666.64
		<hr/>	<hr/>
Total		<u>\$ 1,887,320.93</u>	<u>\$ 1,604,480.28</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, 2009**

Balance December 31, 2009 and 2008

\$ 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, 2009 and 2008

	<u>Reference</u>	<u>2009</u>	<u>2008</u>
<u>ASSETS</u>			
Cash	D-1	\$ 714.39	\$ 710.86
		<hr/>	<hr/>
Total		<u>\$ 714.39</u>	<u>\$ 710.86</u>
<u>LIABILITIES AND RESERVES</u>			
Reserve for Public Assistance		<u>\$ 714.39</u>	<u>\$ 710.86</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, 2009**

	Balance December 31, <u>2008</u>	<u>Additions</u>	<u>Retirements</u>	Balance December 31, <u>2009</u>
General Fixed Assets:				
Buildings	\$ 1,055,203.00			\$ 1,055,203.00
Vehicles and Equipment	2,151,273.35	\$ 12,929.00		2,164,202.35
Improvements	1,437,465.15			1,437,465.15
	<hr/>	<hr/>	<hr/>	<hr/>
Total General Fixed Assets	<u>\$ 4,643,941.50</u>	<u>\$ 12,929.00</u>	<u>\$ -</u>	<u>\$ 4,656,870.50</u>
Total Investment in General Fixed Assets	<u>\$ 4,643,941.50</u>	<u>\$ 12,929.00</u>	<u>\$ -</u>	<u>\$ 4,656,870.50</u>

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

Borough of Riverton
Notes to Financial Statements
December 31, 2009

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Financial Reporting Entity - The Borough of Riverton (hereafter referred to as the "Borough") is located in the western portion of the County of Burlington, State of New Jersey. The estimated population at December 31, 2009 according to the New Jersey Department of Labor and Workforce Development is 2,627.

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

Component Units – GASB Statement No. 14, *The Financial Reporting Entity*, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity, but also for legally separate organizations that meet the criteria established by GASB Statement No.14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*. There are no organizations that are considered to be component units

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

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

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

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

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

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

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

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

**Borough of Riverton
Notes to Financial Statements
December 31, 2009**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

General Fixed Assets - Accounting for Governmental Fixed Assets, as required by N.J.A.C. 5:30-5.6, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and Budget Circular A-87 (Attachment B, Section 19), except that the useful life of such property is at least five years. The Borough has adopted a capitalization threshold of \$5,000 the maximum amount allowed by the Circular.

Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. Donated general fixed assets are recorded at their estimated fair market value on the acquisition date. 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.

**Borough of Riverton
Notes to Financial Statements
December 31, 2009**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

No depreciation of general fixed assets is recorded.

The Borough did not comply with N.J.A.C. 5:31-5.6, "Accounting for Governmental Fixed Assets".

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

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

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

Fund Balance - Fund Balance included in the Current Fund represent amounts available for anticipation as revenue in future years' budgets, with certain restrictions.

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

Compensated Absences and Postemployment Benefits - Compensated absences are those absences for which employees will be paid, such as vacation, sick leave and sabbatical leave and 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 school district for the period from July 1 to June 30, increased by the amount deferred at December 31, 2008 and decreased by the amount deferred at December 31, 2009.

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.

**Borough of Riverton
Notes to Financial Statements
December 31, 2009**

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

Reserve for Uncollected Taxes - The inclusion of the "Reserve for Uncollected Taxes" appropriation in the Borough's fiscal 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.

Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis; whereas interest on utility indebtedness is provided on the accrual 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 recovered. Although the Borough does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41. et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act. Of the Borough's bank balance of \$423,861.29 as of December 31, 2009, \$250,000.00 was insured by the Federal Deposit Insurance Corporation and \$173,861.29 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 \$432,500.00 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 does not have a 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, 2009**

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>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Total Tax Rate	<u>\$ 2.451</u>	<u>\$ 5.226</u>	<u>\$ 5.190</u>	<u>\$ 5.019</u>	<u>\$ 4.800</u>
Apportionment of Tax Rate:					
Municipal	.599	1.345	1.385	1.337	1.280
County	.375	.804	.811	.786	.700
Local School	1.477	3.077	2.896	2.896	2.820

<u>Assessed Valuation</u>	<u>Amount</u>
2009	\$ 283,157,007
2008	132,982,136
2007	131,439,091
2006	131,439,137
2005	131,106,426

Comparison of Tax Levies and Collections

<u>Year Ended</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2009	\$ 6,972,694	\$ 6,832,823	97.99 %
2008	7,002,967	6,860,079	97.95
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

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>
2009	-0-	\$ 138,375	\$ 138,375	1.98 %
2008	-0-	142,888	142,888	2.04
2007	-0-	86,285	86,285	1.25
2006	-0-	141,128	141,128	2.14
2005	-0-	78,885	78,885	1.24

NOTE 5. PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

<u>Year Ended</u>	<u>Amount</u>
2009	\$ 325
2008	325
2007	325
2006	325
2005	325

**Borough of Riverton
Notes to Financial Statements
December 31, 2009**

NOTE 6. SEWER SERVICE CHARGES

The following is a five-year comparison of sewer utility 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>
2009	\$ 24,533.38	\$ 451,236.35	\$ 475,769.73	\$ 450,851.51	94.76 %
2008	22,809.17	447,953.00	470,762.17	446,228.79	94.78
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

NOTE 7. FUND BALANCES APPROPRIATED

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

<u>Current Fund</u>	<u>Balance December 31</u>	<u>Utilized In Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2009	\$ 662,472	\$ 213,600 *	32.24 %
2008	644,273	159,000	24.68
2007	548,554	150,000	27.34
2006	346,855	150,000	43.24
2005	486,584	250,000	51.38

* Budget as introduced

NOTE 8. INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of December 31, 2009:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund	\$ 10,654.58	\$ 30,000.00
Trust Fund - Other Funds	30,000.00	10,654.58
	<hr/>	<hr/>
	<u>\$40,654.58</u>	<u>\$40,654.58</u>

**Borough of Riverton
Notes to Financial Statements
December 31, 2009**

NOTE 9. PENSION PLANS

A substantial number of the Borough's employees participate in one of the following defined benefit pension plans: the Public Employees' Retirement System and the Police and Firemen's Retirement System which are administered by the New Jersey Division of Pensions and Benefits. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes 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.

