

BOROUGH OF RIVERTON
County of Burlington

Report of Audit of Financial Statements
For the Year Ended December 31, 2014

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, 2014

INVERSO & STEWART, LLC

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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

Report on the Financial Statements

I have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Borough of Riverton, in the County of Burlington, State of New Jersey, as of December 31, 2014 and 2013, 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, 2014 and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In my opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Borough of Riverton, in the County of Burlington, State of New Jersey, as of December 31, 2014 and 2013, or the results of its operations and changes in fund balance for the years then ended.

Opinion on Regulatory Basis of Accounting

In my opinion, the financial statements referred to previously present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Borough of Riverton, in the County of Burlington, State of New Jersey, as of December 31, 2014 and 2013, 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, 2014 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated March 27, 2015 on my consideration of the Borough of Riverton's, in the County of Burlington, State of New Jersey, internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of Riverton's internal control over financial reporting.

Respectfully submitted,

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Certified Public Accountant
Registered Municipal Accountant

Marlton, New Jersey
March 27, 2015

INVERSO & STEWART, LLC

Certified Public 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

INDEPENDENT AUDITOR'S REPORT

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

I have audited, in accordance with the auditing standards generally accepted in the United States of America: the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey of the Borough of Riverton, in the County of Burlington, State of New Jersey, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements, and have issued my report thereon dated March 27, 2015. That report indicated that the Borough of Riverton's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America, but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Respectfully submitted,

INVERSO & STEWART, LLC
Certified Public Accountants

A handwritten signature in dark ink, appearing to read 'GT PA', is written over the printed name and title of the accountant.

Robert P. Inverso
Certified Public Accountant
Registered Municipal Accountant

Marlton, New Jersey
March 27, 2015

BOROUGH OF RIVERTON

Current Fund

Statement of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
For the Years Ended December 31, 2014 and 2013

	<u>Reference</u>	<u>2014</u>	<u>2013</u>
<u>ASSETS</u>			
Regular Fund:			
Cash - Treasurer	A-4	\$ 2,100,429.32	\$ 1,724,408.51
Cash - Collector's Change Fund		120.00	120.00
Investments - Bond Anticipation Notes	C-9	360,701.68	480,701.68
Due from State of N.J. for Senior Citizen and Veteran Deductions	A-8	<u>9,598.21</u>	<u>8,848.21</u>
Total		<u>2,470,849.21</u>	<u>2,214,078.40</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-5	127,518.43	103,895.60
Revenue Accounts Receivable	A-6	17,992.63	13,828.17
Sewer Rent Receivable	A-7	31,796.90	38,009.57
Special Charges - Demolition Charges		44,400.00	
Due from Federal and State Grant Fund	A		78,718.74
Due from Animal Control Fund	B	1,787.53	1,358.40
Due from Trust Other Fund	B	<u>19,694.14</u>	<u>19,308.37</u>
Total		<u>243,189.63</u>	<u>255,118.85</u>
Total Regular Fund		<u>2,714,038.84</u>	<u>2,469,197.25</u>
Federal and State Grant Fund:			
Cash - Treasurer	A-4	65,687.91	
Federal and State Grants Receivable	A-16	<u>154,248.00</u>	<u>156,180.07</u>
Total Federal and State Grant Fund		<u>219,935.91</u>	<u>156,180.07</u>
Total		<u>\$ 2,933,974.75</u>	<u>\$ 2,625,377.32</u>

(Continued)

BOROUGH OF RIVERTON

Current Fund

Statement of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
For the Years Ended December 31, 2014 and 2013

	<u>Reference</u>	<u>2014</u>	<u>2013</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3	\$ 277,698.76	\$ 178,138.90
Reserve for Encumbrances	A-3	78,028.27	62,486.02
Tax Overpayments	A-10	4,651.77	3,977.01
Prepaid Taxes	A-11	43,567.53	49,732.20
Sewer Rent Overpayments	A-12	1,662.03	1,117.21
Due to Capital Fund	C	62,471.54	4,625.83
Due to State of NJ - Construction Code Fees	A-13	421.00	505.00
Due to Trust - Other Funds	B	30,000.00	30,000.00
Due County for Added Taxes	A-14	425.06	176.40
Local District School Tax Payable	A-15	<u>1,556,165.03</u>	<u>1,543,268.55</u>
Total Liabilities		2,055,090.99	1,874,027.12
Reserve for Receivables and Other Assets	A	243,189.63	255,118.85
Fund Balance	A-1	<u>415,758.22</u>	<u>340,051.28</u>
Total Regular Fund		<u>2,714,038.84</u>	<u>2,469,197.25</u>
Federal and State Grant Fund:			
Due to Current Fund	A		78,718.74
Unappropriated Reserves	A-17	5,365.89	10,656.35
Appropriated Reserves	A-18	<u>214,570.02</u>	<u>66,804.98</u>
Total Federal and State Grant Fund		<u>219,935.91</u>	<u>156,180.07</u>
Total		<u>\$ 2,933,974.75</u>	<u>\$ 2,625,377.32</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, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
Revenue and Other Income Realized:		
Fund Balance Utilized	\$ 200,000.00	\$ 250,000.00
Miscellaneous Revenue Anticipated	1,101,037.93	877,773.09
Receipts from Delinquent Taxes	103,895.60	146,326.46
Receipts from Current Taxes	7,592,515.21	7,487,691.52
Nonbudget Revenues	26,578.48	14,903.23
Other Credits to Income:		
Unexpended Prior Year Appropriation Reserves and Encumbrances Payable	79,032.04	74,798.60
Interfund Payable Canceled		689.60
Interfund Receivable Liquidated	78,718.74	
Total Revenue and Other Income Realized	<u>9,181,778.00</u>	<u>8,852,182.50</u>
Expenditures		
Operations Within "CAPS":		
Salaries and Wages	1,073,929.11	1,098,283.88
Other Expenses	1,332,834.82	1,265,031.05
Deferred Charges and Statutory Expenditures Within "CAPS"	194,426.07	194,443.07
Operations Excluded from "CAPS":		
Other Expenses	245,180.24	94,083.56
Capital Improvements	44,616.00	5,525.00
Municipal Debt Service Excluded from "CAPS"	218,932.50	303,042.50
Deferred Charges Excluded "CAPS"		
Local District School Tax	4,809,862.00	4,784,069.00
County Taxes	981,231.48	980,844.89
Due County for Added Taxes	425.06	176.40
Prior Year Overpayments	4,633.78	
Interfund Loans Made		79,418.34
Total	<u>8,906,071.06</u>	<u>8,804,917.69</u>
Statutory Excess in Fund Balance	275,706.94	47,264.81
Fund Balance January 1	<u>340,051.28</u>	<u>542,786.47</u>
Total	615,758.22	590,051.28
Decreased by Utilization as Anticipated Revenue	<u>200,000.00</u>	<u>250,000.00</u>
Balance December 31	<u>\$ 415,758.22</u>	<u>\$ 340,051.28</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, 2014

