

BOROUGH OF RIVERTON
County of Burlington

Report of Audit of Financial Statements
For the Year Ended December 31, 2010

BOROUGH OF RIVERTON
COUNTY OF BURLINGTON

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BOROUGH OF RIVERTON

PART I

Report of Audit of Financial Statements

For the Year Ended December 31, 2010

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, 2010 and 2009, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis, statement of expenditures - regulatory basis, and statement of general fixed assets group of accounts for the year ended December 31, 2010, which collectively comprise the Borough's 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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

In our opinion, because of the effects on the financial statements of the requirement that the Borough prepare its financial statements in accordance with the accounting practices discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Borough of Riverton, in the County of Burlington, State of New Jersey, as of December 31, 2010 and 2009, or the results of its operations and changes in fund balance for the years then ended.

Furthermore, in our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Borough of Riverton, in the County of Burlington, State of New Jersey, as of December 31, 2010 and 2009, and the results of its operations and changes in fund balance - regulatory basis of such funds for the years then ended, and the revenues - regulatory basis, expenditures - regulatory basis of the various funds, and general fixed assets, for the year ended December 31, 2010 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 28, 2011 on our consideration of the Borough of Riverton, in the County of Burlington, State of New Jersey's, internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be 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 supplementary financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements of each of the respective individual funds and account groups 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 28, 2011

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, 2010, and have issued our report thereon dated March 28, 2011, 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 a 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 that are required to be reported under Government Auditing Services, 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 of 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

A handwritten signature in black ink, appearing to read "R. A. Stewart", written in a cursive style.

Robert A. Stewart
Certified Public Accountant
Registered Municipal Accountant

Marlton, New Jersey
March 28, 2011

BOROUGH OF RIVERTON

Current Fund

Statement of Assets, Liabilities, Reserves and Fund Balance – Regulatory Basis
For the Years Ended December 31, 2010 and 2009

	<u>Reference</u>	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>			
Regular Fund:			
Cash - Treasurer	A-4	\$ 1,747,058.21	\$ 1,771,823.37
Cash - Collector's Change Fund		120.00	120.00
Investments - Bond Anticipation Notes	C-10	523,546.42	432,500.00
Due from State of N.J. for Senior Citizen and Veteran Deductions	A-10	<u>4,631.97</u>	<u>1,675.02</u>
Total		<u>2,275,356.60</u>	<u>2,206,118.39</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-5	196,099.63	138,374.74
Property Acquired for Taxes - Assessed Valuation		325.00	325.00
Revenue Accounts Receivable	A-6	13,900.93	11,372.25
Sewer Rent Receivable	A-7	52,936.36	24,918.22
Due from Trust Other Fund	B	<u>14,449.26</u>	<u>10,654.58</u>
Total		<u>277,711.18</u>	<u>185,644.79</u>
Deferred Charges:			
Special Emergency (NJS 40A:4-55)	A-8	<u>13,980.00</u>	<u>27,960.00</u>
Total Regular Fund		<u>2,567,047.78</u>	<u>2,419,723.18</u>
Federal and State Grant Fund:			
Cash - Treasurer	A-4	54,677.74	53,361.79
Federal and State Grants Receivable	A-12	<u></u>	<u>148,971.90</u>
Total Federal and State Grant Fund		<u>54,677.74</u>	<u>202,333.69</u>
Total		<u>\$ 2,621,725.52</u>	<u>\$ 2,622,056.87</u>

BOROUGH OF RIVERTON

Current Fund

Statement of Assets, Liabilities, Reserves and Fund Balance – Regulatory Basis
For the Years Ended December 31, 2010 and 2009

	<u>Reference</u>	<u>2010</u>	<u>2009</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3, A-9	\$ 86,083.09	\$ 87,034.64
Reserve for Encumbrances	A-3, A-9	99,106.12	114,086.91
Accounts Payable	A-9	5,600.00	6,800.00
Reserve for Reconstruction of Morgan Avenue		25,858.12	25,858.12
Prepaid Taxes	A-4, A-5	56,728.93	41,624.24
Tax Overpayments		6,963.47	3,339.12
Sewer Rent Overpayments		1,805.82	1,116.71
Due to Capital Fund	C	19,789.24	
Due to Lienholder	A-4		14,500.26
Due to Trust - Other Funds	B	30,000.00	30,000.00
Due County for Added Taxes	A-1, A-4	238.35	4,733.95
Local District School Tax Payable	A-11	<u>1,381,082.53</u>	<u>1,242,512.07</u>
Total Liabilities		1,713,255.67	1,571,606.02
Reserve for Receivables and Other Assets	A	277,711.18	185,644.79
Fund Balance	A-1	<u>576,080.93</u>	<u>662,472.37</u>
Total Regular Fund		<u>2,567,047.78</u>	<u>2,419,723.18</u>
Federal and State Grant Fund:			
Due to Current Fund	A		
Unappropriated Reserves	A-13	8,005.07	9,456.53
Appropriated Reserves	A-14	<u>46,672.67</u>	<u>192,877.16</u>
Total Federal and State Grant Fund		<u>54,677.74</u>	<u>202,333.69</u>
Total		<u>\$ 2,621,725.52</u>	<u>\$ 2,622,056.87</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, 2010 and 2009**

	<u>2010</u>	<u>2009</u>
Revenue and Other Income Realized:		
Fund Balance Utilized	\$ 213,600.00	\$ 159,000.00
Miscellaneous Revenue Anticipated	832,464.42	1,212,822.96
Receipts from Delinquent Taxes	131,382.59	136,146.13
Receipts from Current Taxes	7,119,611.83	6,832,823.44
Nonbudget Revenues	70,328.36	27,938.37
Other Credits to Income:		
Unexpended Prior Year Appropriation Reserves and Encumbrances Payable	56,032.50	28,728.71
Federal and State Grants Canceled	14,193.37	
Sewer Rent Overpayments Canceled	1,116.71	100.98
Prior Year Interfunds Returned		43,881.19
Tax Overpayments Canceled		443.07
Total Revenue and Other Income Realized	<u>8,438,729.78</u>	<u>8,441,884.85</u>
Expenditures		
Operations Within "CAPS":		
Salaries and Wages	898,060.11	894,933.67
Other Expenses	1,261,674.89	1,299,583.28
Deferred Charges and Statutory Expenditures Within "CAPS"	161,109.00	179,607.05
Operations Excluded from "CAPS":		
Other Expenses	116,956.53	239,407.73
Capital Improvements	0.00	180,000.00
Municipal Debt Service Excluded from "CAPS"	255,642.50	210,315.50
Deferred Charges Excluded "CAPS"	13,980.00	13,980.00
Local District School Tax	4,459,697.00	4,182,556.00
County Taxes	1,142,716.80	1,058,314.79
Due County for Added Taxes	238.35	4,733.95
Refund of Prior year Tax Overpayments	1,446.04	1,253.39
Total	<u>8,311,521.22</u>	<u>8,264,685.36</u>
Statutory Excess in Fund Balance	127,208.56	177,199.49
Fund Balance January 1	<u>662,472.37</u>	<u>644,272.88</u>
Total	789,680.93	821,472.37
Decreased by Utilization as Anticipated Revenue	<u>213,600.00</u>	<u>159,000.00</u>
Balance December 31	<u>\$ 576,080.93</u>	<u>\$ 662,472.37</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, 2010

	<u>BUDGET</u>	<u>SPECIAL NJS 40A:4-87</u>	<u>REALIZED</u>	<u>EXCESS (DEFICIT)</u>
Fund Balance Anticipated	\$ 213,600.00		\$ 213,600.00	
Miscellaneous Revenues:				
Licenses - Other	7,400.00		1,470.00	\$ (5,930.00)
Fees and Permits - Other	1,500.00		2,700.00	1,200.00
Fines and Costs				
Municipal Court	42,000.00		46,357.43	4,357.43
Interest and Costs on Taxes	31,000.00		31,758.20	758.20
Interest on Investments and Deposits	10,000.00		10,121.00	121.00
Cell Tower Rental Fees	29,000.00		35,163.44	6,163.44
Sewer Rent Fees	375,000.00		347,756.40	(27,243.60)
Additional Sewer Charges	75,000.00		75,000.00	
Payments in Lieu of Taxes	12,000.00		12,828.12	828.12
Energy Receipts Taxes	203,446.00		203,446.00	
Consolidated Municipal Property Relief Act	27,131.00		27,131.00	
Miscellaneous Revenues Offset with Appropriations:				
Clean Communities	1,114.16		1,114.16	
Firefighter Grant	14,850.00		14,850.00	
Recycling Tonnage Grant	2,342.37		2,342.37	
Forestry Grant	13,000.00		13,000.00	
Uniform Fire Safety Act	7,000.00		7,426.30	426.30
Total	851,783.53		832,464.42	(19,319.11)
Receipts from Delinquent Taxes	131,000.00		131,382.59	382.59
Amount to be Raised by Taxes for Support of				
Municipal Budget - Local Tax for Municipal Purposes	1,699,476.41		1,704,446.59	4,970.18
Budget Totals	2,895,859.94		2,881,893.60	\$ (13,966.34)
Nonbudget Revenues			70,328.36	
Total	\$ 2,895,859.94	\$ -	\$ 2,952,221.96	