Public Employees' Retirement System - The Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan which was established in 1955 and provides retirement, death and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:15A and 43:3B.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members were required to contribute 5.5% of their annual covered salary. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, the statute also requires the return to the normal rate (5%) when such surplus pension assets no longer exist.

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

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Non Contributory Life</u>	<u>Total Liability</u>	<u>Funded by Excess Pension Asset Credit</u>	<u>Paid by Borough</u>
2009	\$ 15,328	\$ 17,728	\$ 4,109	\$ 37,165		\$ 37,165
2008	18,952	14,606		33,558	\$ 6,712	26,846
2007	19,105	9,921		29,026	11,610	17,416

Police and Firemen's Retirement System – The Police and Firemen's Retirement System (PFRS) is a cost-sharing multiple-employer defined benefit pension plan which was established in 1944 and provides retirement, death and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:16A and 43:3B.

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

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

<u>Fiscal Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Non Contributory Life</u>	<u>Total Liability</u>	<u>Funded by State</u>	<u>Paid by Borough</u>
2009	\$ 54,515	\$ 37,720	\$ 3,793	\$ 96,028		\$ 96,028
2008	57,236	33,823		91,059		91,059
2007	48,858	24,379		73,237	\$ 14,647	58,590

**Borough of Riverton
Notes to Financial Statements
December 31, 2009**

NOTE 10. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Postemployment Healthcare Benefits Plan

Plan Description – The Borough contributes to the New Jersey State Health Benefits Program (SHBP), a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the State of New Jersey Division of Pension and Benefits. SHBP provides medical, prescription-drug, dental, mental health/substance abuse to retirees and their covered dependents and Medicare Part B reimbursement to retired police officers and their covered dependents. The State Health Benefits Program Act is found in the New Jersey Statutes Annotated, Title 52, Article 17.25 et.seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. The State of New Jersey Division of Pension and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for SHBP. That report may be obtained by writing to the State of New Jersey, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey 08625.

Funding Policy – Title 52, Article 17.25 et. seq. of the New Jersey Statutes Annotated provides the contribution requirements of plan members and the participating employers.

The contribution rate of participating governmental entities is based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The Borough's contributions to the SBHP for the years ended December 31, 2009, 2008 and 2007, were \$106,060.97, \$79,162.96 and \$80,872.44 respectively, which equaled the required contributions each year.

NOTE 11. COMPENSATED ABSENCES

Police officers hired prior to January 8, 2009 are entitled to thirty paid sick leave days each year and are permitted to accumulate up to ten sick days per year with a maximum of seventy days. Officers hired after January 8, 2009 are entitled to fifteen days of sick leave each year and are permitted to accumulate up to fifteen sick days per year with a maximum of eighty-five days. At the time of an officer's retirement, in accordance with the New Jersey Police and Firemen's Pension System, the officer will be paid fifty percent of all accumulated sick pay based on an eight-hour day at their current hourly rate.

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

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

The Borough does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2009, accrued benefits for compensated absences are valued at \$12,762.89. Actual payment for compensated absences occurs through the Accumulated Leave Trust Fund at the time the employee terminates employment. The Trust Fund is funded through the annual budget appropriations of the Current Fund budget. The balance in the Trust Fund as of December 31, 2009 is \$30,000.00.

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.

**Borough of Riverton
Notes to Financial Statements
December 31, 2009**

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>
2009	\$ 373	\$ 1,506	\$ 1,309	\$ 22,528
2008	740	1,553	1,206	21,958
2007	795	1,545	1,103	20,871

NOTE 14. CAPITAL DEBT

Summary of Municipal Debt

	<u>Year 2009</u>	<u>Year 2008</u>	<u>Year 2007</u>
Issued:			
General Bonds and Notes	\$ 1,479,500	\$ 1,446,500	\$ 1,663,500
Long-Term Loans	<u>12,052</u>	<u>14,105</u>	<u>16,118</u>
Total Issued	1,491,552	1,460,605	1,679,618
Authorized but not Issued:			
General Bonds and Notes	<u>144,500</u>		
Net Debt	<u>\$ 1,635,552</u>	<u>\$ 1,460,605</u>	<u>\$ 1,679,618</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>\$ 605,000</u>

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 .57%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ 855,000	\$ 855,000	-
General Debt	<u>1,635,552</u>		<u>\$ 1,635,552</u>
Total	<u>\$ 2,490,552</u>	<u>\$ 855,000</u>	<u>\$ 1,635,552</u>

Summary of Statutory Debt Condition - Annual Debt Statement

Net Debt, \$1,635,552 divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2, as amended, \$282,305,660 equals .57%.