	BUDGET	SPECIAL NJS 40A:4-87	REALIZED	EXCESS (DEFICIT)
Fund Balance Anticipated	\$ 200,000.00		\$ 200,000.00	
Miscellaneous Revenues:				
Licenses - Other	1,400.00		1,598.00	\$ 198.00
Fees and Permits - Other	1,750.00		2,000.00	250.00
Fines and Costs				
Municipal Court	48,500.00		82,356.73	33,856.73
Interest and Costs on Taxes	39,000.00		30,260.21	(8,739.79)
Interest on Investments and Deposits	7,500.00		5,708.46	(1,791.54)
Cell Tower Rental Fees	36,000.00		38,167.89	2,167.89
Sewer Rent Fees	442,000.00		456,351.67	14,351.67
Payments in Lieu of Taxes	15,000.00		16,194.40	1,194.40
Comcast Fees	9,500.00		19,760.69	10,260.69
Energy Receipts Taxes	221,700.00		221,700.00	
Consolidated Municipal Property Relief Act	8,877.00		8,877.00	
Uniform Construction Code Fees	24,500.00		30,664.74	6,164.74
Burlington County Park Grant	125,000.00		125,000.00	
N.J. State Forestry Grant	20,000.00		20,000.00	
Reserve for Debt Service	2,175.00		2,175.00	
General Capital Fund Surplus	18,000.00		18,000.00	
Miscellaneous Revenues Offset with Appropriations:				
Alcohol Education Rehabilitation Fund				
Clean Communities	5,791.62	\$ 5,431.89	11,223.51	
Recycling Tonnage Grant	3,679.74		3,679.74	
Body Armor Grant	1,184.99		1,184.99	
Uniform Fire Safety Act	9,000.00		6,134.90	(2,865.10)
Total	1,040,558.35	5,431.89	1,101,037.93	55,047.69
Receipts from Delinquent Taxes	102,500.00		103,895.60	1,395.60
Amount to be Raised by Taxes for Support of				
Municipal Budget - Local Tax for Municipal Purposes	1,925,947.96		1,965,515.63	39,567.67
Budget Totals	3,269,006.31	5,431.89	3,370,449.16	\$ 96,010.96
Nonbudget Revenues			26,578.48	
Total	\$ 3,269,006.31	\$ 5,431.89	\$ 3,397,027.64	

(Continued)

BOROUGH OF RIVERTON

Current Fund

Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2014Analysis of Realized Revenue

Allocation of Current Tax Collections:	
Revenue from Collections	\$ 7,592,515.21
Allocated to School and County Taxes	5,791,518.54
Balance for Support of Municipal Budget Appropriations	1,800,996.67
Add Appropriation - Reserve for Uncollected Taxes	164,518.96
Amount for Support of Municipal Budget Appropriations	<u>\$ 1,965,515.63</u>
Receipts from Delinquent Taxes:	
Delinquent Tax Collections	<u>\$ 103,895.60</u>
Licenses - Other:	
Registrar of Vital Statistics	1,598.00
Other	\$ 1,598.00
Total	
Fees and Permits - Other:	
Street Opening Permits	<u>\$ 2,000.00</u>
Miscellaneous Revenue Not Anticipated:	
Sewer Rent Interest and Cost on Delinquencies	\$ 8,442.10
Sewer Connection	805.00
Site Plans	500.00
Public Auction	6,179.97
DMV Inspections	2,205.33
Insurance Refund	301.46
Vacant Property Registration Fees	1,250.00
Park Fee Donation	1,750.00
Police Reports	913.81
Towing	620.00
W/C audit & Surcharge credit	1,314.11
Zoning Variance	430.00
Fence/Sign Permits	919.80
Cat Licenses	65.00
2% Admin Fee - SC & Vet	590.00
Miscellaneous	291.90
Total	<u>\$ 26,578.48</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, 2014

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Balance Canceled</u>
GENERAL APPROPRIATIONS:						
<i>Operations Within "CAPS":</i>						
General Government						
Mayor and Council						
Other Expenses	\$ 1,000.00	\$ 1,000.00	\$ 238.23	\$ 396.94	\$ 364.83	
Borough Clerk						
Salaries and Wages	76,919.00	73,180.38	73,179.97		0.41	
Other Expenses	21,350.00	22,664.04	21,771.79	867.25	25.00	
Financial Administration:						
Salaries and Wages	56,283.00	56,283.00	56,252.05		30.95	
Other Expenses	5,200.00	5,000.76	4,145.13	420.28	435.35	
Audit Services						
Other Expenses	27,300.00	27,300.00	27,300.00			
Computerized Data Processing						
Other Expenses	9,000.00	9,465.00	9,449.00	16.00		
Collection of Taxes						
Salaries and Wages	20,660.00	23,983.61	23,983.61			
Other Expenses	3,300.00	3,084.21	3,020.61		63.60	
Assessment of Taxes						
Salaries and Wages	10,250.00	10,250.00	10,180.09		69.91	
Other Expenses	2,950.00	3,296.17	2,645.24		650.93	
Legal Services & Costs						
Other Expenses	45,000.00	41,792.17	37,311.89	1,347.50	3,132.78	
Engineer						
Other Expenses	2,500.00	5,707.83	4,064.83	1,643.00		
Land Use Administration:						
Planning Board:						
Salaries and Wages	11,949.00	11,949.21	11,949.21			
Other Expenses	13,425.00	16,416.54	13,533.63	456.78	2,426.13	

(Continued)

BOROUGH OF RIVERTON
Current Fund
Statement of Expenditures – Regulatory Basis
For the Year Ended December 31, 2014

	<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>
<i>Operations Within "CAPS" (Continued)</i>		<u>Modification</u>	<u>Charged</u>			<u>Canceled</u>
General Government (Continued)						
Insurance:						
Liability Insurance	\$ 76,280.00	\$ 76,328.00	\$ 76,328.00			
Worker Compensation	89,346.00	89,346.00	89,346.00			
Employees Group Insurance	338,507.00	308,723.67	267,305.07		\$ 41,418.60	
Public Safety:						
Police:						
Salaries and Wages	575,157.00	571,521.66	441,575.29		129,946.37	
Other Expenses	40,700.00	40,700.00	34,995.20	\$ 1,368.11	4,336.69	
Office of Emergency Management						
Other Expenses	500.00	500.00	497.75		2.25	
Aid to Volunteer Ambulance Squad						
Other Expenses						
Fire Department						
Other Expenses	25,000.00	25,670.02	18,833.78	6,836.24		
Fire Official						
Salaries and Wages	4,950.00	4,950.00	4,949.92		0.08	
Other Expenses	1,500.00	1,500.00	1,190.00		310.00	
Public Works:						
Road Repairs and Maintenance						
Salaries and Wages	228,114.00	210,931.26	207,729.05	1,652.00	1,550.21	
Other Expenses	31,900.00	49,284.29	43,608.28	708.42	4,967.59	
Shade Tree Commission						
Other Expenses	35,000.00	35,000.00	18,480.00	4,625.00	11,895.00	
Solid Waste Collection						
Other Expenses	96,432.00	97,173.82	89,224.84	7,948.98		
Public Buildings and Grounds						
Other Expenses	20,000.00	20,630.13	19,959.71	670.42		
Vehicle Maintenance						
Other Expenses	15,500.00	36,991.67	30,494.78	6,065.35	431.54	
Registrar of Vital Statistics:						
Salaries and Wages	5,794.00	5,794.00	5,793.78		0.22	
Other Expenses	150.00	150.00			150.00	

(Continued)

BOROUGH OF RIVERTON
Current Fund
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2014