(Continued)

BOROUGH OF RIVERTON

Current Fund

Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2010Analysis of Realized Revenue

Allocation of Current Tax Collections:

Revenue from Collections	\$ 7,119,611.83
Allocated to School and County Taxes	<u>5,602,652.15</u>
Balance for Support of Municipal Budget Appropriations	1,516,959.68
Add Appropriation - Reserve for Uncollected Taxes	<u>187,486.91</u>
Amount for Support of Municipal Budget Appropriations	<u><u>\$ 1,704,446.59</u></u>

Receipts from Delinquent Taxes:

Delinquent Tax Collections	<u><u>\$ 131,382.59</u></u>
----------------------------	-----------------------------

Licenses - Other:

Registrar of Vital Statistics	\$ 1,450.00
Other	<u>20.00</u>
Total	<u><u>\$ 1,470.00</u></u>

Fees and Permits - Other:

Street Opening Permits	<u><u>\$ 2,700.00</u></u>
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Miscellaneous Revenue Not Anticipated:

Revenue Accounts Receivable:	
Cable TV Franchise Fee	\$ 9,370.91

Sewer Rent Interest and Cost on Delinquencies	\$ 5,616.74	
Summer Park Program	555.00	
Field Usage	200.00	
Zoning/Site Applications	1,610.00	
Fence/Sign Permits	348.00	
Reimbursements	3,250.30	
Closeout of Construction Account	37,662.75	
Miscellaneous	<u>11,714.66</u>	
		<u>60,957.45</u>
Total		<u><u>\$ 70,328.36</u></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, 2010

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After</u>	<u>Paid or</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Balance</u>
		<u>Modification</u>	<u>Charged</u>			<u>Canceled</u>
GENERAL APPROPRIATIONS:						
<i>Operations Within "CAPS":</i>						
General Government						
Mayor and Council						
Salaries and Wages	\$ 450.00	\$ 450.00	\$ 450.00			
Other Expenses	1,000.00	650.00	347.50	\$ 295.29	\$ 7.21	
Borough Clerk						
Salaries and Wages	70,715.00	70,428.24	70,427.27		0.97	
Other Expenses	21,125.00	21,761.76	17,260.79	3,982.63	518.34	
Financial Administration:						
Salaries and Wages	51,742.00	51,742.00	49,618.41		2,123.59	
Other Expenses	6,800.00	6,800.00	5,264.03	417.46	1,118.51	
Audit Services						
Other Expenses	25,750.00	25,750.00	25,750.00			
Computerized Data Processing						
Other Expenses	9,000.00	9,000.00	8,779.00		221.00	
Collection of Taxes						
Salaries and Wages	18,924.00	18,924.00	17,305.83		1,618.17	
Other Expenses	3,175.00	3,175.00	2,407.70	265.00	502.30	
Assessment of Taxes						
Salaries and Wages	10,368.00	10,368.11	10,368.11			
Other Expenses	1,950.00	1,949.89	629.62		1,320.27	
Legal Services & Costs						
Other Expenses	40,000.00	40,000.00	36,823.18	2,210.00	966.82	
Engineer						
Other Expenses	15,000.00	15,000.00	11,007.50		3,992.50	
Land Use Administration:						
Planning Board:						
Salaries and Wages	2,785.00	2,785.00	2,784.47		0.53	
Other Expenses	7,800.00	6,414.23	2,904.09	342.14	3,168.00	
Zoning Board:						
Salaries and Wages	10,125.00	10,126.00	10,125.84		0.16	
Other Expenses	2,300.00	3,684.77	3,486.01		198.76	

(Continued)

BOROUGH OF RIVERTON
Current Fund
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2010

	<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)						
Insurance:						
Liability Insurance	\$ 70,114.00	\$ 70,114.00	\$ 69,612.50		\$ 501.50	
Worker Compensation	41,630.00	41,630.00	41,582.00		48.00	
Employees Group Insurance	271,818.00	273,381.52	273,381.52			
Public Safety:						
Police:						
Salaries and Wages	437,810.00	432,810.00	428,622.71		4,187.29	
Other Expenses	38,850.00	38,340.00	30,118.91	\$ 1,653.85	6,567.24	
Aid to Volunteer Ambulance Squad						
Other Expenses	15,000.00	15,000.00	15,000.00			
Fire Department						
Other Expenses	25,000.00	24,952.00	15,559.85	8,437.71	954.44	
Fire Official						
Salaries and Wages	4,551.00	4,551.00	4,550.63		0.37	
Other Expenses	1,500.00	1,500.00	1,185.45		314.55	
Public Works						
Road Repairs and Maintenance						
Salaries and Wages	205,866.00	205,866.00	197,668.75		8,197.25	
Other Expenses	32,000.00	27,528.91	9,564.16	17,743.05	221.70	
Shade Tree Commission						
Other Expenses	45,000.00	45,000.00	44,957.27		42.73	
Solid Waste Collection:						
Other Expenses	121,420.00	123,342.47	113,779.47	9,563.00		
Public Buildings and Grounds						
Other Expenses	22,700.00	22,700.00	20,159.86	532.98	2,007.16	
Vehicle Maintenance						
Other Expenses	18,500.00	23,991.13	15,290.13	8,699.41	1.59	
Registrar of Vital Statistics:						
Salaries and Wages	5,327.00	5,327.00	5,226.93		100.07	
Other Expenses	500.00	500.00			500.00	

(Continued)

BOROUGH OF RIVERTON
Current Fund
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2010

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After</u>	<u>Paid or</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Balance</u>
		<u>Modification</u>	<u>Charged</u>			<u>Canceled</u>
Operations Within "CAPS" (Continued)						
General Government (Continued)						
Animal Control						
Other Expenses	\$ 6,348.00	\$ 6,348.00	\$ 4,874.25	\$ 672.50	\$ 801.25	
Parks and Recreation:						
Recreation Services:						
Salaries and Wages	3,713.00	3,713.00	3,500.00		213.00	
Other Expenses	8,000.00	1,846.10	1,567.44		278.66	
Celebration of Public Events:						
Other Expenses	500.00	500.00	160.00		340.00	
Contribution to Senior Citizens Club:						
Other Expenses	500.00	500.00	500.00			
Utilities:						
Electricity	75,000.00	87,725.00	73,801.39	6,518.70	7,404.91	
Street Lighting	50,000.00	50,000.00	40,892.68	9,107.32		
Telephone	12,000.00	12,566.00	11,558.66	1,007.28	0.06	
Water	3,000.00	3,252.34	3,128.34	123.13	0.87	
Sewerage Processing:						
Salaries and Wages	75,683.00	75,683.00	73,500.15		2,182.85	
Other Expenses	35,425.00	35,425.00	35,425.00			
Gasoline	20,000.00	24,710.00	18,102.97	6,097.84	509.19	
Fire Hydrant Service	40,000.00	40,000.00	34,921.81	3,174.71	1,903.48	
Landfill and Solid Waste Disposal Costs - Landfill Fees	114,800.00	103,752.53	89,426.89	6,586.28	7,739.36	
Municipal Court:						
Other Expenses	58,171.00	58,171.00	49,265.24		8,905.76	
Total Operations - Within "CAPS"	2,159,735.00	2,159,735.00	2,002,624.31	87,430.28	69,680.41	
Detail:						
Salaries and Wages	898,059.00	892,773.35	874,149.10		18,624.25	
Other Expenses	1,261,676.00	1,266,961.65	1,128,475.21	87,430.28	51,056.16	

(Continued)

BOROUGH OF RIVERTON
Current Fund
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2010