**Borough of Riverton
Notes to Financial Statements
December 31, 2009**

NOTE 14. CAPITAL DEBT (CONT'D)

Equalized Valuation Basis:

2007	\$ 271,233,168
2008	275,896,802
2009	<u>299,787,009</u>
Average	<u>\$ 282,305,660</u>

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

3-1/2% of Equalized Valuation Basis (Municipal)	\$ 9,880,698
Net Debt	<u>1,635,552</u>
Remaining Borrowing Power	<u>\$ 8,245,146</u>

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>	
2010	\$ 87,000	\$ 25,268	\$ 112,268
2011	87,000	21,353	108,353
2012	87,000	17,437	104,437
2013	87,000	13,523	100,523
2014	87,000	9,607	96,607
2015-16	<u>170,000</u>	<u>7,560</u>	<u>177,560</u>
Total	<u>\$ 605,000</u>	<u>\$ 94,748</u>	<u>\$ 699,748</u>

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, 2009 of \$12,052.37 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>
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	2,223.22	101.78	2,325.00
2014	2,267.90	57.10	2,325.00
2015	<u>1,150.99</u>	<u>11.51</u>	<u>1,162.50</u>
Total	<u>\$ 12,052.37</u>	<u>\$ 735.13</u>	<u>\$ 12,787.50</u>

**Borough of Riverton
Notes to Financial Statements
December 31, 2009**

NOTE 14. CAPITAL DEBT (CONT'D)

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, 2009, the Borough had \$874,500 in outstanding general capital bond anticipation notes. Of this amount \$442,000 matures on June 25, 2010 and bears an interest rate of 2.50%, while \$432,500 is held by the Current Fund as an investment, matures on December 12, 2010 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, 2009</u>	<u>Balance Dec. 31, 2008</u>
Balance of Tax	\$ 2,091,278	\$ 2,045,677
Deferred	<u>848,766</u>	<u>848,766</u>
Tax Payable	<u>\$ 1,242,512</u>	<u>\$ 1,196,911</u>

NOTE 16. LEASE OBLIGATIONS

At December 31, 2009 the Borough had operating lease agreements in effect for the rental of the fire engine room; police station and storage space; municipal court office 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, 2009 and 2008 were \$54,958.83 and \$69,273.55 respectively. Future minimum estimated lease payments are as follows:

<u>Year Ended</u>	<u>Amount</u>
December 31, 2010	\$ 54,958.83
December 31, 2011	54,958.83
December 31, 2012	<u>54,958.83</u>
Total Future minimum lease payments	<u>\$ 164,876.49</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, 2009, the following deferred charge is shown on the statement of assets, liabilities, reserves and fund balance of the following fund:

	<u>Balance December 31, 2009</u>	<u>2010 Budget Appropriation</u>	<u>Subsequent Year's</u>
Current Fund; Special Emergency - Revaluation	<u>\$ 27,960.00</u>	<u>\$ 13,980.00</u>	<u>\$ 13,980.00</u>

The appropriations in the 2010 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, 2009

	<u>CURRENT FUND</u>	<u>FEDERAL AND STATE GRANT FUND</u>
Balance December 31, 2008	\$ 1,880,023.29	\$ -
Receipts:		
Taxes Receivable	\$ 6,887,417.41	
Sewer Rent Receivable	450,851.51	
Revenue Accounts Receivable	410,587.22	
Due from State of New Jersey - Senior Citizens and Veterans Deductions	38,640.01	
Interest and Cost on Taxes	31,956.69	
Prepaid 2010 Taxes	41,624.24	
Tax Overpayments	4,970.49	
Sewer Overpayments	1,116.71	
Federal and State Grants Receivable		\$ 127,109.79
Due from Capital Fund	1,354.11	
Due from Trust Escrow Fund		14,412.23
Due to Lienholder	14,500.26	
Due from Federal and State Receivable	42,527.08	
Miscellaneous Revenue Not Anticipated	18,758.18	
Total Receipts	<u>7,944,303.91</u>	<u>141,522.02</u>
Total Funds Available	<u>9,824,327.20</u>	<u>141,522.02</u>
Disbursements:		
2009 Appropriations	2,444,117.95	
2008 Appropriation Reserves and Accounts Payable	162,887.37	
Investment - Bond Anticipation Note	200,000.00	
County Taxes Payable	1,058,314.79	
Local District School Tax	4,136,954.96	
Reserve for Cost of Revaluation	13,910.10	
Due County for Added Taxes	6,432.10	
Due to Capital Fund	7,500.00	
Due to Trust Other Fund	2,757.29	
Due to 4th of July Committee	2,500.00	
Tax Overpayments	2,987.39	
Reserve for Morgan Ave Reconstruction	14,141.88	
Due to Current Fund		42,527.08
Reserve for Federal and State Grant Funds - Appropriated		45,633.15
Total Disbursements	<u>8,052,503.83</u>	<u>88,160.23</u>
Balance December 31, 2009	<u>\$ 1,771,823.37</u>	<u>\$ 53,361.79</u>

BOROUGH OF RIVERTON

Current Fund

Schedule of Taxes Receivable and Analysis of Property Tax Levy
For the Year Ended December 31, 2009

Year	Balance	Added	2009 Levy	Collections by Cash		State Share of Senior Citizen and Veterans Deductions Allowed	Canceled	Tax Overpayments Applied	Balance
	December 31, 2008			Taxes	2008				2009
2008	\$ 142,887.69	\$ 497.70			\$ 136,146.13				\$ 7,239.26
2009			\$ 6,972,694.28	\$ 35,812.69	6,751,271.28	\$ 43,836.50	\$ 8,735.36	\$ 1,902.97	131,135.48
Total	\$ 142,887.69	\$ 497.70	\$ 6,972,694.28	\$ 35,812.69	\$ 6,887,417.41	\$ 43,836.50	\$ 8,735.36	\$ 1,902.97	\$ 138,374.74

35

ANALYSIS OF PROPERTY TAX LEVY

Tax Yield:

General Purpose Tax	\$ 6,877,029.16
Added Taxes (54:4 -63.1 et seq.)	57,165.12
Senior Citizens and Veterans Deductions Allowed Per Original Levy	<u>38,500.00</u>
Total	<u>\$ 6,972,694.28</u>

Tax Levy:

Local District School Tax (Abstract)		\$ 4,182,556.00
County Taxes:		
Regular Tax (Abstract)	\$ 864,620.92	
Library Tax (Abstract)	82,157.50	
Open Space Preservation Tax (Abstract)	111,536.37	
Amount Due County for Added Taxes (54:4-63.1 et. Seq.)	<u>4,733.95</u>	1,063,048.74
Local Tax for Municipal Purposes	1,697,849.23	
Additional Tax Levies	<u>29,240.31</u>	<u>1,727,089.54</u>
Total		<u>\$ 6,972,694.28</u>

BOROUGH OF RIVERTON

Current Fund

Schedule of Revenue Accounts Receivable
For the Year Ended December 31, 2009

	Balance December 31, <u>2008</u>	Accrued in <u>2009</u>	<u>Collected</u>	Balance December 31, <u>2009</u>	<u>Remarks</u>
Borough Clerk:					
Registrar of Vital Statistics - Licenses		\$ 7,397.00	\$ 7,397.00		
Street Opening Permits		1,800.00	1,800.00		
Licenses - Other		20.00	20.00		
Cell Tower Fees		29,287.36	29,287.36		
Municipal Court - Fines and Costs	\$2,948.56	41,217.28	42,164.50	\$ 2,001.34	Dec. 2009
Fire Official - Uniform Fire Safety - Fees and Permits		7,587.60	7,587.60		
Interest on Investments and Bank Deposits		11,199.57	11,199.57		
Energy Receipts Tax		232,607.00	232,607.00		
Consolidated Municipal Property Tax Relief Aid		57,244.00	57,244.00		
Payments in Lieu of Taxes		12,100.00	12,100.00		
Cable TV Franchise Fees	\$ 9,180.19	9,370.91	9,180.19	9,370.91	Dec. 2009
Total	\$ 12,128.75	\$ 409,830.72	\$ 410,587.22	\$ 11,372.25	

BOROUGH OF RIVERTON

Current Fund

Schedule of Sewer Rent Recievable
For the Year Ended December 31, 2009

Balance December 31, 2008	\$ 24,533.38
Increased by:	
Sewer Rent Billed in 2009	<u>451,236.35</u>
Total	475,769.73
Decreased by:	
Collections	<u>450,851.51</u>
Balance December 31, 2009	<u><u>\$ 24,918.22</u></u>

BOROUGH OF RIVERTON

CURRENT FUND

Schedule of Deferred Charges
For the Year Ended December 31, 2009

	Balance December 31, <u>2008</u>	Issued in <u>2009</u>	Raised in 2009 <u>Budget</u>	Balance December 31, <u>2009</u>
Special Emergency - NJS 40A:4-55 Revaluation Program	\$ 41,940.00		\$ 13,980.00	\$ 27,960.00
	<hr/>	<hr/>	<hr/>	<hr/>
Total	<u>\$ 41,940.00</u>	<u>\$ -</u>	<u>\$ 13,980.00</u>	<u>\$ 27,960.00</u>

BOROUGH OF RIVERTON

CURRENT FUND

Statement of 2008 Appropriation Reserves and Reserve for Encumbrances
For The Year Ended December 31, 2009

	<u>Balance December 31, 2008</u>		<u>Balance After Transfers</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
	<u>Reserved</u>	<u>Encumbered</u>			
Salaries and Wages:					
Mayor and Council					
Borough Clerk	\$ 121.15		\$ 121.15		\$ 121.15
Collection of Taxes	1.19		1.19		1.19
Planning Board	0.02		0.02		0.02
Zoning Board	146.42		146.42		146.42
Fire Official	0.05		0.05		0.05
Police	24,200.80		34,902.74	\$ 34,902.74	
Road Repair and Maintenance	2,503.44		2,503.44	158.99	2,344.45
Registrar of Vital Statistics	0.16		0.16		0.16
Sewer System	113.78		113.78		113.78
Other Expenses:					
Borough Clerk	5,251.98	\$ 346.29	5,598.27	2,154.93	3,443.34
Financial Administration	199.50	556.54	756.04	556.54	199.50
Audit Services	35.22		35.22		35.22
Assessment of Taxes	280.15	37.31	317.46	37.31	280.15
Collection of Taxes	53.76		53.76		53.76
Legal Services and Costs	5,902.17	3,335.61	28,335.61	28,335.61	
Engineer	2,538.95		2,538.95	1,183.75	1,355.20
Planning Board		1,706.04	1,706.04	1,106.04	600.00
Zoning Board		937.98	937.98	937.98	
Insurance	10,021.81	137.59	9,919.84	137.59	9,782.25
Fire	540.41	11,075.47	11,125.57	9,522.57	1,603.00
Fire Official	146.24		146.24		146.24
Police	1,968.97	6,206.96	8,679.29	8,679.29	
Road Repair and Maintenance		9,758.77	9,758.77	9,758.77	
Shade Tree Commission		1,560.00	1,560.00	1,560.00	
Public Buildings and Grounds		425.89	425.89	425.89	
Solid Waste Collection		18,451.30	18,451.30	18,451.30	
Vehicle Maintenance		3,664.12	3,664.12	3,664.12	
Registrar of Vital Statistics	366.84	133.16	500.00	133.16	366.84
Economic Development Agencies	670.40		670.40		670.40
Forward	55,063.41	58,333.03	142,969.70	121,706.58	21,263.12

(Continued)

BOROUGH OF RIVERTON

CURRENT FUND

Statement of 2008 Appropriation Reserves and Reserve for Encumbrances
For The Year Ended December 31, 2009