	<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)						
Animal Control						
Other Expenses	\$ 5,000.00	\$ 4,997.00	\$ 3,849.25	\$ 603.00	\$ 544.75	
Parks and Recreation:						
Recreation Services:						
Other Expenses	10,000.00	10,455.07	10,280.07	175.00		
Celebration of Public Events:						
Other Expenses	500.00	500.00	500.00			
Contribution to Senior Citizens Club:						
Other Expenses						
Utilities:						
Electricity	80,000.00	80,000.00	67,694.49	6,744.03	5,561.48	
Street Lighting	47,500.00	47,500.00	40,276.74	4,307.10	2,916.16	
Telephone	12,500.00	13,998.00	12,842.00	1,156.00		
Water	3,000.00	3,147.06	2,986.25	160.81		
Fire Hydrant Service	40,000.00	40,286.40	36,929.20	3,357.20		
Sewerage Processing:						
Salaries and Wages	81,008.00	80,577.58	79,446.82		1,130.76	
Other Expenses	41,197.00	37,319.42	12,784.26	15,096.21	9,438.95	
Gasoline	25,000.00	30,225.56	26,200.84	4,024.72		
Landfill and Solid Waste Disposal Costs - Landfill Fees	95,000.00	92,294.40	81,817.54	7,271.93	3,204.93	
Municipal Court:						
Other Expenses	48,500.00	48,500.00	791.42		47,708.58	
Public Defender:						
Salaries and Wages		1,300.00	1,300.00			
Construction Code Office:						
Salaries and Wages	28,246.00	23,208.41	21,080.70		2,127.71	
Other Expenses	850.00	5,887.59	5,777.59	110.00		
Total Operations - Within "CAPS"	2,410,217.00	2,406,763.93	2,053,893.90	78,028.27	274,841.76	
Detail:						
Salaries and Wages	1,099,330.00	1,073,929.11	937,420.49	1,652.00	134,856.62	
Other Expenses	1,310,887.00	1,332,834.82	1,116,473.41	76,376.27	139,985.14	

(Continued)

BOROUGH OF RIVERTON
Current Fund
Statement of Expenditures – Regulatory Basis
For the Year Ended December 31, 2014

	Appropriations		Expended			Unexpended Balance Canceled
	<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.)	\$ 50,020.00	\$ 50,020.00	\$ 47,163.00		\$ 2,857.00	
Police & Fireman's Retirement System	86,763.00	88,903.43	88,903.43			
Public Employees' Retirement System	54,190.00	55,502.64	55,502.64			
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	<u>190,973.00</u>	<u>194,426.07</u>	<u>191,569.07</u>		<u>2,857.00</u>	
Total General Appropriations - For Municipal Purposes Within "CAPS"	<u>2,601,190.00</u>	<u>2,601,190.00</u>	<u>2,245,462.97</u>	<u>\$ 78,028.27</u>	<u>\$ 277,698.76</u>	
Operations Excluded from "CAPS":						
Aid To Library (N.J.S.A.40:54-35)	9,000.00	9,000.00	9,000.00			
Insurance - Employee Group Health Insurance	7,864.00	7,864.00	7,864.00			
Additional Appropriations Offset By Revenues						
Sewerage Processing						
Other Expenses	67,228.00	67,228.00	67,228.00			
Public and Private Programs Offset By Revenues:						
Recycling Tonnage Grant	3,679.74	3,679.74	3,679.74			
N.J. Forestry Services Grant	20,000.00	20,000.00	20,000.00			
County Park Development Grant	125,000.00	125,000.00	125,000.00			
Clean Communities	5,791.62	11,223.51	11,223.51			
Body Armor Grant	1,184.99	1,184.99	1,184.99			
Total Operations - Excluded From "CAPS"	<u>239,748.35</u>	<u>245,180.24</u>	<u>245,180.24</u>			
Detail:						
Other Expenses	239,748.35	245,180.24	245,180.24			
Capital Improvements - Excluded From "CAPS"						
Capital Improvement Fund	44,616.00	44,616.00	44,616.00			
Total Capital Improvements - Excluded From "CAPS"	<u>44,616.00</u>	<u>44,616.00</u>	<u>44,616.00</u>			

(Continued)

BOROUGH OF RIVERTON
Current Fund
Statement of Expenditures – Regulatory Basis
For the Year Ended December 31, 2014

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
<i>Municipal Debt Service - Excluded From "CAPS"</i>						
Payment of Bond Principal	\$ 87,000.00	\$ 87,000.00	\$ 87,000.00			
Payment of BAN Principal	120,000.00	120,000.00	120,000.00			
Interest on Bonds	9,608.00	9,608.00	9,607.50			\$ 0.50
Interest on Notes						-
Green Trust Loan Repayment for Principal and Interest	2,325.00	2,325.00	2,325.00			-
<i>Total Municipal Debt Service - Excluded From "CAPS"</i>	<u>218,933.00</u>	<u>218,933.00</u>	<u>218,932.50</u>			<u>0.50</u>
<i>Total General Appropriations for Municipal Purposes Excluded From "CAPS"</i>	<u>503,297.35</u>	<u>508,729.24</u>	<u>508,728.74</u>			<u>0.50</u>
Subtotal General Appropriations	3,104,487.35	3,109,919.24	2,754,191.71	\$ 78,028.27	\$ 277,698.76	0.50
Reserve for Uncollected Taxes	164,518.96	164,518.96	164,518.96			
<i>TOTAL GENERAL APPROPRIATIONS</i>	<u>\$ 3,269,006.31</u>	<u>\$ 3,274,438.20</u>	<u>\$ 2,918,710.67</u>	<u>\$ 78,028.27</u>	<u>\$ 277,698.76</u>	<u>\$ 0.50</u>
Original Budget		\$ 3,269,006.31				
Amended by NJS 40A:4-87		5,431.89				
		<u>\$ 3,274,438.20</u>				
Expended - Paid or Charged:						
Reduction of Investment in Bond						
Anticipation Note			\$ 120,000.00			
Reserve for State Grants			161,088.24			
Reserve for Uncollected Taxes			164,518.96			
Capital Improvement Fund			44,616.00			
Due to General Capital Fund						
Disbursed			<u>2,428,487.47</u>			
Total			<u>\$ 2,918,710.67</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, 2014 and 2013

	<u>Reference</u>	<u>2014</u>	<u>2013</u>
<u>ASSETS</u>			
Animal Control Fund:			
Cash - Treasurer	B-1	\$ 2,591.13	\$ 2,179.50
Other Funds:			
Cash - Treasurer	B-1	144,818.26	143,072.68
Due from Current Fund	A	30,000.00	30,000.00
Total Other Funds		<u>174,818.26</u>	<u>173,072.68</u>
Total		<u>\$ 177,409.39</u>	<u>\$ 175,252.18</u>
<u>LIABILITIES AND RESERVES</u>			
Dog License Fund:			
Prepaid Licenses		\$ 15.00	\$ 6.20
Due to Current Fund	A	1,787.53	1,358.40
Due to State		3.60	
Reserve for Dog Fund Expenditures	B-2	<u>785.00</u>	<u>814.90</u>
Total Dog License Fund		<u>2,591.13</u>	<u>2,179.50</u>
Other Funds:			
Due State of New Jersey:			
Marriage License Fees	B-3	150.00	250.00
Due to Current Fund	A	19,694.14	19,308.37
Payroll Deductions Payable	B-4		
Tax Title Lien Redemption Payable	B-5	3,563.82	3,523.82
Reserve for Unemployment Compensation Trust	B-6	21,569.55	23,476.20
Reserve for Flexible Spending Account	B-7		
Reserve for Developers Escrow Fund	B-8	68,553.83	57,821.25
Reserve for Tax Sale Premiums	B-9	10,785.59	16,648.37
Reserve for Shade Tree Commission	B-10	8,543.84	10,885.89
Reserve for Environmental Fund	B-11	8,102.10	8,155.26
Reserve for Veterans Affairs Fund	B-12	1,143.00	1,393.00
Reserve for Public Defender	B-13	704.13	301.21
Reserve for Police Forfeited Property	B-14	1,684.81	998.67
Reserve for Compensated Absences	B-15	30,000.00	30,000.00
Reserve for POAA Funds	B-16	323.45	310.64
Total Other Funds		<u>174,818.26</u>	<u>173,072.68</u>
Total		<u>\$ 177,409.39</u>	<u>\$ 175,252.18</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, 2014 and 2013