	<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.)	\$ 47,500.00	\$ 47,500.00	\$ 46,272.46		\$ 1,227.54	
Police & Fireman's Retirement System	69,451.00	69,451.00	69,451.00			
Public Employees' Retirement System	44,158.00	44,158.00	44,158.00			
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	<u>161,109.00</u>	<u>161,109.00</u>	<u>159,881.46</u>		<u>1,227.54</u>	
Total General Appropriations - For Municipal Purposes Within "CAPS"	<u>2,320,844.00</u>	<u>2,320,844.00</u>	<u>2,162,505.77</u>	<u>\$ 87,430.28</u>	<u>70,907.95</u>	
Operations Excluded from "CAPS":						
Aid To Library (N.J.S.A.40:54-35)	9,000.00	9,000.00	9,000.00			
Additional Appropriations Offset By Revenues						
Sewerage Processing						
Other Expenses	75,000.00	75,000.00	48,149.02	11,675.84	15,175.14	
Public and Private Programs Offset By Revenues:						
Recycling Tonnage Grant	2,342.37	2,342.37	2,342.37			
Forestry Grant	13,000.00	13,000.00	13,000.00			
Firefighters Grant	16,500.00	16,500.00	16,500.00			
Clean Communities	1,114.16	1,114.16	1,114.16			
Total Operations - Excluded From "CAPS"	<u>116,956.53</u>	<u>116,956.53</u>	<u>90,105.55</u>	<u>11,675.84</u>	<u>15,175.14</u>	
Detail:						
Other Expenses	<u>116,956.53</u>	<u>116,956.53</u>	<u>90,105.55</u>	<u>11,675.84</u>	<u>15,175.14</u>	
Municipal Debt Service - Excluded From "CAPS"						
Payment of Bond Principal	87,000.00	87,000.00	87,000.00			
Payment of BAN Principal	130,000.00	130,000.00	130,000.00			
Interest on Bonds	25,267.50	25,267.50	25,267.50			
Interest on Notes	12,000.00	12,000.00	11,050.00			\$ 950.00
Green Trust Loan Repayment for Principal and Interest	2,325.00	2,325.00	2,325.00			
Total Municipal Debt Service - Excluded From "CAPS"	<u>256,592.50</u>	<u>256,592.50</u>	<u>255,642.50</u>			<u>950.00</u>

(Continued)

BOROUGH OF RIVERTON
Current Fund
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2010

	<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 - Municipal - Excluded from "CAPS"						
Special Emergency Authorization	\$ 13,980.00	\$ 13,980.00	\$ 13,980.00			
Total General Appropriations for Municipal Purposes Excluded From "CAPS"	387,529.03	387,529.03	359,728.05	\$ 11,675.84	\$ 15,175.14	\$ 950.00
Subtotal General Appropriations	2,708,373.03	2,708,373.03	2,522,233.82	99,106.12	86,083.09	950.00
Reserve for Uncollected Taxes	187,486.91	187,486.91	187,486.91			
TOTAL GENERAL APPROPRIATIONS	<u>\$ 2,895,859.94</u>	<u>\$ 2,895,859.94</u>	<u>\$ 2,709,720.73</u>	<u>\$ 99,106.12</u>	<u>\$ 86,083.09</u>	<u>\$ 950.00</u>
Original Budget		\$ 2,895,859.94				
Amended by NJS 40A:4-87		<u>\$ 2,895,859.94</u>				
Expended - Paid or Charged:						
Deferred Charge - Special Emergency			\$ 13,980.00			
Reserve for State Grants			32,956.53			
Reserve for Uncollected Taxes			187,486.91			
Disbursed			<u>2,475,297.29</u>			
Total			<u>\$ 2,709,720.73</u>			

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

BOROUGH OF RIVERTON

Trust Fund

Statement of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
For the Years Ended December 31, 2010 and 2009

	<u>Reference</u>	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>			
Animal Control Fund:			
Cash - Treasurer	B-1	\$ 1,080.58	\$ 572.83
Other Funds:			
Cash - Treasurer	B-1	259,519.90	331,963.07
Community Development Block Grant Receivable	B-7		45,000.00
Due from Current Fund	A	30,000.00	30,000.00
Total Other Funds		<u>289,519.90</u>	<u>406,963.07</u>
Total		<u>\$ 290,600.48</u>	<u>\$ 407,535.90</u>
<u>LIABILITIES AND RESERVES</u>			
Dog License Fund:			
Prepaid Licenses	B-1, B-2	\$ 58.20	
Reserve for Dog Fund Expenditures	B-2	1,022.38	\$ 572.83
Total Dog License Fund		<u>1,080.58</u>	<u>572.83</u>
Other Funds:			
Due State of New Jersey:			
Marriage License Fees		200.00	125.00
Construction Code		194.00	405.00
Due to Current Fund	A	14,449.26	10,654.58
Payroll Deductions Payable	B-3	3,970.42	4,103.71
Tax Title Lien Redemption Payable		3,999.23	3,523.82
Reserve for Unemployment Compensation Trust		22,672.08	22,528.48
Reserve for Developers Escrow Fund	B-4	135,190.11	130,887.90
Reserve for Tax Sale Premiums		61,813.09	69,289.03
Reserve for Shade Tree Commission		8,011.86	7,661.86
Reserve for Environmental Fund	B-5	8,155.26	8,155.26
Reserve for Construction Code Fund	B-6		73,776.19
Reserve for Parks and Recreation		539.58	536.88
Reserve for Police Forfeited Property		61.75	61.40
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		263.26	253.96
Total Other Funds		<u>289,519.90</u>	<u>406,963.07</u>
Total		<u>\$ 290,600.48</u>	<u>\$ 407,535.90</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, 2010 and 2009

	<u>Reference</u>	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>			
Cash	C-2	\$ 50,881.38	\$ 71,768.56
Federal and State Grants Receivable	C-4	45,000.00	180,000.00
Due from Current Fund	A	19,789.24	
Deferred Charges to Future Taxation:			
Funded		527,957.99	617,052.37
Unfunded	C-5	1,130,400.00	1,018,500.00
Total		<u>\$ 1,774,028.61</u>	<u>\$ 1,887,320.93</u>
<u>LIABILITIES, RESERVES</u>			
<u>AND FUND BALANCE</u>			
Serial Bonds	C-8	\$ 518,000.00	\$ 605,000.00
Green Acres Trust Loan Proceeds Payable	C-9	9,957.99	12,052.37
Bond Anticipation Notes Payable	C-10	835,546.42	874,500.00
Improvement Authorizations:			
Funded	C-7	86,372.98	91,537.66
Unfunded	C-7	321,614.77	288,819.45
Capital Improvement Fund	C-6	869.81	13,744.81
Fund Balance	C-1	<u>1,666.64</u>	<u>1,666.64</u>
Total		<u>\$ 1,774,028.61</u>	<u>\$ 1,887,320.93</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, 2010**

Balance December 31, 2010 and 2009

\$ 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, 2010 and 2009

	<u>Reference</u>	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>			
Cash	D-1	\$ 717.93	\$ 714.39
		<hr/>	<hr/>
Total		<u>\$ 717.93</u>	<u>\$ 714.39</u>
 <u>LIABILITIES AND RESERVES</u>			
Reserve for Public Assistance		<u>\$ 717.93</u>	<u>\$ 714.39</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, 2010

	Balance December 31, <u>2009</u>	<u>Additions</u>	<u>Retirements</u>	Balance December 31, <u>2010</u>
General Fixed Assets:				
Land	\$ 147,405.00			\$ 147,405.00
Buildings	1,580,688.90			1,580,688.90
Land and Building Improvements	637,829.54			637,829.54
Equipment	591,758.28	\$ 7,237.68		598,995.96
Vehicles	1,699,188.78	56,000.00		1,755,188.78
	<hr/>	<hr/>	<hr/>	<hr/>
Total General Fixed Assets	<u>\$ 4,656,870.50</u>	<u>\$ 63,237.68</u>	<u>\$ -</u>	<u>\$ 4,720,108.18</u>
 Total Investment in General Fixed Assets	 <u>\$ 4,656,870.50</u>	 <u>\$ 63,237.68</u>	 <u>\$ -</u>	 <u>\$ 4,720,108.18</u>

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

**Borough of Riverton
Notes to Financial Statements
December 31, 2010**

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, 2010 according to the New Jersey Department of Labor and Workforce Development is 2,629.

The Borough was incorporated in 1893 and is governed by a Mayor/Council form of government which consists of seven members elected at large by the voters. The Mayor is elected by the voters to a four-year term and acts as the Chief Executive Officer of the Borough. Each 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, 2010**

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

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

N.J.S.A. 17:9-41et 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 \$2,000.

Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. Donated general fixed assets are recorded at their estimated fair market value on the acquisition date. Donated general fixed assets are recorded at their estimated fair market value on the acquisition date. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation. The Borough is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements and transfers of fixed assets. In addition, a Statement of General Fixed Assets, reflecting the activity for the year, must be included in the Borough's basic financial statements.

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

No depreciation of general fixed assets is recorded.

**Borough of Riverton
Notes to Financial Statements
December 31, 2010**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Property Tax Revenues - Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1. The amount of tax levied includes not only the amount required in support of the Borough's annual budget, but also the amounts required in support of the budgets of the Riverton 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 School District. Operations is charged for the full amount required to be raised from taxation to operate the local school district for the period from July 1 to June 30, increased by the amount deferred at December 31, 2009 and decreased by the amount deferred at December 31, 2010.