	<u>Balance December 31, 2008</u>		<u>Balance After Transfers</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
	<u>Reserved</u>	<u>Encumbered</u>			
Forward	\$ 55,063.41	\$ 58,333.03	\$ 142,969.70	\$ 121,706.58	\$ 21,263.12
Other Expenses (Cont'd):					
Recreation	5,986.13	190.00	6,176.13	1,990.00	4,186.13
Celebration of Public Events	500.00		500.00		500.00
Gasoline	641.20	1,646.59	2,763.69	2,763.69	
Electricity	206.16	6,553.09	6,759.25	6,704.04	55.21
Telephone		954.49	954.49	954.49	
Street Lighting		4,480.70	4,480.70	4,480.70	
Water		499.60	499.60	499.60	
Landfill and Solid Waste Disposal Costs	24,359.59		8,060.07	8,060.07	
Municipal Court	2,097.85		2,097.85		2,097.85
Social Security System	626.40		626.40		626.40
Sewer System	7,232.27	8,134.71	15,728.20	15,728.20	
Sewerage Processing	14,110.86				
Recycling Tax	6,800.00		6,800.00	6,800.00	
Total	<u>\$ 117,623.87</u>	<u>\$ 80,792.21</u>	<u>\$ 198,416.08</u>	<u>\$ 169,687.37</u>	<u>\$ 28,728.71</u>
			Cash Disbursed	\$ 162,887.37	
			Accounts Payable	<u>6,800.00</u>	
				<u>\$ 169,687.37</u>	

BOROUGH OF RIVERTON

Current Fund

**Schedule of Due To/(from) State of New Jersey-
Senior Citizen and Veterans' Deductions
For the Year Ended December 31, 2009**

Balance Due to State of New Jersey - December 31, 2008		\$ 3,521.47
Increased by:		
Cash Received	\$ 38,640.01	
Prior Year Senior Citizen and veteran Disallowed by Collector	38,640.01	42,161.48
Decreased by:		
Accrued in 2009:		
Senior Citizens Deductions Per Billings	\$ 6,500.00	
Veterans Deductions Per Billings	32,000.00	
	38,500.00	
Add - Current Year Senior Citizen and Veteran Allowed by Collector	(5,336.50)	43,836.50
Balance Due from the State of New Jersey - December 31, 2009		\$ (1,675.02)

BOROUGH OF RIVERTON

Current Fund

**Schedule of Local District School Tax Payable
For the Year Ended December 31, 2009**

Balance December 31, 2008:		
School Tax Payable	\$ 1,196,911.03	
School Tax Deferred	<u>848,766.00</u>	\$ 2,045,677.03
Increased by:		
Levy - School Year July 1, 2009 to June 30, 2010		<u>4,182,556.00</u>
Total		6,228,233.03
Decreased by:		
Payments		<u>4,136,954.96</u>
Balance December 31, 2009:		
School Tax Payable	1,242,512.07	
School Tax Deferred	<u>848,766.00</u>	<u>\$ 2,091,278.07</u>
2009 Liability for Local District School Tax:		
Tax Paid		\$ 4,136,954.96
Tax Payable December 31, 2009		<u>1,242,512.07</u>
Total		5,379,467.03
Less:		
Tax Payable December 31, 2008		<u>1,196,911.03</u>
Amount Charged to 2009 Operations		<u>\$ 4,182,556.00</u>

BOROUGH OF RIVERTON

Federal and State Grant Fund

**Schedule of Federal and State Grants Receivable
For the Year Ended December 31, 2009**

	Balance December 31, <u>2008</u>	<u>Accrued</u>	<u>Received</u>	Balance December 31, <u>2009</u>
State Grants:				
Clean Communities Grant		\$ 5,153.69	\$ 5,153.69	
Green Communities Grant		3,000.00		\$ 3,000.00
Smart Growth Planning Grant	\$ 21,513.65		21,513.65	
Recycling Tonnage Grant		2,342.37	2,342.37	
Safe Routes to School Grant		23,000.00		23,000.00
Forestry Grant		6,000.00	6,000.00	
Community Stewardship Incentive	3,750.00		3,750.00	
Centers of Place Grant		90,000.00		90,000.00
Total State Grants	<u>25,263.65</u>	<u>129,496.06</u>	<u>38,759.71</u>	<u>116,000.00</u>
Federal Grants:				
Community Development Initiative	44,800.00		28,268.36	16,531.64
NJ Transportation Trust Fund	76,521.98		60,081.72	16,440.26
Total Federal Grants	<u>121,321.98</u>		<u>88,350.08</u>	<u>32,971.90</u>
Total	<u>\$ 146,585.63</u>	<u>\$ 129,496.06</u>	<u>\$ 127,109.79</u>	<u>\$ 148,971.90</u>

BOROUGH OF RIVERTON

Federal and State Grant Fund

**Schedule of Reserve for Federal and State Grants - Unappropriated
For the Year Ended December 31, 2009**

	Balance December 31, <u>2008</u>	Federal and State Grant <u>Receivable</u>	Realized as Revenue <u>2009</u>	Balance December 31, <u>2009</u>
State Grants:				
Alcohol Education Rehabilitation	\$ 321.27		\$ 321.27	
Drunk Driving Enforcement Fund	4,805.31		4,805.31	
Body Armor Grant	1,205.39		1,205.39	
Recycling Tonnage Grant	1,165.86	\$ 2,342.37	1,165.86	\$ 2,342.37
Green Communities		3,000.00	3,000.00	
Forestry Grant		6,000.00		6,000.00
Centers of Place Grant		90,000.00	90,000.00	
Safe Routes to School Grant		23,000.00	23,000.00	
Clean Communities Grant	<u>4,000.00</u>	<u>5,153.69</u>	<u>8,039.53</u>	<u>1,114.16</u>
Total State Grants	<u>11,497.83</u>	<u>129,496.06</u>	<u>131,537.36</u>	<u>9,456.53</u>
Federal Grants:				
Motor Vehicle Aggressive Driver	8,076.94		8,076.94	
Historic Streetscape Project	<u>8,993.43</u>		<u>8,993.43</u>	
Total Federal Grants	<u>17,070.37</u>		<u>17,070.37</u>	
Total	<u>\$ 28,568.20</u>	<u>\$ 129,496.06</u>	<u>\$ 148,607.73</u>	<u>\$ 9,456.53</u>