	<u>Reference</u>	<u>2014</u>	<u>2013</u>
<u>ASSETS</u>			
Cash	C-2, C-3	\$ 536,459.35	\$ 46,152.97
Due from Current Fund	A	62,471.54	4,625.83
Deferred Charges to Future Taxation:			
Funded	C-4	171,150.99	260,418.89
Unfunded	C-5	1,566,329.00	838,625.00
State Grants Receivable	C-6	176,250.00	
Total		<u>\$ 2,512,660.88</u>	<u>\$ 1,149,822.69</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Serial Bonds	C-7	\$ 170,000.00	\$ 257,000.00
Green Acres Trust Loan Proceeds Payable	C-8	1,150.99	3,418.89
Bond Anticipation Notes Payable	C-9	1,208,405.68	480,701.68
Improvement Authorizations:			
Funded	C-10	370,332.64	27,197.64
Unfunded	C-10	743,931.93	342,489.84
Capital Improvement Fund	C-11	360.76	360.76
Reserve for Payment of Bond Anticipation Notes			2,175.00
Fund Balance	C-1	18,478.88	36,478.88
Total		<u>\$ 2,512,660.88</u>	<u>\$ 1,149,822.69</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, 2014

Balance December 31, 2013	\$ 36,478.88
Decreased by:	
Realized as Current Fund Revenue	<u>18,000.00</u>
Balance December 31, 2014	<u><u>\$ 18,478.88</u></u>

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, 2014 and 2013

	<u>Reference</u>	<u>2014</u>	<u>2013</u>
<u>ASSETS</u>			
Cash	D-1	\$ 728.37	\$ 726.58
		<hr/>	<hr/>
Total		<u>\$ 728.37</u>	<u>\$ 726.58</u>
 <u>LIABILITIES AND RESERVES</u>			
Reserve for Public Assistance		<u>\$ 728.37</u>	<u>\$ 726.58</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, 2014

	Balance December 31, <u>2013</u>	<u>Additions</u>	<u>Retirements</u>	Balance December 31, <u>2014</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	598,995.96			598,995.96
Vehicles	1,790,188.78	\$ 55,364.36		1,845,553.14
	<hr/>	<hr/>	<hr/>	<hr/>
Total General Fixed Assets	<u>\$ 4,755,108.18</u>	<u>\$ 55,364.36</u>	<u>\$ -</u>	<u>\$ 4,810,472.54</u>
 Total Investment in General Fixed Assets	 <u>\$ 4,755,108.18</u>	 <u>\$ 55,364.36</u>	 <u>\$ -</u>	 <u>\$ 4,810,472.54</u>

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

**Borough of Riverton
Notes to Financial Statements
December 31, 2014**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

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

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

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

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

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

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

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

**Borough of Riverton
Notes to Financial Statements
December 31, 2014**

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

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

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

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

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

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

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

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

The regulations require that general fixed assets, whether constructed or acquired through purchase, grant or gift be included in the aforementioned inventory. In addition, property management standards must be maintained that includes accurate records indicating asset description, source, ownership, acquisition cost and date, the percentage of Federal participation (if any), and the location, use, and condition of the asset. Periodically, physical inventories must be taken and reconciled with these records. Lastly, all fixed assets must be adequately controlled to safeguard against loss, damage or theft. No depreciation of general fixed assets is recorded.

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

**Borough of Riverton
Notes to Financial Statements
December 31, 2014**

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

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

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

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

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

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

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

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

School Taxes - The Borough is responsible for levying, collecting and remitting school taxes for the Riverton Borough School District. Operations is charged for the full amount required to be raised from taxation to operate the local school district for the period from July 1 to June 30, increased by the amount deferred at December 31, 2013 and decreased by the amount deferred at December 31, 2014.

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

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

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

**Borough of Riverton
Notes to Financial Statements
December 31, 2014**

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

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

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

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

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

NOTE 2. CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits - Custodial credit risk refers to the risk that, in the event of a bank failure, the Municipality's deposits may not be recovered. Although the Municipality does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Unit. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the municipality in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings or funds that may pass to the Municipality relative to the happening of a future condition. Such funds are shown as uninsured and uncollateralized. Of the Municipality's amount on deposit of \$2,854,516 as of December 31, 2014, \$250,000 was insured under FDIC and the remaining balance of \$2,604,516 was collateralized under GUDPA.

NOTE 3. INVESTMENTS

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

**Borough of Riverton
Notes to Financial Statements
December 31, 2014**

NOTE 3. INVESTMENTS (Cont'd)

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

As of December 31, 2014 the Borough had the following investments bearing a zero rate of interest:

<u>Investment</u>	<u>Maturities</u>	<u>Credit Rating</u>	<u>Fair Value</u>
Bond Anticipation Note	October 10, 2015	N/A	\$ 82,500.00
Bond Anticipation Note	December 8, 2015	N/A	278,201.68
			<u>\$ 360,701.68</u>

NOTE 4. PROPERTY TAXES

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

<u>Comparative Schedule of Tax Rates</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Total Tax Rate without Business					
Improvement District Tax Rate	<u>\$ 3.192</u>	<u>\$ 3.137</u>	<u>\$ 2.621</u>	<u>\$ 2.590</u>	<u>\$ 2.572</u>
Apportionment of Tax Rate:					
Municipal	0.796	0.754	0.606	0.598	0.598
County	0.407	0.406	0.373	0.385	0.404
Local School	1.989	1.977	1.642	1.607	1.570

Assessed Valuation

2014	\$	241,818,548
2013		241,971,286
2012		282,890,056
2011		283,668,389
2010		283,993,222

Borough of Riverton
Notes to Financial Statements
December 31, 2014

NOTE 4. PROPERTY TAXES (CONT'D)

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2014	\$ 7,722,182	\$ 7,592,515	98.32%
2013	7,592,003	7,487,692	98.62%
2012	7,412,561	7,264,680	98.00%
2011	7,357,578	7,186,719	97.68%
2010	7,309,041	7,119,612	97.41%

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>
2014	\$ -	\$ 127,518	\$ 127,518	1.65%
2013	-	103,896	103,896	1.37%
2012	-	150,165	150,165	2.03%
2011	-	173,503	173,503	2.36%
2010	-	196,099	196,099	2.68%

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

NOTE 5. PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

<u>Year</u>	<u>Amount</u>
2014	\$ -
2013	-
2012	325
2011	325
2010	325

**Borough of Riverton
Notes to Financial Statements
December 31, 2014**

NOTE 6. SEWER UTILITY SERVICE CHARGES

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

<u>Year</u>	<u>Balance Beginning of Year</u>		<u>Levy</u>	<u>Total</u>	<u>Cash Collections</u>	<u>Percentage</u>
	<u>Receivables</u>	<u>Liens</u>				
2014	\$ 38,010	\$ -	\$ 450,139	\$ 488,149	\$ 456,352	93.49%
2013	28,925	-	451,313	480,238	442,228	92.09%
2012	34,965	-	447,585	482,550	453,625	94.01%
2011	52,936	-	448,100	501,036	466,071	93.02%
2010	24,918	-	450,775	475,693	422,756	88.87%

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>			
2014	\$ 415,758	\$ 150,000	36.08%
2013	340,051	200,000	58.81%
2012	542,786	250,000	46.06%
2011	584,751	210,000	35.91%
2010	577,480	245,000	42.43%

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, 2014:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Current Fund	\$ 21,482	\$ 92,472
Federal and State Grant Fund		
Trust Fund:		
Animal Control Fund		1,788
Other Trust Funds	30,000	19,694
General Capital Fund	62,472	
	<u>\$ 113,954</u>	<u>\$ 113,954</u>

**Borough of Riverton
Notes to Financial Statements
December 31, 2014**

NOTE 9. PENSION PLANS

Substantially all of the Borough's employees participate in one of the following pension plans which have been established by State statute, and are administered by the New Jersey Division of Pensions and Benefits (Division): the Police and Firemen's Retirement System (PFRS), the Public Employees' Retirement System (PERS) or the Defined Contribution Retirement Program (DCRP). Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the State of New Jersey, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625-0295.