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

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

**Borough of Riverton
Notes to Financial Statements
December 31, 2010**

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

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

Appropriations for principal and interest payments on outstanding general capital bonds and notes are provided on the cash basis.

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

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

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

NOTE 2. CASH AND CASH EQUIVALENTS

Custodial Credit Risk - 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. As of December 31, 2010, the Borough's bank balances of \$2,140,331.45 were not exposed to custodial credit risk.

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 \$523,546.42 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, 2010

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>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Total Tax Rate	<u>\$ 2.572</u>	<u>\$ 2.451</u>	<u>\$ 5.226</u>	<u>\$ 5.190</u>	<u>\$ 5.019</u>
Apportionment of Tax Rate:					
Municipal	.598	.599	1.345	1.385	1.337
County	.404	.375	.804	.811	.786
Local School	1.570	1.477	3.077	2.896	2.896

<u>Assessed Valuation</u>	<u>Amount</u>
2010	\$ 283,993,222
2009	283,157,007
2008	132,982,136
2007	131,439,091
2006	131,439,137

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2010	\$ 7,309,041	\$ 7,119,612	97.41 %
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

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2010	-0-	\$ 196,099	\$ 196,099	2.68 %
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

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</u>	<u>Amount</u>
2010	\$ 325
2009	325
2008	325
2007	325
2006	325

**Borough of Riverton
Notes to Financial Statements
December 31, 2010**

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>Balance Beginning of Year Receivables</u>	<u>Liens</u>	<u>Levy</u>	<u>Total</u>	<u>Cash Collections</u>	<u>Percentage</u>
2010	\$ 24,918.22	\$0.00	\$ 450,774.54	\$ 475,692.76	\$ 422,756.40	88.87 %
2009	24,533.38	0.00	451,236.35	475,769.73	450,851.51	94.76
2008	22,809.17	0.00	447,953.00	470,762.17	446,228.79	94.78
2007	28,704.53	0.00	446,333.03	475,037.56	452,228.39	95.20
2006	20,601.76	0.00	453,232.75	473,834.51	442,242.56	93.33

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>Year</u>	<u>Balance December 31</u>	<u>Utilized In Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
<u>Current Fund</u>			
2010	\$ 577,480	\$ 190,000 *	32.90 %
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

* As introduced on March 9, 2011

NOTE 8. INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balances as of December 31, 2010:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund	\$ 14,449.26	\$ 49,789.24
Trust Fund - Other Funds	30,000.00	14,449.26
Capital Fund	19,789.24	
	<u>\$ 64,238.50</u>	<u>\$ 64,238.50</u>

**Borough of Riverton
Notes to Financial Statements
December 31, 2010**

NOTE 9. PENSION PLANS

The Borough of Riverton contributes to two cost-sharing multiple-employer defined benefit pension plans, the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS), which are administered by the New Jersey Division of Pensions and Benefits. In addition, the Borough adopted an ordinance to participate in the Defined Contribution Retirement Program (DCRP), which is a defined contribution pension plan and is also administered by the New Jersey Division of Pensions and Benefits. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes 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 PERS 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 62, P.L. 1994, plan members enrolled in the PERS were required to contribute 5% of their annual covered salary. Effective July 1, 2008, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. 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 for each year, were 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 State</u>	<u>Paid by Borough</u>
2010	\$ 16,972	\$ 21,808	\$ 5,378	\$ 44,158		\$ 44,158
2009	15,328	17,728	4,109	37,165		37,165
2008	18,952	14,606		33,558	\$ 6,712	26,846

Police and Firemen's Retirement System - The PFRS 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 PFRS 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>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Non Contributory Life</u>	<u>Total Liability</u>	<u>Paid by Borough</u>
2010	\$ 38,595	\$ 27,496	\$ 3,360	\$ 69,451	\$ 69,451
2009	54,515	37,720	3,793	96,028	96,028
2008	57,236	33,823		91,059	91,059

**Borough of Riverton
Notes to Financial Statements
December 31, 2010**

NOTE 9. PENSION PLANS (CONT'D)

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

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. 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. In addition to the employee contributions, the Borough contributes 3% of the employees' base salary.

There were no Borough employees enrolled in the DCRP for the years ended December 31, 2010, 2009 and 2008.

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

NOTE 10. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

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

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. Several years ago, the Borough authorized participation in the SHBP's post-retirement benefit program through a resolution adopted under Chapter 88. Under the plan, any employee eligible for enrollment in the SBHP as an employee is eligible for 100% employer paid coverage for a disability retirement. In addition, employees eligible for enrollment in the SHBP are eligible for 100% employer paid coverage when retiring with 25 years or more of service to the Borough or any other local unit. In each of these cases, the employee's spouse, civil union partner and dependents are also covered 100% and this coverage continues when the retiree is deceased.

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

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

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

The Borough's contributions to SBHP for the years ended December 31, 2010, 2009 and 2008, were \$109,360.56, \$106,060.97 and \$79,162.96, respectively, which equaled the required contributions for each year. There were approximately 7, 8, and 7 retired participants eligible at December 31, 2010, 2009 and 2008, respectively.

**Borough of Riverton
Notes to Financial Statements
December 31, 2010**

NOTE 11. COMPENSATED ABSENCES

Police officers hired prior to January 8, 2010 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, 2010 are entitled to fifteen days of sick leave each year and are permitted to accumulate up to fifteen sick days per year with a maximum of eighty-five days. Vacation days not used during the year may not be accumulated and carried forward. At the time of an officer's retirement, in accordance with the New Jersey Police and Firemen's Pension System, the officer will be paid fifty percent of all accumulated sick pay based on an eight-hour day at their current hourly rate.

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

The Borough does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2010, accrued benefits for compensated absences are valued at \$17,647.55. 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, 2010 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.

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>
2010	\$ 251	\$ 1,475	\$ 1,582	\$ 22,672
2009	373	1,553	1,206	22,528
2008	740	1,553	1,206	21,958

NOTE 14. CAPITAL DEBT

Summary of Municipal Debt

	<u>Year 2010</u>	<u>Year 2009</u>	<u>Year 2008</u>
Issued:			
General Bonds and Notes	\$ 1,353,546	\$ 1,479,500	\$ 1,446,500
Long-Term Loans	9,958	12,052	14,105
Total Issued	<u>1,363,504</u>	<u>1,491,552</u>	<u>1,460,605</u>
Authorized but not Issued:			
General Bonds and Notes	<u>294,854</u>	<u>144,500</u>	
Net Debt	<u>\$ 1,658,358</u>	<u>\$ 1,635,552</u>	<u>\$ 1,460,605</u>

**Borough of Riverton
Notes to Financial Statements
December 31, 2010**

NOTE 14. CAPITAL DEBT (CONT'D)

Serial Bonds are authorized in accordance with State law. All bonds are retired in serial installments within the statutory period of usefulness. Serial Bonds payable at December 31, 2010 consisted of the following issues:

<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>\$ 518,000</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	\$ 745,000	\$ 745,000	-
General Debt	<u>1,658,358</u>		<u>\$ 1,658,358</u>
Total	<u>\$ 2,403,358</u>	<u>\$ 745,000</u>	<u>\$ 1,658,358</u>

Net Debt, \$1,658,358 divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2, as amended, \$287,669,445 equals .57%.

Equalized Valuation Basis:

2008	\$ 275,896,802
2009	299,787,009
2010	<u>287,324,524</u>
Average	<u>\$ 287,669,445</u>

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

3-1/2% of Equalized Valuation Basis (Municipal)	\$ 10,068,430
Net Debt	<u>1,658,358</u>
Remaining Borrowing Power	<u>\$ 8,410,072</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>Principal</u>	<u>Interest</u>	<u>Total</u>
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	87,000	5,692	92,692
2016	<u>83,000</u>	<u>1,867</u>	<u>84,867</u>
Total	<u>\$ 518,000</u>	<u>\$ 69,479</u>	<u>\$ 587,479</u>

**Borough of Riverton
Notes to Financial Statements
December 31, 2010**

NOTE 14. CAPITAL DEBT (CONT'D)

Green Trust Loan Payable

The Borough received a \$35,000 loan from the State of New Jersey Green Acres Trust Loan Program. The loan payable at December 31, 2010 of \$9,957.99 matures on April 17, 2015 and bears an interest rate of 2.00%. The repayment schedule of this debt is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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>\$ 9,957.99</u>	<u>\$ 504.51</u>	<u>\$ 10,462.50</u>