BOROUGH OF RIVERTON

Federal and State Grant Fund

Schedule of Reserve for Federal and State Grants - Appropriated
For the Year ended December 31, 2009

	Balance December 31, <u>2008</u>	Transferred from 2009 Budget <u>Appropriation</u>	<u>Disbursed</u>	Balance December 31, <u>2009</u>
State Grants:				
Clean Communities Grant	\$ 7,066.25	\$ 8,039.53	\$ 1,377.32	\$ 13,728.46
Recycling Tonnage Grant	2,461.39	1,165.86	525.00	3,102.25
Drunk Driving Enforcement Fund		4,805.31		4,805.31
Community Steward Incentive	7,675.00		7,350.00	325.00
Alcohol Education Rehabilitation	2,738.25	321.27		3,059.52
Green Communities	2,000.00	3,000.00		5,000.00
Centers of Place		90,000.00		90,000.00
Body Armor Grant	3,250.00	1,205.39	569.25	3,886.14
Safe Routes to School		23,000.00		23,000.00
Stormwater Grant	3,875.97			3,875.97
Emergency Management Grant	823.59			823.59
Domestic Violence	137.04			137.04
Total State Grants	<u>30,027.49</u>	<u>131,537.36</u>	<u>9,821.57</u>	<u>151,743.28</u>
Federal Grants:				
NJ Transportation Trust Fund	15,075.09			15,075.09
Community Development Initiative	44,800.00		28,268.34	16,531.66
Motor Veh. Aggressive Driver Crack Down		8,076.94		8,076.94
Historic Streetscape Project		8,993.43	7,543.24	1,450.19
	<u>59,875.09</u>	<u>17,070.37</u>	<u>35,811.58</u>	<u>41,133.88</u>
Total State Grants	<u>\$ 89,902.58</u>	<u>\$ 148,607.73</u>	<u>\$ 45,633.15</u>	<u>\$ 192,877.16</u>

TRUST FUND

BOROUGH OF RIVERTON

Trust Fund

Schedule of Cash - Treasurer
For the Year Ended December 31, 2009

	<u>Animal Control</u>	<u>Other</u>
Balance December 31, 2008	\$ 1,832.18	\$ 369,702.01
Receipts:		
Animal Control Fund:		
Reserve for Animal Control Fund Expenditures	560.76	
State Registration Fees	156.60	
Due State of New Jersey:		
Marriage License Fees		510.00
Construction Code Fees		2,351.00
Reserve for Unemployment Compensation		1,879.15
Reserve for Shade Tree Commission		225.00
Reserve for Tax Sale Premium		9,228.29
Reserve for Public Defender Fees		2,368.56
Due to Current Fund:		
Escrow Account Interest		3,582.57
Reserve for Developers Escrow Fund		46,323.89
Payroll Account:		
Net Payroll		651,911.31
Payroll Withholdings		447,851.36
Reserve for Construction Code Fund		34,540.73
Reserve for Police Forfeited Property		0.35
Reserve for POAA		17.21
Reserve for Trust Other		7,689.45
Tax Title Lien Redemption Payable		56,376.41
Reserve for Parks and Recreation		2.69
Total Receipts	<u>717.36</u>	<u>1,264,857.97</u>
Subtotal	<u>2,549.54</u>	<u>1,634,559.98</u>

(Continued)

BOROUGH OF RIVERTON

Trust Fund

**Schedule of Cash - Treasurer
For the Year Ended December 31, 2009**

	<u>Animal Control</u>	<u>Other</u>
Disbursements:		
Due State of New Jersey:		
Marriage License Fees		\$ 735.00
Construction Code Fees		1,946.00
Animal Control Account:		
State of New Jersey	\$ 159.60	
Expenditures Under RS4:19-15.11	445.00	
Due to Current Fund	1,354.11	
Refund	18.00	
Due to Current Fund		162.38
Due to Federal & State Grant Fund		14,412.23
Reserve for Construction Code Fund		25,568.65
Reserve for Unemployment Compensation		1,309.00
Reserve for Trust Premium		60,000.00
Reserve for Developers Escrow Fund		44,607.00
Payroll Account:		
Payment to Withholding Agencies		445,192.75
Net Payroll		651,911.31
Tax Title Lien Redemption Payable		52,852.59
Reserve for Public Defender Fees		3,900.00
	<hr/>	<hr/>
Total Disbursements	1,976.71	1,302,596.91
	<hr/>	<hr/>
Balance December 31, 2009	\$ 572.83	\$ 331,963.07

BOROUGH OF RIVERTON

Dog License Fund

**Schedule of Reserve for Animal Control Fund Expenditures
For the Year Ended December 31, 2009**

Balance December 31, 2008		\$ 438.07
Increased by:		
2009 Dog License Fees Collected	\$ 556.00	
Interest Earned	<u>4.76</u>	
	560.76	
2009 Dog License Fees Applied	<u>19.00</u>	
		<u>579.76</u>
Total		1,017.83
Decreased by:		
Expenditures Under RS4:19-15.11		<u>445.00</u>
Balance December 31, 2009		<u><u>\$ 572.83</u></u>

License Fees Collected

<u>Year:</u>		
2008		\$ 607.00
2007		<u>847.14</u>
Total		<u><u>\$ 1,454.14</u></u>

BOROUGH OF RIVERTON

Trust - Other Funds

Schedule of Payroll Deductions Payable
For the Year Ended December 31, 2009

Balance December 31, 2008	\$ 1,445.10
Increased by:	
Payroll Deductions Received	<u>447,851.36</u>
Total	449,296.46
Decreased by:	
Payroll Deductions Disbursed	<u>445,192.75</u>
Balance December 31, 2009	<u>\$ 4,103.71</u>
Analysis of Balance:	
Due to Unemployment Compensation Fund	<u>\$ 4,103.71</u>