Public Employees' Retirement System (PERS)

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

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

Police and Firemen's Retirement System (PFRS)

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

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

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

	2014		2013		2012	
	PERS	PFRS	PERS	PFRS	PERS	PFRS
Normal Contribution	\$ 9,874	\$ 31,583	\$ 15,113	\$ 37,252	\$ 16,693	\$ 36,656
Accrued Liability	43,410	51,990	36,136	49,298	33,387	41,254
Total Regular Pension Cont.	53,284	83,573	51,249	86,550	50,080	77,910
Non-Contributory Group						
Life Insurance	906	3,190	3,050	3,574	3,191	2,854
Total Due	\$ 54,190	\$ 86,763	\$ 54,299	\$ 90,124	\$ 53,271	\$ 80,764

**Borough of Riverton
Notes to Financial Statements
December 31, 2014**

NOTE 9. PENSION PLANS (CONT'D)

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program was established in 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A.43:15C-1 et. seq), and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The Defined Contribution Retirement Program Board oversees the DCRP, which is administered by Prudential Financial on behalf of the Divisions of Pensions and Benefits. The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. Pursuant to the provisions of Chapter 78 P.L. 2011, the active member contribution rate was increased to 6.5% plus an additional 1.0% phased-in over seven years beginning in the first year. The phase-in of the additional incremental member contribution amount will take place in July of each subsequent year. The State Treasurer has the right under the current law to make temporary reductions in rates based on the existence of surplus pension assets in the retirement system; however, state statute also requires the return to the normal rate when such surplus pension assets no longer exist. The employee contributions along with the Borough's contribution for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

There were no Borough employees enrolled in the DCRP for the years ended December 31, 2014, 2013 and 2012.

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

NOTE 10. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

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

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

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

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

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

Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Borough on a monthly basis. The Borough funds these benefits on a pay-as-you-go basis and therefore does not record accrued expenses related to these benefits. During the year 2014, 2013 and 2012 there were nine, seven and seven retired employees, respectively who received this benefit resulting in payments of \$121,228, \$113,726, and \$124,089 in related health care premiums.

**Borough of Riverton
Notes to Financial Statements
December 31, 2014**

NOTE 11. COMPENSATED ABSENCES

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

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, 2014, accrued benefits for compensated absences are valued at \$12,819.

The Borough has established a Compensated Absences Trust Fund to set aside funds for the future payments of compensated absences. At December 31, 2014 the balance of the fund is \$30,000.00.

NOTE 12. DEFERRED COMPENSATION SALARY ACCOUNT

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

Amounts deferred under Section 457 plans must be held in trust for the exclusive benefit of participating employees and not be accessible by the Borough or its creditors. Since the Borough does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Borough's financial statements.

NOTE 13. RISK MANAGEMENT

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

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

NOTE 14. NEW JERSEY UNEMPLOYMENT COMPENSATION 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>Fiscal Year</u>	<u>Interest Earnings</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2014	\$ 106	\$ 1,559	\$ 3,792	\$ 21,349
2013	113	1,631	447	23,476
2012	148	1,434	1,851	22,179

**Borough of Riverton
Notes to Financial Statements
December 31, 2014**

NOTE 15. CAPITAL DEBT

Summary of Municipal Debt

	<u>Year 2014</u>	<u>Year 2013</u>	<u>Year 2012</u>
<u>Issued:</u>			
General Bonds and Notes	\$ 1,378,406	\$ 737,702	\$ 1,021,702
Loans	1,151	3,419	5,642
Total Issued	<u>1,379,557</u>	<u>741,121</u>	<u>1,027,344</u>
<u>Authorized But Not Issued:</u>			
General Bonds and Notes	<u>357,923</u>	<u>357,923</u>	<u>252,948</u>
Net Debt	<u>\$ 1,737,480</u>	<u>\$ 1,099,044</u>	<u>\$ 1,280,292</u>

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, 2014 consisted of the following issues:

<u>Purpose</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Amount</u>
General Obligation Bonds of 2002	3/15/2016	4.50%	<u>\$ 170,000</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 0.678%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ 260,000	\$ 260,000	
General Debt	<u>1,737,480</u>		<u>\$ 1,737,480</u>
Total	<u>\$ 1,997,480</u>	<u>\$ 260,000</u>	<u>\$ 1,737,480</u>

Net Debt, \$1,737,480 divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2, as amended, \$256,367,486 equals 0.678%.

Equalized Valuation Basis:

2012	\$ 257,457,013
2013	256,836,609
2014	<u>254,808,836</u>
Average	<u>\$ 256,367,486</u>

**Borough of Riverton
Notes to Financial Statements
December 31, 2014**

NOTE 15. CAPITAL DEBT (CONT'D)

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 8,972,862
Net Debt	<u>1,737,480</u>
Remaining Borrowing Power	<u><u>\$ 7,235,382</u></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

Serial Bonds Payable

<u>Year</u>	<u>General</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2015	\$ 87,000	\$ 5,692	\$ 92,692
2016	<u>83,000</u>	<u>1,867</u>	<u>84,867</u>
Total	<u><u>\$ 170,000</u></u>	<u><u>\$ 7,559</u></u>	<u><u>\$ 177,559</u></u>

Green Trust Loan Payable

The Borough received loan proceeds in the amount of \$35,000 from the State of New Jersey Green Trust Loan Program. The loan has a stated interest rate of 2.00% with a final maturity on April 17, 2015. As of December 31, 2014, the balance payable amounts to \$1,151.

Future principal and interest payments are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	<u>\$ 1,151</u>	<u>\$ 12</u>	<u>\$ 1,163</u>
Total	<u><u>\$ 1,151</u></u>	<u><u>\$ 12</u></u>	<u><u>\$ 1,163</u></u>

**Borough of Riverton
Notes to Financial Statements
December 31, 2014**

NOTE 15. CAPITAL DEBT (CONT'D)

Bond Anticipation Notes Payable

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

As of December 31, 2014, the Borough had outstanding bond anticipation notes as follows:

<u>Fund</u>	<u>Amount Outstanding</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
General Capital	\$ 82,500	(1)	October 10, 2015
General Capital	278,202	(1)	December 8, 2015
General Capital	<u>847,704</u>	0.75%	September 9, 2015
Total	<u>\$ 1,208,406</u>		

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

NOTE 16. LEASE OBLIGATIONS

At December 31, 2014 the Borough had operating lease agreements in effect for the rental of the fire engine room, police station and storage space and a copier. All lease agreements are for an indefinite period of time. Rental payments under the operating leases for the year ended December 31, 2014 were \$14,028.