Bond Anticipation Notes Payable

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

As of December 31, 2010, the Borough had \$835,546.42 in outstanding general capital bond anticipation notes. Of this amount \$312,000.00 matures on June 24, 2011 and bears an interest rate of 1.30%, while \$523,546.42 is held by the Current Fund as an investment, matures on December 09, 2011 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, 2010</u>	<u>Balance Dec. 31, 2009</u>
Balance of Tax	\$ 2,229,849	\$ 2,091,278
Deferred	<u>848,766</u>	<u>848,766</u>
Tax Payable	<u>\$ 1,381,083</u>	<u>\$ 1,242,512</u>

**Borough of Riverton
Notes to Financial Statements
December 31, 2010**

NOTE 16. LEASE OBLIGATIONS

At December 31, 2010 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, 2010 and 2009 were \$61,978.59 and \$54,958.83 respectively. Future minimum estimated lease payments are as follows:

<u>Year Ended</u>	<u>Amount</u>
December 31, 2011	\$ 61,978.59
December 31, 2012	61,978.59
December 31, 2013	61,978.59
December 31, 2014	61,978.59
December 31, 2015	<u>61,978.59</u>
Total Future minimum lease payments	<u>\$ 309,892.95</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, 2010, the following deferred charge is shown on the statement of assets, liabilities, reserves and fund balance of the following fund:

	<u>Balance December 31, 2010</u>	<u>2011 Budget Appropriation</u>	<u>Subsequent Year's</u>
Current Fund; Special Emergency - Revaluation	<u>\$ 13,980.00</u>	<u>\$ 13,980.00</u>	<u>\$ 0.00</u>

The appropriations in the 2011 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, 2010

	<u>CURRENT FUND</u>	<u>FEDERAL AND STATE GRANT FUND</u>
Balance December 31, 2009	\$ 1,771,823.37	\$ 53,361.79
Receipts:		
Taxes Receivable	\$ 7,164,822.82	
Sewer Rent Receivable	422,756.40	
Revenue Accounts Receivable	356,014.20	
Due from State of New Jersey - Senior Citizens and Veterans Deductions	38,760.00	
Interest and Cost on Taxes	31,758.20	
Prepaid 2011 Taxes	56,728.93	
Tax Overpayments	8,554.78	
Sewer Overpayments	1,805.82	
Federal and State Grants Receivable		\$ 103,930.40
Due from Capital Fund	135,000.00	
Due from Trust Escrow Fund	26,295.00	
Due from Federal and State Receivable	12,543.37	
Miscellaneous Revenue Not Anticipated	60,957.45	
Total Receipts	<u>8,315,996.97</u>	<u>103,930.40</u>
Total Funds Available	<u>10,087,820.34</u>	<u>157,292.19</u>
Disbursements:		
2010 Appropriations	2,475,297.29	
2009 Appropriation Reserves and Accounts Payable	145,089.05	
Accounts Payable	1,200.00	
Investment - Bond Anticipation Note	91,046.42	
County Taxes Payable	1,142,716.80	
Local District School Tax	4,321,126.54	
Due County for Added Taxes	4,733.95	
Due to Capital Fund	115,210.76	
Due to Trust Other Fund	26,295.00	
Due to Lienholder	14,500.26	
Tax Overpayments	3,546.06	
Due to Current Fund		12,543.37
Reserve for Federal and State Grant Funds - Appropriated		90,071.08
Total Disbursements	<u>8,340,762.13</u>	<u>102,614.45</u>
Balance December 31, 2010	<u>\$ 1,747,058.21</u>	<u>\$ 54,677.74</u>

BOROUGH OF RIVERTON

Current Fund

Schedule of Taxes Receivable and Analysis of Property Tax Levy
For the Year Ended December 31, 2010

Year	Balance December 31, 2009	Added Taxes	2010 Levy	Collections by Cash		State Share of Senior Citizen and Veterans Deductions Allowed	Canceled	Tax Overpayments Applied	Balance December 31, 2010
				2009	2010				
2008	\$ 7,239.26	\$ 3,305.03			\$ 1,418.22				\$ 9,126.07
2009	131,135.46	574.13			129,964.37				1,745.22
2010			\$ 7,309,040.73	\$ 41,624.24	7,033,440.23	\$ 41,716.95	\$ 4,200.56	\$ 2,830.41	185,228.34
Total	\$ 138,374.72	\$ 3,879.16	\$ 7,309,040.73	\$ 41,624.24	\$ 7,164,822.82	\$ 41,716.95	\$ 4,200.56	\$ 2,830.41	\$ 196,099.63

ANALYSIS OF PROPERTY TAX LEVY

Tax Yield:

General Purpose Tax	\$ 7,244,557.32
Added Taxes (54:4 -63.1 et seq.)	26,983.41
Senior Citizens and Veterans Deductions Allowed	
Per Original Levy	37,500.00
Total	\$ 7,309,040.73

Tax Levy:

Local District School Tax (Abstract)	\$ 4,459,697.00
County Taxes:	
Regular Tax (Abstract)	\$ 933,402.51
Library Tax (Abstract)	88,507.45
Open Space Preservation Tax (Abstract)	120,806.84
Amount Due County for Added Taxes (54:4-63.1 et. Seq.)	238.35
Local Tax for Municipal Purposes	1,699,476.41
Additional Tax Levies	6,912.17
Total	\$ 7,309,040.73

BOROUGH OF RIVERTON

Current Fund

**Schedule of Revenue Accounts Receivable
For the Year Ended December 31, 2010**

	Balance December 31, <u>2009</u>	Accrued in 2010	<u>Collected</u>	Balance December 31, <u>2010</u>	<u>Remarks</u>
Borough Clerk:					
Registrar of Vital Statistics - Licenses		\$ 1,450.00	\$ 1,450.00		
Street Opening Permits		2,700.00	2,700.00		
Licenses - Other		20.00	20.00		
Cell Tower Fees		35,163.44	35,163.44		
Municipal Court - Fines and Costs	\$ 2,001.34	48,859.25	46,357.43	\$ 4,503.16	Dec. 2010
Fire Official - Uniform Fire Safety - Fees and Permits		7,426.30	7,426.30		
Interest on Investments and Bank Deposits		10,121.00	10,121.00		
Energy Receipts Tax		203,446.00	203,446.00		
Consolidated Municipal Property Tax Relief Aid		27,131.00	27,131.00		
Payments in Lieu of Taxes		12,828.12	12,828.12		
Cable TV Franchise Fees	\$ 9,370.91	9,397.77	9,370.91	9,397.77	Dec. 2010
Total	<u>\$ 11,372.25</u>	<u>\$ 358,542.88</u>	<u>\$ 356,014.20</u>	<u>\$ 13,900.93</u>	

BOROUGH OF RIVERTON

Current Fund

Schedule of Sewer Rent Recievable
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 24,918.22
Increased by:	
Sewer Rent Billed in 2010	<u>450,774.54</u>
Total	475,692.76
Decreased by:	
Collections	<u>422,756.40</u>
Balance December 31, 2010	<u><u>\$ 52,936.36</u></u>

BOROUGH OF RIVERTON

CURRENT FUND

Schedule of Deferred Charges
For the Year Ended December 31, 2010

	Balance December 31, <u>2009</u>	Issued in <u>2010</u>	Raised in 2010 <u>Budget</u>	Balance December 31, <u>2010</u>
Special Emergency - NJS 40A:4-55 Revaluation Program	\$ 27,960.00		\$ 13,980.00	\$ 13,980.00
	<hr/>	<hr/>	<hr/>	<hr/>
Total	<u>\$ 27,960.00</u>	<u>\$ -</u>	<u>\$ 13,980.00</u>	<u>\$ 13,980.00</u>