BOROUGH OF RIVERTON

Trust - Other Funds

**Schedule of Reserve For Developer's Escrow Deposits
For the Year Ended December 31, 2009**

Balance December 31, 2008	\$ 129,171.01
Increased by Receipts	<u>46,323.89</u>
Subtotal	175,494.90
Decreased by:	
Cash Disbursed	<u>44,607.00</u>
Balance December 31, 2009	<u><u>\$ 130,887.90</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, 2009**

Balance December 31, 2008	\$ 465.81
Increased by Receipts	<u>7,689.45</u>
	8,155.26
Decreased by Disbursements	<u> </u>
Balance December 31, 2009	<u><u>\$ 8,155.26</u></u>

BOROUGH OF RIVERTON

Trust - Other Funds

Schedule of Reserve for Construction Code Fund
For the Year Ended December 31, 2009

Balance December 31, 2008		\$ 64,804.11
Increased by - Receipts:		
Building Permits	\$ 19,520.00	
Plumbing Permits	3,066.00	
Electrical Permits	5,066.00	
Fire Permits	1,758.00	
Certificate of Occupancy	947.00	
Penalties	3,813.00	
Interest Earned	<u>370.73</u>	
		<u>34,540.73</u>
Subtotal		99,344.84
Decreased by - Expenditures:		
Salaries	25,211.65	
Administration Fee	<u>357.00</u>	
Total Disbursements		<u>25,568.65</u>
Balance December 31, 2009		<u>\$ 73,776.19</u>

BOROUGH OF RIVERTON

Trust Fund

Schedule of Community Development Block Grant Receivable
For the Year Ended December 31, 2009

	Balance December 31, <u>2008</u>	<u>Allotment</u>	<u>Received</u>	Balance December 31, <u>2009</u>
Allotment:				
2009 Year Block Grant	<u>\$ -</u>	<u>\$ 45,000.00</u>	<u>\$ -</u>	<u>\$ 45,000.00</u>

Schedule of Reserve For Community Development Block Grants
For the Year Ended December 31, 2009

	Balance December 31, <u>2008</u>	<u>Allotment</u>	Cash <u>Disbursed</u>	Balance December 31, <u>2009</u>
Allotment:				
Architectural barrier removal at school	<u>\$ -</u>	<u>\$ 45,000.00</u>	<u>\$ -</u>	<u>\$ 45,000.00</u>

GENERAL CAPITAL FUND

BOROUGH OF RIVERTON

General Capital Fund

Schedule of Cash - Treasurer
For the Year Ended December 31, 2009

Balance December 31, 2008		\$ 136,374.80
Receipts:		
Sale of Bond Anticipation Note	\$ 200,000.00	
Due to Current Fund - Interest Earned	<u>8,212.52</u>	
		<u>208,212.52</u>
Total		344,587.32
Disbursements:		
Improvement Authorizations	272,106.24	
Due to Current Fund	<u>712.52</u>	
		<u>272,818.76</u>
Balance December 31, 2009		<u>\$ 71,768.56</u>

BOROUGH OF RIVERTON

General Capital Fund

**Analysis of General Capital Cash and Investments
For the Year Ended December 31, 2009**

Fund Balance		\$ 1,666.64
Capital Improvement Fund		13,744.81
Federal and State Grant Receivabe		(180,000.00)
Improvement Authorizations:		
Ordinance		
<u>Number</u>		
2002-4	Various Improvements:	
	Purchase and/or Renovations to Municipal Facility	42,478.88
	Repairs to Seawall	7,851.66
2007-3	Various Improvements:	
	Purchase of Police Equipment	3,355.00
	2007 Road Program	27,671.54
	Computer Equipment	2,056.27
	Office Equipment	7,800.00
2009-5	2009 Road Program	144,819.45
2009-6	Purchase of lawnmower & improvement to Borough offices	324.31
Total		\$ 71,768.56

BOROUGH OF RIVERTON

General Capital Fund

Schedule of Federal and State Grants Receivable
For the Year Ended December 31, 2009

	Balance December 31, <u>2008</u>	<u>Accrued</u>	<u>Received</u>	Balance December 31, <u>2009</u>
State Aid:				
1984 New Jersey Transportation Trust Fund Authority Act - Municipal Aid Linden Avenue		\$ 180,000.00		\$ 180,000.00
<hr/>				
Total	\$ -	\$ 180,000.00	\$ -	\$ 180,000.00

BOROUGH OF RIVERTON

General Capital Fund

**Statement of Capital Improvement Fund
For the Year Ended December 31, 2009**

Balance December 31, 2008	\$ 50,994.81
Increased by - 2009 Budget Appropriation	<u>50,994.81</u>
Decreased by - Appropriated to Finance Improvement Authorization	<u>37,250.00</u>
Balance December 31, 2009	<u><u>\$ 13,744.81</u></u>

BOROUGH OF RIVERTON
General Capital Fund
Schedule of Improvement Authorizations
For the Year Ended December 31, 2009

Ordinance Number	Improvement Description	Ordinance Date	Amount	Balance December 31, 2008		2009 Authorizations			Balance December 31, 2009		
				Funded	Unfunded	Capital Improvement Fund	Federal and State Grant Receivable	Deferred Charges To Future Taxation Unfunded	Paid or Charged	Funded	Unfunded
2002-4	Multi-purpose:	07/11/02									
	a. Purch. and/or Renov. to Municipal Facility		706,400	\$ 42,478.88						\$ 42,478.88	
	c. Repairs to Seawall		16,000		\$ 7,851.66					7,851.66	
2007-3	Multi-purpose:	05/21/07	153,800								
	a. Purchase of Police Equipment			3,355.00						3,355.00	
	b. 2007 Road Program			27,671.54						27,671.54	
	c. Computer Equipment			2,056.27						2,056.27	
	d. Office Equipment			7,800.00						7,800.00	
2009-5	2009 Road Program	12/12/09	200,000			\$ 18,000.00	\$ 180,000.00	\$ 344,000.00	\$ 253,180.55	\$ 288,819.45	
2009-6	Purchase of Lawnmower & Improvements to Borough offices	6/10/09	19,250			19,250.00			18,925.69	324.31	
Total				\$ 83,361.69	\$ 7,851.66	\$ 37,250.00	\$ 180,000.00	\$ 344,000.00	\$ 272,106.24	\$ 91,537.66	\$ 288,819.45