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

2015	\$ 14,028
2016	2,028
2017	2,028
2018	<u>2,028</u>
Total	<u>\$ 20,112</u>

**Borough of Riverton
Notes to Financial Statements
December 31, 2014**

NOTE 17. SCHOOL TAXES

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

	Local District School Tax	
	Balance December 31,	
	<u>2014</u>	<u>2013</u>
Balance of Tax	\$ 2,404,931	\$ 2,392,035
Deferred	<u>848,766</u>	<u>848,766</u>
School Tax Payable	<u><u>\$ 1,556,165</u></u>	<u><u>\$ 1,543,269</u></u>

NOTE 18. CONTINGENCIES

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

SUPPLEMENTAL EXHIBITS

CURRENT FUND

BOROUGH OF RIVERTON

Current Fund

Statement of Cash - Collector/Treasurer
For the Year Ended December 31, 2014

	<u>CURRENT FUND</u>	<u>FEDERAL AND STATE GRANT FUND</u>
Balance December 31, 2013	\$ 1,724,408.51	\$ -
Receipts:		
Taxes Receivable	\$ 7,611,794.83	
Sewer Rent Receivable	455,234.46	
Revenue Accounts Receivable	463,292.97	
Due from State of New Jersey - Senior Citizens and Veterans Deductions	29,500.00	
Prepaid 2015 Taxes	43,567.53	
Tax Overpayments	3,114.57	
Sewer Overpayments	1,662.03	
Federal and State Grants Receivable		\$ 157,729.85
Due to Current Fund	158,272.87	
Due from federal & state grant fund	78,718.74	
Due to State of NJ - Construction Code Fees	2,265.00	
Miscellaneous Revenue Not Anticipated	26,578.48	
Total Receipts	<u>8,874,001.48</u>	<u>157,729.85</u>
Total Funds Available	10,598,409.99	157,729.85
Disbursements:		
2014 Appropriations	2,428,487.47	
2013 Appropriation Reserves and Accounts Payable	161,592.88	
Due to State of NJ - Construction Code Fees	2,349.00	
County Taxes Payable	981,231.48	
Local District School Tax	4,796,965.52	
Due County for Added Taxes	176.40	
Due to Current Fund		78,718.74
Due to Capital Fund	120,215.24	
Due from Other Trust Fund	4,522.87	
Tax Overpayments Refunded	2,439.81	
Reserve for Federal and State Grant Funds - Appropriated		13,323.20
Total Disbursements	<u>8,497,980.67</u>	<u>92,041.94</u>
Balance December 31, 2014	<u>\$ 2,100,429.32</u>	<u>\$ 65,687.91</u>

BOROUGH OF RIVERTON

Current Fund

Schedule of Taxes Receivable and Analysis of Property Tax Levy
For the Year Ended December 31, 2014

Year	Balance December 31, 2013	Added Taxes	2014 Levy	Collections by Cash		State Share of Senior Citizen and Veterans Deductions Allowed	Over Payments Applied	Canceled	Balance December 31, 2014
				2013	2014				
Bankruptcy	\$ 472.30				\$ 472.30				
2013	103,423.30				103,423.30				
	103,895.60				103,895.60				
2014			\$ 7,722,181.85	\$ 49,732.20	7,507,899.23	\$ 30,250.00	\$ 4,633.78	\$ 2,148.21	\$ 127,518.43
Total	\$ 103,895.60	\$ -	\$ 7,722,181.85	\$ 49,732.20	\$ 7,611,794.83	\$ 30,250.00	\$ 4,633.78	\$ 2,148.21	\$ 127,518.43

ANALYSIS OF PROPERTY TAX LEVY

Tax Yield:

General Purpose Tax	\$ 7,688,598.07
Added Taxes (54:4 -63.1 et seq.)	3,333.78
Senior Citizens and Veterans Deductions Allowed	
Per Original Levy	30,250.00
Total	\$ 7,722,181.85

Tax Levy:

Local District School Tax (Abstract)	\$ 4,809,862.00
County Taxes:	
Regular Tax (Abstract)	\$ 863,318.39
Library Tax (Abstract)	79,306.24
Open Space Preservation Tax (Abstract)	38,606.85
Amount Due County for Added Taxes	425.06
(54:4-63.1 et. Seq.)	981,656.54
Local Tax for Municipal Purposes	1,925,947.96
Additional Tax Levies	4,715.35
Total	\$ 7,722,181.85

BOROUGH OF RIVERTON

Current Fund

Schedule of Revenue Accounts Receivable
For the Year Ended December 31, 2014

	Balance December 31, 2013	Accrued in 2014	Collected	Balance December 31, 2014	Remarks
Borough Clerk:					
Registrar of Vital Statistics - Licenses		\$ 1,598.00	\$ 1,598.00		
Street Opening Permits		2,000.00	2,000.00		
Cell Tower Fees		38,167.89	38,167.89		
Municipal Court - Fines and Costs	\$ 4,067.48	86,411.98	82,356.73	\$ 8,122.73	Dec. 2014
Interest and Costs on Taxes		30,260.21	30,260.21		
Fire Official - Uniform Fire Safety - Fees and Permits		6,134.90	6,134.90		
Construction Code Fees		30,664.74	30,664.74		
Interest on Investments and Bank Deposits		5,578.41	5,578.41		
Energy Receipts Tax		221,700.00	221,700.00		
Consolidated Municipal Property Tax Relief Aid		8,877.00	8,877.00		
Payments in Lieu of Taxes		16,194.40	16,194.40		
Cable TV Franchise Fees	9,760.69	19,869.90	19,760.69	9,869.90	Dec. 2014
Total	\$ 13,828.17	\$ 467,457.43	\$ 463,292.97	\$ 17,992.63	

BOROUGH OF RIVERTON

Current Fund

**Schedule of Sewer Rent Recievable
For the Year Ended December 31, 2014**

Balance December 31, 2013			\$ 38,009.57
Increased by:			
Sewer Rent Billed in 2014			<u>450,139.00</u>
Total			488,148.57
Decreased by:			
Collections	\$ 455,234.46		
Overpayments Applied	<u>1,117.21</u>		<u>456,351.67</u>
Balance December 31, 2014			<u><u>\$ 31,796.90</u></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, 2014**

Balance December 31, 2013		\$ 8,848.21
Increased by:		
Accrued in 2014:		
Senior Citizens Deductions Per Billings	\$ 4,250.00	
Veterans Deductions Per Billings	26,000.00	
	<u>30,250.00</u>	
Add - Current Year Senior Citizen and Veteran Allowed by Collector	750.00	
Less - Current Year Senior Citizen and Veteran Disallowed by Collector	<u>(750.00)</u>	
		<u>30,250.00</u>
		39,098.21
Decreased by:		
Cash Received		<u>29,500.00</u>
Balance December 31, 2014		<u><u>\$ 9,598.21</u></u>

BOROUGH OF RIVERTON
CURRENT FUND
Statement of 2013 Appropriation Reserves and Reserve for Encumbrances
For The Year Ended December 31, 2014