BOROUGH OF RIVERTON

CURRENT FUND

**Statement of 2009 Appropriation Reserves and Reserve for Encumbrances
For The Year Ended December 31, 2010**

	<u>Balance December 31, 2009</u>		<u>Balance</u>	<u>Paid or</u>	<u>Balance</u>
	<u>Reserved</u>	<u>Encumbered</u>	<u>After</u>	<u>Charged</u>	<u>Lapsed</u>
			<u>Transfers</u>		
Salaries and Wages:					
Mayor and Council	\$ 150.00		\$ 150.00	\$ 150.00	
Borough Clerk	0.71		1,188.56	1,188.56	
Financial Administration	1,277.62		1,277.62	1,277.62	
Assessment of Taxes	838.75		838.84	838.84	
Collection of Taxes	684.89		684.89	684.89	
Planning Board	224.91		225.28	225.28	
Zoning Board	819.36		819.36	819.24	\$ 0.12
Fire Official	368.12		368.17	368.17	
Police	26,564.37		26,564.37	6,342.16	20,222.21
Road Repair and Maintenance	3,614.78		3,614.78	3,614.78	
Registrar of Vital Statistics	99.45		99.45	99.45	
Recreation	105.00		105.00		105.00
Sewer System	1,560.68		1,560.68		1,560.68
Other Expenses:					
Mayor and Council		\$ 605.00	605.00	605.00	
Borough Clerk	1,281.16	1,976.40	2,069.71	2,001.46	68.25
Financial Administration		678.02	678.02	678.02	
Assessment of Taxes	262.96	33.32	296.19	33.32	262.87
Legal Services and Costs		5,224.00	5,224.00	5,224.00	
Engineer		7,120.00	7,120.00	6,860.00	260.00
Planning Board	3,081.10	670.00	3,750.73	670.00	3,080.73
Zoning Board	953.80	413.00	1,366.80	491.00	875.80
Fire	1,918.92	531.96	2,450.83	531.96	1,918.87
Police	5,833.29	7,292.06	13,044.98	8,141.04	4,903.94
Road Repair and Maintenance		10,955.23	10,955.23	10,955.23	
Shade Tree Commission		3,120.00	3,120.00	3,120.00	
Public Buildings and Grounds	236.62	1,583.23	1,819.85	1,648.36	171.49
Solid Waste Collection	1,573.58	37,616.92	39,190.50	39,177.60	12.90
Vehicle Maintenance	302.75	2,187.64	2,570.76	2,570.76	
Registrar of Vital Statistics	500.00		500.00		500.00
Animal Control		943.50	943.50	943.50	
Forward	<u>52,252.82</u>	<u>80,950.28</u>	<u>133,203.10</u>	<u>99,260.24</u>	<u>33,942.86</u>

(Continued)

BOROUGH OF RIVERTON

CURRENT FUND

**Statement of 2009 Appropriation Reserves and Reserve for Encumbrances
For The Year Ended December 31, 2010**

	<u>Balance December 31, 2009</u>		<u>Balance After Transfers</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
	<u>Reserved</u>	<u>Encumbered</u>			
Forward	\$ 52,252.82	\$ 80,950.28	\$ 133,203.10	\$ 99,260.24	\$ 33,942.86
Other Expenses (Cont'd):					
Recreation	1,066.99	2.62	1,069.61	2.62	1,066.99
Celebration of Public Events	332.00		332.00		332.00
Gasoline	736.94	5,540.96	6,277.90	5,540.96	736.94
Electricity		5,992.77	13,793.19	13,793.19	
Telephone	339.68	919.38	1,259.06	919.38	339.68
Street Lighting	752.90	4,129.02	8,353.05	8,353.05	
Water	1,198.20	111.24	1,309.44	127.14	1,182.30
Fire Hydrant Service	1,407.65		1,407.65		1,407.65
Landfill and Solid Waste Disposal Costs		8,232.01	8,232.01	8,232.01	
Municipal Court	16,404.05		5,132.50		5,132.50
Sewerage Processing	4,615.58	2,347.07	6,962.65	7,732.63	(769.98)
Contribution to Social Security System	1,127.83	5,861.56	6,989.39	1,127.83	5,861.56
Recycling Tax	6,800.00		6,800.00		6,800.00
Total	<u>\$ 87,034.64</u>	<u>\$ 114,086.91</u>	<u>\$ 201,121.55</u>	<u>\$ 145,089.05</u>	<u>\$ 56,032.50</u>

BOROUGH OF RIVERTON

Current Fund

**Schedule of Due From State of New Jersey-
Senior Citizen and Veterans' Deductions
For the Year Ended December 31, 2010**

Balance December 31, 2009		\$	1,675.02
Increased by:			
Accrued in 2010:			
Senior Citizens Deductions Per Billings	\$	5,500.00	
Veterans Deductions Per Billings		<u>32,000.00</u>	
		37,500.00	
Add - Current Year Senior Citizen and Veteran Allowed by Collector		<u>(4,216.95)</u>	
			<u>41,716.95</u>
			43,391.97
Decreased by:			
Cash Received			<u>38,760.00</u>
Balance December 31, 2010		\$	<u><u>4,631.97</u></u>

BOROUGH OF RIVERTON

Current Fund

**Schedule of Local District School Tax Payable
For the Year Ended December 31, 2010**

Balance December 31, 2009:		
School Tax Payable	\$ 1,242,512.07	
School Tax Deferred	<u>848,766.00</u>	\$ 2,091,278.07
Increased by:		
Levy - School Year July 1, 2010 to June 30, 2011		<u>4,459,697.00</u>
Total		6,550,975.07
Decreased by:		
Payments		<u>4,321,126.54</u>
Balance December 31, 2010:		
School Tax Payable	1,381,082.53	
School Tax Deferred	<u>848,766.00</u>	<u>\$ 2,229,848.53</u>
2010 Liability for Local District School Tax:		
Tax Paid		\$ 4,321,126.54
Tax Payable December 31, 2010		<u>1,381,082.53</u>
Total		5,702,209.07
Less:		
Tax Payable December 31, 2009		<u>1,242,512.07</u>
Amount Charged to 2010 Operations		<u>\$ 4,459,697.00</u>

BOROUGH OF RIVERTON

Federal and State Grant Fund

**Schedule of Federal and State Grants Receivable
For the Year Ended December 31, 2010**

	Balance December 31, <u>2009</u>	<u>Accrued</u>	<u>Received</u>	<u>Canceled</u>	Balance December 31, <u>2010</u>
State Grants:					
Clean Communities Grant		\$ 5,308.19	\$ 5,308.19		
Green Communities Grant	\$ 3,000.00		495.00	\$ 2,505.00	\$ -
Recycling Tonnage Grant		1,130.28	1,130.28		
Safe Routes to School Grant	23,000.00			23,000.00	
Alcohol Education Rehab Grant		50.27	50.27		
Forestry Grant		7,000.00	7,000.00		
Firefighters Grant		14,850.00	14,850.00		
Body Armor Grant		1,516.33	1,516.33		
Centers of Place Grant	90,000.00		57,651.08	32,348.92	
Total State Grants	<u>116,000.00</u>	<u>29,855.07</u>	<u>88,001.15</u>	<u>57,853.92</u>	
Federal Grants:					
Community Development Initiative	16,531.64		15,929.25	602.39	
NJ Transportation Trust Fund	16,440.26			16,440.26	
Total Federal Grants	<u>32,971.90</u>		<u>15,929.25</u>	<u>17,042.65</u>	
Total	<u>\$ 148,971.90</u>	<u>\$ 29,855.07</u>	<u>\$ 103,930.40</u>	<u>\$ 74,896.57</u>	<u>\$ -</u>

BOROUGH OF RIVERTON

Federal and State Grant Fund

**Schedule of Reserve for Federal and State Grants - Unappropriated
For the Year Ended December 31, 2010**

	Balance December 31, <u>2009</u>	Federal and State Grant <u>Receivable</u>	Realized as Revenue <u>2010</u>	Balance December 31, <u>2010</u>
State Grants:				
Alcohol Education Rehabilitation		\$ 50.27		\$ 50.27
Body Armor Grant		1,516.33		1,516.33
Recycling Tonnage Grant	\$ 2,342.37	1,130.28	\$ 2,342.37	1,130.28
Forestry Grant	6,000.00	7,000.00	13,000.00	
Firefighters Grant		14,850.00	14,850.00	
Clean Communities Grant	<u>1,114.16</u>	<u>5,308.19</u>	<u>1,114.16</u>	<u>5,308.19</u>
Total State Grants	<u>9,456.53</u>	<u>29,855.07</u>	<u>31,306.53</u>	<u>8,005.07</u>
 Total	 <u>\$ 9,456.53</u>	 <u>\$ 29,855.07</u>	 <u>\$ 31,306.53</u>	 <u>\$ 8,005.07</u>

BOROUGH OF RIVERTON

Federal and State Grant Fund

**Schedule of Reserve for Federal and State Grants - Appropriated
For the Year ended December 31, 2010**

	Balance December 31, 2009	Transferred from 2010 Budget Appropriation	Disbursed	Cancel	Balance December 31, 2010
State Grants:					
Clean Communities Grant	\$ 13,728.46	\$ 1,114.16	\$ 1,099.08		\$ 13,743.54
Recycling Tonnage Grant	3,102.25	2,342.37			5,444.62
Drunk Driving Enforcement Fund	4,805.31				4,805.31
Community Steward Incentive	325.00				325.00
Alcohol Education Rehabilitation	3,059.52				3,059.52
Green Communities	5,000.00			\$ 2,505.00	2,495.00
Centers of Place	90,000.00		49,542.75	40,457.25	
Body Armor Grant	3,886.14				3,886.14
Safe Routes to School	23,000.00			23,000.00	
Stormwater Grant	3,875.97				3,875.97
Firefighters Grant		16,500.00	16,500.00		
Emergency Management Grant	823.59				823.59
Forestry Grant		13,000.00	7,000.00	6,000.00	
Domestic Violence	137.04				137.04
Total State Grants	<u>151,743.28</u>	<u>32,956.53</u>	<u>74,141.83</u>	<u>71,962.25</u>	<u>38,595.73</u>
Federal Grants:					
NJ Transportation Trust Fund	15,075.09			15,075.09	
Community Development Initiative	16,531.66		15,929.25	602.41	
Motor Veh. Aggressive Driver Crack Down	8,076.94				8,076.94
Historic Streetscape Project	1,450.19			1,450.19	
	<u>41,133.88</u>	<u>-</u>	<u>15,929.25</u>	<u>17,127.69</u>	<u>8,076.94</u>
Total State Grants	<u>\$ 192,877.16</u>	<u>\$ 32,956.53</u>	<u>\$ 90,071.08</u>	<u>\$ 89,089.94</u>	<u>\$ 46,672.67</u>