BOROUGH OF RIVERTON

General Capital Fund

Schedule of General Serial Bonds
For the Year Ended December 31, 2009

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Note</u>	<u>Maturities of Bonds Outstanding December 31, 2009</u>		<u>Interest Rate</u>	<u>Balance December 31, 2008</u>	<u>Issued</u>	<u>Decreased</u>	<u>Balance December 31, 2009</u>
			<u>Date</u>	<u>Amount</u>					
General Bonds of 2001	3/15/01	\$ 1,301,000	3/15/10 - 3/15/15	\$ 87,000	4.50%	\$ 692,000.00		\$ 87,000.00	\$ 605,000.00
			3/15/2016	83,000	4.50%				
Total						\$ 692,000.00	\$ -	\$ 87,000.00	\$ 605,000.00

(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, 2009

Balance December 31, 2008	\$ 14,105.48
Decreased by:	
Paid by Budget Appropriation	<u>2,053.11</u>
Balance December 31, 2009	<u>\$ 12,052.37</u>

Analysis of Balance - December 31, 2009

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	2,223.22	101.78	2,325.00
2014	2,267.90	57.10	2,325.00
2015	<u>1,150.99</u>	<u>11.51</u>	<u>1,162.50</u>
	<u>\$ 12,052.37</u>	<u>\$ 735.13</u>	<u>\$ 12,787.50</u>

BOROUGH OF RIVERTON

General Captial Fund

**Schedule of Bond Anticipation Notes
For the Year Ended December 31, 2009**

<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, 2008</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance December 31, 2009</u>
2002-4	Multi-Purpose	07/21/04	6/25/09	7/1/09	2.40%	\$ 492,000.00		\$ 492,000.00	
2002-4	Multi-Purpose	7/24/03	7/6/07	6/25/10	2.50%		\$ 442,000.00		\$ 442,000.00
2005-6	Multi-Purpose	7/6/06	7/6/06	7/6/07	Nil.	262,500.00		262,500.00	
2005-6	Multi-Purpose	10/12/06	10/12/09	10/12/10	Nil.		232,500.00		232,500.00
2009-5	2009 Road Program	12/12/09	12/12/09	12/12/10	Nil.		200,000.00		200,000.00
						<u>\$ 754,500.00</u>	<u>\$ 874,500.00</u>	<u>\$ 754,500.00</u>	<u>\$ 874,500.00</u>

Nil. = Held as an investment in the Current Fund

Renewal	\$ 674,500.00	\$ 674,500.00
Receipts	200,000.00	
Paid by Budget		50,000.00
	<u>\$ 874,500.00</u>	<u>\$ 724,500.00</u>

BOROUGH OF RIVERTON

General Capital Fund

Statement of Bonds and Notes Authorized but not Issued
For the Year Ended December 31, 2009

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance December 31, 2008</u>	<u>2009 Authorizations</u>	<u>Bond Anticipation Notes Issued</u>	<u>Balance December 31, 2009</u>
2009-5	2009 Road Program	\$ -	\$ 344,000.00	\$ 200,000.00	\$ 144,000.00
	Total	\$ -	\$ 344,000.00	\$ 200,000.00	\$ 144,000.00

PUBLIC ASSISTANCE FUND

BOROUGH OF RIVERTON

PUBLIC ASSISTANCE FUND

Schedule of Cash - Treasurer
For the Year Ended December 31, 2009

	<u>P.A.T.F.</u> <u>1</u>
Balance December 31, 2008	\$ 710.86
Increased by Receipts:	
Interest Earned	<u>3.53</u>
Total	714.39
Decreased by Disbursements:	
Transfer to Current Fund	<u> </u>
Balance December 31, 2009	<u>\$ 714.39</u>

BOROUGH OF RIVERTON

PART II

Schedule of Findings and Recommendations

For the Year Ended December 31, 2009

BOROUGH OF RIVERTON
Schedule of Findings and Recommendations
For the Year Ended December 31, 2009

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.

None

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

This section identifies the status of prior year findings related to the financial statements and federal awards and state financial assistance that are required to be reported in accordance with *Government Auditing Standard*, OMB Circular A-133 and New Jersey OMB's Circular 04-04.

FINANCIAL STATEMENT FINDINGS

Finding #2008-1

Condition:

One employee was paid in excess of the amount approved in the adopted salary ordinance.

Current Status:

This condition has been corrected.

Finding #2008-2

Condition:

Escrow expenses are incurred prior to receipt of sufficient funds to cover the expenses.

Current Status:

This condition has been corrected.

Finding #2008-3

Condition:

Compensatory time, vacation time and sick days are not documented as being approved by a department head.

Current Status:

This condition has been corrected.

FEDERAL AWARDS

A Federal Single Audit was not required.

STATE AWARDS

A State Single Audit was not required.

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office at December 31, 2009:

<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		
Jeff Myers	Councilman		
Joseph Katella	Councilman		
Robert E. Smyth	Councilman		
Michael Kinzler	Councilman		
William C. Brown	Councilman		
Suzanne Cairns Wells	Councilwoman		
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		
Harry Fox	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

March 16, 2010