	<u>Balance December 31, 2013</u>		<u>Balance</u>	<u>Paid or</u>	<u>Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>After</u> <u>Transfers</u>	<u>Charged</u>	<u>Lapsed</u>
Salaries and Wages:					
Financial Administration	\$ -	\$ 0.27	\$ 0.27	\$ -	\$ 0.27
Planning Board		0.11	0.11		0.11
Police		50,245.73	50,245.73	30,017.96	20,227.77
Fire Official		0.75	0.75		0.75
Road Repair and Maintenance		4,392.31	4,392.31		4,392.31
Public Defender	100.00		100.00	100.00	-
Other Expenses:					
Mayor and Council	415.00	376.50	791.50	300.00	491.50
Borough Clerk	221.62	2,853.85	3,075.47	760.26	2,315.21
Financial Administration	446.56	446.74	893.30	446.56	446.74
Computerizing Data Processing		226.00	226.00		226.00
Collection of Taxes		778.80	778.80		778.80
Assessment of Taxes	225.00	0.06	225.06	125.00	100.06
Legal Services and Costs	1,475.00	252.00	1,727.00	1,727.00	-
Engineer		9,050.00	9,050.00	731.25	8,318.75
Planning Board	130.00	854.48	984.48	888.50	95.98
Employees Group Insurance		126.32	126.32		126.32
Police	2,307.04	3,071.33	5,378.37	3,882.46	1,495.91
Office of Emergency Management		140.64	140.64		140.64
Fire	7,482.16	1,476.17	8,958.33	6,727.16	2,231.17
Fire Official		400.00	400.00		400.00
Road Repair and Maintenance	3,233.08	5,274.96	8,508.04	7,125.30	1,382.74
Shade Tree Commission		31.00	31.00		31.00
Solid Waste Collection	7,196.00	3,168.68	10,364.68	7,740.37	2,624.31
Public Buildings and Grounds	518.89	2,966.80	3,485.69	604.13	2,881.56
Vehicle Maintenance	2,311.20	5,090.54	7,401.74	2,482.09	4,919.65
Forward	<u>26,061.55</u>	<u>91,224.04</u>	<u>117,285.59</u>	<u>63,658.04</u>	<u>53,627.55</u>

(Continued)

BOROUGH OF RIVERTON
CURRENT FUND
Statement of 2013 Appropriation Reserves and Reserve for Encumbrances
For The Year Ended December 31, 2014

	<u>Balance December 31, 2013</u>		<u>Balance</u>	<u>Paid or</u>	<u>Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>After</u> <u>Transfers</u>	<u>Charged</u>	<u>Lapsed</u>
Brought Forward	\$ 26,061.55	\$ 91,224.04	\$ 117,285.59	\$ 63,658.04	\$ 53,627.55
Other Expenses (Cont'd):					
Animal Control	948.00	207.00	1,155.00	948.00	207.00
Recreation	1,076.93	160.00	1,236.93	1,236.93	
Celebration of Public Events	187.50	312.50	500.00	187.50	312.50
Electricity	6,131.76	11,108.51	17,240.27	13,525.50	3,714.77
Street Lighting	4,249.83	6,569.66	10,819.49	8,435.76	2,383.73
Telephone	1,140.21		1,140.21	1,140.21	
Water	123.73	1,346.17	1,469.90	123.73	1,346.17
Fire Hydrant Service	6,714.40		6,714.40	6,714.40	
Sewerage Processing	4,718.15	911.30	5,629.45	5,629.45	
Gasoline	4,082.81	6,258.11	10,340.92	8,233.51	2,107.41
Landfill and Solid Waste Disposal Costs	7,011.36	2,673.32	9,684.68	7,011.36	2,673.32
Municipal Court		57,168.29	57,168.29	44,508.70	12,659.59
Construction Code Office	39.79	200.00	239.79	239.79	
Total	<u>\$ 62,486.02</u>	<u>\$ 178,138.90</u>	<u>\$ 240,624.92</u>	<u>\$ 161,592.88</u>	<u>\$ 79,032.04</u>

BOROUGH OF RIVERTON

Current Fund

**Schedule of Tax Overpayments
For the Year Ended December 31, 2014**

Balance December 31, 2013		\$	3,977.01
Increased by:			
Collected	\$	3,114.57	
Prior Year Overpayment Created		<u>4,633.78</u>	<u>7,748.35</u>
Subtotal			11,725.36
Decreased by:			
Refunds		2,439.81	
Overpayment Applied to 2014 Taxes		<u>4,633.78</u>	<u>7,073.59</u>
Balance December 31, 2014		\$	<u><u>4,651.77</u></u>

**Schedule of Prepaid Taxes
For the Year Ended December 31, 2014**

Balance December 31, 2013	\$	49,732.20
Increased by:		
Collected		<u>43,567.53</u>
Subtotal		93,299.73
Decreased by:		
Applied to 2014 Taxes		<u>49,732.20</u>
Balance December 31, 2014	\$	<u><u>43,567.53</u></u>

BOROUGH OF RIVERTON

Current Fund

Schedule of Sewer Rent Overpayments
For the Year Ended December 31, 2014

Balance December 31, 2013	\$ 1,117.21
Increased by:	
Collected	<u>1,662.03</u>
	2,779.24
Decreased by:	
Applied to 2014 Sewer Rents	<u>1,117.21</u>
Balance December 31, 2014	<u>\$ 1,662.03</u>

Exhibit A-13

Schedule of Due to State of NJ - UCC Fees
For the Year Ended December 31, 2014

Balance December 31, 2013	\$ 505.00
Increased by:	
State Portion of UCC Fees	<u>2,265.00</u>
	2,770.00
Decreased by:	
Disbursements	<u>2,349.00</u>
Balance December 31, 2014	<u>\$ 421.00</u>

BOROUGH OF RIVERTON

Current Fund

**Schedule of County Taxes Payable
For the Year Ended December 31, 2014**

Balance December 31, 2013		\$	176.40
Increased by:			
2014 Levy:			
General County	\$	863,318.39	
County Library		79,306.24	
County Open Space		38,606.85	
Added and Omitted Taxes		<u>425.06</u>	
			<u>981,656.54</u>
Subtotal			981,832.94
Decreased by:			
Payments			<u>981,407.88</u>
Balance December 31, 2014		\$	<u><u>425.06</u></u>

BOROUGH OF RIVERTON

Current Fund

**Schedule of Local District School Tax Payable
For the Year Ended December 31, 2014**

Balance December 31, 2013:		
School Tax Payable	\$ 1,543,268.55	
School Tax Deferred	<u>848,766.00</u>	\$ 2,392,034.55
Increased by:		
Levy - School Year July 1, 2014 to June 30, 2015		<u>4,809,862.00</u>
Total		7,201,896.55
Decreased by:		
Payments		<u>4,796,965.52</u>
Balance December 31, 2014:		
School Tax Payable	1,556,165.03	
School Tax Deferred	<u>848,766.00</u>	<u>\$ 2,404,931.03</u>
2014 Liability for Local District School Tax:		
Tax Paid		\$ 4,796,965.52
Tax Payable December 31, 2014		<u>1,556,165.03</u>
Total		6,353,130.55
Less:		
Tax Payable December 31, 2013		<u>1,543,268.55</u>
Amount Charged to 2014 Operations		<u>\$ 4,809,862.00</u>

BOROUGH OF RIVERTON

Federal and State Grant Fund

Schedule of Federal and State Grants Receivable
For the Year Ended December 31, 2014

	Balance December 31, <u>2013</u>	<u>Accrued</u>	<u>Received</u>	Balance December 31, <u>2014</u>
State Grants:				
Clean Communities Grant		\$ 5,431.89	\$ 5,431.89	
Recycling Tonnage Grant				
Body Armor Grant				
Burlington County Park Improvement	\$ 146,522.07		146,522.07	
Burlington County Park Grant		125,000.00		\$ 125,000.00
NJ State Forestry Grant		20,000.00		20,000.00
Total State Grants	<u>146,522.07</u>	<u>150,431.89</u>	<u>151,953.96</u>	<u>145,000.00</u>
Federal Grants:				
NJ Transportation Trust Fund	9,248.00			9,248.00
Bullet Proof Vest Partnership Program	<u>410.00</u>		<u>410.00</u>	
Total Federal Grants	<u>9,658.00</u>		<u>410.00</u>	<u>9,248.00</u>
Total	<u>\$ 156,180.07</u>	<u>\$ 150,431.89</u>	<u>\$ 152,363.96</u>	<u>\$ 154,248.00</u>