TRUST FUND

BOROUGH OF RIVERTON

Trust Fund

Schedule of Cash - Treasurer
For the Year Ended December 31, 2010

	<u>Animal Control</u>	<u>Other</u>
Balance December 31, 2009	\$ 572.83	\$ 331,963.07
Receipts:		
Animal Control Fund:		
Reserve for Animal Control Fund Expenditures	449.55	
Prepaid 2011 Licenses	58.20	
State Registration Fees	130.20	
Due State of New Jersey:		
Marriage License Fees		375.00
Construction Code Fees		1,031.00
Reserve for Unemployment Compensation		1,725.20
Reserve for Shade Tree Commission		350.00
Reserve for Tax Sale Premium		324.06
Reserve for Community Development Block Grant		26,295.00
Due to Current Fund		5,994.68
Reserve for Developers Escrow Fund		40,027.53
Payroll Account:		
Net Payroll		643,403.90
Payroll Withholdings		420,620.02
Reserve for Construction Code Fund		16,445.37
Reserve for Police Forfeited Property		0.35
Reserve for POAA		9.30
Reserve for Trust Other		
Tax Title Lien Redemption Payable		32,291.73
Reserve for Parks and Recreation		2.70
Total Receipts	<u>637.95</u>	<u>1,188,895.84</u>
Subtotal	<u>1,210.78</u>	<u>1,520,858.91</u>

(Continued)

BOROUGH OF RIVERTON

Trust Fund

Schedule of Cash - Treasurer
For the Year Ended December 31, 2010

	<u>Animal Control</u>	<u>Other</u>
Disbursements:		
Due State of New Jersey:		
Marriage License Fees		\$ 300.00
Construction Code Fees		1,242.00
Animal Control Account:		
State of New Jersey	\$ 130.20	
Due to Current Fund		2,200.00
Reserve for Community Development Block Grant		26,295.00
Reserve for Construction Code Fund		90,221.56
Reserve for Unemployment Compensation		1,581.60
Reserve for Trust Premium		7,800.00
Reserve for Developers Escrow Fund		35,725.32
Payroll Account:		
Payment to Withholding Agencies		420,753.31
Net Payroll		643,403.90
Tax Title Lien Redemption Payable		31,816.32
	<hr/>	<hr/>
Total Disbursements	130.20	1,261,339.01
	<hr/>	<hr/>
Balance December 31, 2010	<u>\$ 1,080.58</u>	<u>\$ 259,519.90</u>

BOROUGH OF RIVERTON

Dog License Fund

Schedule of Reserve for Animal Control Fund Expenditures
For the Year Ended December 31, 2010

Balance December 31, 2009		\$ 572.83
Increased by:		
2010 Dog License Fees Collected	\$ 405.00	
Late Fees	40.00	
Interest Earned	4.55	
	<u>449.55</u>	
2010 Dog License Fees Applied		
	<u>449.55</u>	
Total		<u>1,022.38</u>
Decreased by:		
Expenditures Under RS4:19-15.11		
		<u> </u>
Balance December 31, 2010		<u><u>\$ 1,022.38</u></u>

License Fees CollectedYear:

2008	\$ 607.00
2009	<u>575.00</u>
Total	<u><u>\$ 1,182.00</u></u>

BOROUGH OF RIVERTON

Trust - Other Funds

**Schedule of Payroll Deductions Payable
For the Year Ended December 31, 2010**

Balance December 31, 2009	\$ 4,103.71
Increased by:	
Payroll Deductions Received	<u>420,620.02</u>
Total	424,723.73
Decreased by:	
Payroll Deductions Disbursed	<u>420,753.31</u>
Balance December 31, 2010	<u><u>\$ 3,970.42</u></u>
Analysis of Balance:	
Due from Current Fund	\$ (133.29)
Due to Unemployment Compensation Fund	<u>4,103.71</u>
Total	<u><u>\$ 3,970.42</u></u>

BOROUGH OF RIVERTON

Trust - Other Funds

**Schedule of Reserve For Developer's Escrow Deposits
For the Year Ended December 31, 2010**

Balance December 31, 2009	\$ 130,887.90
Increased by Receipts	<u>40,027.53</u>
Subtotal	170,915.43
Decreased by:	
Cash Disbursed	<u>35,725.32</u>
Balance December 31, 2010	<u><u>\$ 135,190.11</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, 2010**

Balance December 31, 2009	\$ 8,155.26
Increased by Receipts	<u>8,155.26</u>
Decreased by Disbursements	<u> </u>
Balance December 31, 2010	<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, 2010**

Balance December 31, 2009		\$ 73,776.19
Increased by - Receipts:		
Building Permits	\$ 10,257.00	
Plumbing Permits	1,760.00	
Electrical Permits	2,032.00	
Fire Permits	1,047.00	
Certificate of Occupancy	283.00	
Penalties	750.00	
Interest Earned	<u>316.37</u>	
		<u>16,445.37</u>
Subtotal		90,221.56
Decreased by - Expenditures:		
Salaries	25,967.99	
Demolition Costs	16,400.00	
Printing	590.00	
Administration Fee	9,600.82	
Transfer to Current Fund - Close Out Trust Account	<u>37,662.75</u>	
Total Disbursements		<u>90,221.56</u>
Balance December 31, 2010		<u><u>\$ -</u></u>

BOROUGH OF RIVERTON

Trust Fund

**Schedule of Community Development Block Grant Receivable
For the Year Ended December 31, 2010**

	Balance December 31, <u>2009</u>	<u>Received</u>	<u>Canceled</u>	Balance December 31, <u>2010</u>
Allotment:				
2009 Year Block Grant	<u>\$ 45,000.00</u>	<u>\$ 26,295.00</u>	<u>\$ 18,705.00</u>	<u>\$ -</u>

**Schedule of Reserve For Community Development Block Grants
For the Year Ended December 31, 2010**

	Balance December 31, <u>2009</u>	Cash <u>Disbursed</u>	<u>Canceled</u>	Balance December 31, <u>2010</u>
Allotment:				
Architectural barrier removal at school	<u>\$ 45,000.00</u>	<u>\$ 26,295.00</u>	<u>\$ 18,705.00</u>	<u>\$ -</u>

GENERAL CAPITAL FUND

BOROUGH OF RIVERTON

General Capital Fund

Schedule of Cash - Treasurer
For the Year Ended December 31, 2010

Balance December 31, 2009		\$ 71,768.56
Receipts:		
Sale of Bond Anticipation Note	\$ 91,046.42	
Due to Current Fund - Interest Earned	<u>198.30</u>	
		<u>91,244.72</u>
Total		163,013.28
Disbursements:		
Improvement Authorizations	111,933.60	
Due to Current Fund	<u>198.30</u>	
		<u>112,131.90</u>
Balance December 31, 2010		<u><u>\$ 50,881.38</u></u>

BOROUGH OF RIVERTON

General Capital Fund

Analysis of General Capital Cash and Investments
For the Year Ended December 31, 2010

Fund Balance		\$ 1,666.64
Capital Improvement Fund		869.81
Due from Current Fund		(19,789.24)
Federal and State Grant Receivable		(45,000.00)
Improvement Authorizations:		
Ordinance		
<u>Number</u>		
2002-4	Various Improvements:	
	Purchase and/or Renovations to Municipal Facility	36,478.88
	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	3,800.32
2009-5	2009 Road Program	12,721.19
2009-6	Purchase of lawnmower & improvement to Borough offices	324.31
2010-4	Various Improvements:	
	Purchase of Police Vehicle	4,500.00
	Improvements to Park	14,225.00
	Purchase of Computer for Police Dept.	150.00
Total		<u>\$ 50,881.38</u>

BOROUGH OF RIVERTON

General Capital Fund

**Schedule of Federal and State Grants Receivable
For the Year Ended December 31, 2010**

	Balance December 31, <u>2009</u>	<u>Accrued</u>	Due From Current <u>Fund</u>	Balance December 31, <u>2010</u>
State Aid:				
1984 New Jersey Transportation Trust Fund				
Authority Act - Municipal Aid				
Linden Avenue	\$ 180,000.00		\$ 135,000.00	\$ 45,000.00
Total	<u>\$ 180,000.00</u>	<u>\$ -</u>	<u>\$ 135,000.00</u>	<u>\$ 45,000.00</u>

BOROUGH OF RIVERTON

General Capital Fund

Schedule of Deferred Charges to Future Taxation - Unfunded
For the Year Ended December 31, 2010

Ordinance Number	Improvement Description	Balance December 31, 2010	Analysis of Balance December 31, 2010		Unexpended Improvement Authorization
			Financed by Bond Anticipation Notes	Expenditures	
2002-4	Various Improvements: Purchase of Fire Truck	\$ 312,000.00	\$ 312,000.00		
2005-6	Various Improvements: 2005 Road Program	232,500.00	232,500.00		
2009-5	2009 Road Program	344,000.00	253,506.42		\$ 90,493.58
2010-4	Various Improvements: Purchase of Police Vehicle	23,500.00			23,500.00
	Purchase of Fire Vehicle	23,500.00	23,500.00		
	Improvements to Park	192,150.00	14,040.00		178,110.00
	Purch of Computer for Police Dept.	2,750.00			2,750.00
		<u>\$ 1,130,400.00</u>	<u>\$ 835,546.42</u>	<u>\$ -</u>	<u>\$ 294,853.58</u>
Improvement Authorizations - Unfunded					\$ 321,614.77
Less - Unexpended Proceeds from Bond					
Anticipation Notes:					
	Ordinance 2009-5			\$ 12,721.19	
	Ordinance 2010-4			<u>14,040.00</u>	
					<u>26,761.19</u>
Total					<u>\$ 294,853.58</u>

BOROUGH OF RIVERTON

General Capital Fund

Statement of Capital Improvement Fund
For the Year Ended December 31, 2010

Balance December 31, 2009	\$ 13,744.81
Increased by - 2010 Budget Appropriation	<u>13,744.81</u>
Decreased by - Appropriated to Finance Improvement Authorization	<u>12,875.00</u>
Balance December 31, 2010	<u>\$ 869.81</u>

BOROUGH OF RIVERTON

General Capital Fund

Schedule of Improvement Authorizations
For the Year Ended December 31, 2010

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Ordinance Number	Improvement Description	Ordinance Date	Amount	Balance December 31, 2009		2010 Authorizations		Refund/ Reallocation	Paid or Charged	Balance December 31, 2010	
				Funded	Unfunded	Capital Improvement Fund	Deferred Charges To Future Taxation Unfunded			Funded	Unfunded
2002-4	Multi-purpose	07/11/02									
	a. Purch and/or Renov to Municipal Facility		706,400	\$ 42,478.88				\$ (6,000.00)		\$ 36,478.88	
	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					\$ 3,999.68	3,800.32	
2009-5	2009 Road Program	12/12/09	200,000		\$ 288,819.45				185,604.68		\$ 103,214.77
2009-6	Purchase of Lawnmower & Improvements to Borough offices	06/10/09	19,250		324.31					324.31	
2010-4	Multi-purpose	07/14/10									
	a. Purch Of Police Vehicle		25,000			\$ 1,500.00	\$ 23,500.00	3,000.00		4,500.00	23,500.00
	b. Purch Of Fire Vehicle		25,000			1,500.00	23,500.00	3,000.00	28,000.00		
	c. Improvements to Park		201,875			9,725.00	192,150.00		9,540.00	185.00	192,150.00
	d. Purchase of Computer for Police Dept		2,900			150.00	2,750.00			150.00	2,750.00
Total				\$ 91,537.66	\$ 288,819.45	\$ 12,875.00	\$ 241,900.00	\$ -	\$ 227,144.36	\$ 86,372.98	\$ 321,614.77

Cash Disbursed \$ 111,933.60
 Due to Current Fund 115,210.76
\$ 227,144.36

BOROUGH OF RIVERTON

General Capital Fund

Schedule of General Serial Bonds
For the Year Ended December 31, 2010

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Note</u>	<u>Maturities of Bonds Outstanding December 31, 2010</u>		<u>Interest Rate</u>	<u>Balance December 31, 2009</u>	<u>Issued</u>	<u>Decreased</u>	<u>Balance December 31, 2010</u>
			<u>Date</u>	<u>Amount</u>					
General Bonds of 2001	3/15/01	\$ 1,301,000	3/15/11 - 3/15/15	\$ 87,000	4.50%	\$ 605,000.00		\$ 87,000.00	\$ 518,000.00
			3/15/2016	83,000	4.50%				
Total						\$ 605,000.00	\$ -	\$ 87,000.00	\$ 518,000.00

(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, 2010**

Balance December 31, 2009	\$ 12,052.37
Decreased by:	
Paid by Budget Appropriation	<u>2,094.38</u>
Balance December 31, 2010	<u><u>\$ 9,957.99</u></u>

Analysis of Balance - December 31, 2009

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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><u>\$ 9,957.99</u></u>	<u><u>\$ 504.51</u></u>	<u><u>\$ 10,462.50</u></u>

BOROUGH OF RIVERTON

General Capital Fund

Schedule of Bond Anticipation Notes
For the Year Ended December 31, 2010

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Ordinance Number	Improvement Description	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2009	Increased	Decreased	Balance December 31, 2010
2002-4	Multi-Purpose	07/21/04	07/06/07	6/25/10	2.50%	\$ 442,000.00		\$ 442,000.00	
2002-4	Multi-Purpose	07/21/04	06/24/10	6/24/11	1.30%		\$ 312,000.00		\$ 312,000.00
2005-6	Multi-Purpose	10/12/06	10/12/09	10/12/10	Nil.	232,500.00		232,500.00	
2005-6	Multi-Purpose	10/12/06	10/11/10	10/11/11	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	
2009-5	2009 Road Program	12/12/09	12/11/10	12/11/11	Nil.		253,506.42		253,506.42
2010-4	Multi-Purpose	12/10/10	12/10/10	12/10/11	Nil.		37,540.00		37,540.00
						<u>\$ 874,500.00</u>	<u>\$ 835,546.42</u>	<u>\$ 874,500.00</u>	<u>\$ 835,546.42</u>

Nil = Held as an investment in the Current Fund

Renewal	\$ 744,500.00	\$ 744,500.00
Receipts	91,046.42	
Paid by Budget		130,000.00
	<u>\$ 835,546.42</u>	<u>\$ 874,500.00</u>

BOROUGH OF RIVERTON

General Capital Fund

Statement of Bonds and Notes Authorized but not Issued
For the Year Ended December 31, 2010

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance December 31, 2009</u>	<u>2010 Authorizations</u>	<u>Bond Anticipation Notes Issued</u>	<u>Balance December 31, 2010</u>
2009-5	2009 Road Program	\$ 144,000.00		\$ 53,506.42	\$ 90,493.58
2010-4	Various Capital Improvements		\$ 241,900.00	37,540.00	204,360.00
Total		<u>\$ 144,000.00</u>	<u>\$ 241,900.00</u>	<u>\$ 91,046.42</u>	<u>\$ 294,853.58</u>

PUBLIC ASSISTANCE FUND

BOROUGH OF RIVERTON

PUBLIC ASSISTANCE FUND

Schedule of Cash - Treasurer
For the Year Ended December 31, 2010

	P.A.T.F. I
Balance December 31, 2009	\$ 714.39
Increased by Receipts:	
Interest Earned	<u>3.54</u>
Total	717.93
Decreased by Disbursements:	
Transfer to Current Fund	<u> </u>
Balance December 31, 2010	<u><u>\$ 717.93</u></u>

BOROUGH OF RIVERTON

PART II

Schedule of Findings and Recommendations

For the Year Ended December 31, 2010

BOROUGH OF RIVERTON
Schedule of Findings and Recommendations
For the Year Ended December 31, 2010

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

No prior year findings.

FEDERAL AWARDS

A Federal Single Audit was not required.

STATE AWARDS

A State Single Audit was not required.

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office at December 31, 2010:

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>	<u>Name of Corporate Surety</u>
Robert Martin	Mayor		
Suzanne Cairns Wells	President of Council		
Jeff Myers	Councilman		
Joseph Katella	Councilman		
Robert E. Smyth	Councilman		
Michael Kinzler	Councilman		
William C. Brown	Councilman		
Mary Longbottom	Borough Clerk, Dog License Clerk, Registrar of Vital Statistics	\$ 35,000	(B)
Marianne Hulme	Chief Financial Officer	25,000	(A)
Marianne Hulme	Tax Collector	200,000	(B)
Betty Boyle	Treasurer, Tax Clerk	175,000	(B)
Dolores Rosso	Deputy Tax Collector	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 28, 2011