BOROUGH OF RIVERTON

Federal and State Grant Fund

**Schedule of Reserve for Federal and State Grants - Unappropriated
For the Year Ended December 31, 2014**

	Balance December 31, <u>2013</u>	Federal and State Grant <u>Receivable</u>	Realized as Revenue <u>2014</u>	Balance December 31, <u>2014</u>
State Grants:				
Clean Communities Grant	\$ 5,791.62		\$ 5,791.62	
Recycling Tonnage Grant	3,679.74	\$ 3,647.91	3,679.74	\$ 3,647.91
Alcohol Education Rehab Grant	-	59.08		59.08
Body Armor Grant	1,184.99	921.76	1,184.99	921.76
Federal Grants:				
Bullet Proof Vest		737.14		737.14
	<hr/>	<hr/>	<hr/>	<hr/>
Total State Grants	10,656.35	5,365.89	10,656.35	5,365.89
	<hr/>	<hr/>	<hr/>	<hr/>
Total	\$ 10,656.35	\$ 5,365.89	\$ 10,656.35	\$ 5,365.89

BOROUGH OF RIVERTON

Federal and State Grant Fund

**Schedule of Reserve for Federal and State Grants - Appropriated
For the Year ended December 31, 2014**

	Balance December 31, <u>2013</u>	Transferred from 2014 Budget <u>Appropriation</u>	<u>Disbursed</u>	Balance December 31, <u>2014</u>
State Grants:				
Clean Communities Grant	\$ 23,466.15	\$ 11,223.51	\$ 971.00	\$ 33,718.66
Recycling Tonnage Grant	3,510.96	3,679.74	4,597.95	2,592.75
Drunk Driving Enforcement Fund	4,678.71		4,600.00	78.71
Community Steward Incentive	325.00			325.00
Alcohol Education Rehabilitation	3,790.03			3,790.03
Green Communities	2,495.00		1,548.75	946.25
Burlington County Park Improvement		125,000.00		125,000.00
Body Armor Grant	4,627.59	1,184.99	805.50	5,007.08
Stormwater Grant	3,875.97			3,875.97
N.J. State Forestry Grant		20,000.00		20,000.00
Emergency Management Grant	823.59			823.59
Domestic Violence	137.04			137.04
Total State Grants	<u>47,730.04</u>	<u>161,088.24</u>	<u>12,523.20</u>	<u>196,295.08</u>
Federal Grants:				
NJ Transportation Trust Fund	10,198.00			10,198.00
Motor Veh. Aggressive Driver Crack Down	8,076.94			8,076.94
Bullet Proof Vest Program	800.00		800.00	
	<u>19,074.94</u>	<u>-</u>	<u>800.00</u>	<u>18,274.94</u>
Total State Grants	<u>\$ 66,804.98</u>	<u>\$ 161,088.24</u>	<u>\$ 13,323.20</u>	<u>\$ 214,570.02</u>

TRUST FUND

BOROUGH OF RIVERTON

Trust Fund

Schedule of Cash - Treasurer
For the Year Ended December 31, 2014

	Animal Control	Total Other Trust Funds	Registrar of Vital Statistics	Flexible Spending	Unemployment Compensation	Trust Other	Trust Premium	Police Forfeited Property (MLETA)	POAA	Public Defender	Development Fees	Payment in Lieu of Construction	Payroll
Balance December 31, 2013	\$ 2,179.50	\$ 143,072.68	\$ 261.83	\$ 759.74	\$ 23,476.20	\$ 31,795.42	\$ 16,648.37	\$ 998.67	\$ 310.64	\$ 347.80	\$ 542.15	\$ 55,751.51	\$ 12,180.35
Receipts:													
Dog License Fees:													
Municipal Licenses	403.00												
State Registration Fees	120.60												
Marriage Licenses Issued		400.00	400.00										
Employee Contributions		2,559.13		999.96	1,559.17								
Redemption		22,615.39				22,615.39							
Escrow		31,852.61				26,416.20	1,320.91				4,115.50		
Veteran Affairs													
Shade Tree		500.00				500.00							
POAA Fees		12.00							12.00				
Public Defender Fees		3,500.00								3,500.00			
COAH Fees													
Forfeited Property		683.00						683.00					
Payroll Deductions Payable		495,334.84											495,334.84
Net Payroll		680,581.75											680,581.75
Due from Trust					220.91								
Interest Earned	6.23	468.71	0.24	1.36	105.61	99.07	37.22	3.14	0.81	2.92	7.00	139.52	71.82
Total Receipts	529.83	1,238,507.43	400.24	1,001.32	1,885.69	49,630.66	1,358.13	686.14	12.81	3,502.92	4,122.50	139.52	1,175,988.41
Disbursements:													
Expenditures Under RS4:19-15.11													
State Registration Fees	118.20												
Employee Claims		1,000.00		1,000.00									
Redemption		22,575.39				22,575.39							
Escrow		26,799.12				19,799.12	7,000.00						
Veteran Affairs		250.00				250.00							
Shade Tree		2,842.05				2,842.05							
Other Funds		53.16				53.16							
Redemption of Premiums													
Forfeited Property													
Parks and Recreation													
Public Defender Fees		3,100.00								3,100.00			
Development Fees													
Payroll Deductions Payable		495,095.61											495,095.61
Net Payroll		680,581.75											680,581.75
Due to State of NJ		4,292.34	500.00		3,792.34								
Due to Current Fund		172.43				91.22							81.21
Due to Trust							220.91						
Total Disbursements	118.20	1,236,761.85	500.00	1,000.00	3,792.34	45,610.94	7,220.91	-	-	3,100.00	-	-	1,175,758.57
Balance December 31, 2014	\$ 2,591.13	\$ 144,818.26	\$ 162.07	\$ 761.06	\$ 21,569.55	\$ 35,815.14	\$ 10,785.59	\$ 1,684.81	\$ 323.45	\$ 750.72	\$ 4,664.65	\$ 55,891.03	\$ 12,410.19

BOROUGH OF RIVERTON

Dog License Fund

Schedule of Reserve for Animal Control Fund Expenditures
For the Year Ended December 31, 2014

Balance December 31, 2013		\$ 814.90
Increased by:		
2014 Dog License Fees Collected	\$ 355.00	
Late Fees	38.00	
Interest Earned	6.23	
	<u>399.23</u>	
2014 Dog License Fees Applied		<u>399.23</u>
Total		1,214.13
Decreased by:		
Expenditures Under RS4:19-15.11		
Due to Current Fund	<u>429.13</u>	<u>429.13</u>
Balance December 31, 2014		<u>\$ 785.00</u>

License Fees Collected

<u>Year:</u>	
2012	\$ 390.00
2013	<u>395.00</u>
Total	<u>\$ 785.00</u>

EXHIBIT B-3**BOROUGH OF RIVERTON****Trust - Other Funds****Schedule of Due to State of New Jersey
For the Year Ended December 31, 2014**

Balance December 31, 2013	\$ 250.00
Increased by: Marriage Licenses Issued	<u>400.00</u>
Subtotal	650.00
Decreased by:	
Cash Disbursed to State of New Jersey	<u>500.00</u>
Balance December 31, 2014	<u><u>\$ 150.00</u></u>

EXHIBIT B-4**Schedule of Payroll Deductions Payable
For the Year Ended December 31, 2014**

Balance December 31, 2013	\$ -
Increased by:	
Payroll Deductions Received	<u>495,334.84</u>
Total	495,334.84
Decreased by:	
Payroll Deductions Disbursed	<u>495,334.84</u>
Balance December 31, 2014	<u><u>\$ -</u></u>

BOROUGH OF RIVERTON

Trust - Other Funds

**Schedule of Tax Title Lien Payable
For the Year Ended December 31, 2014**

Balance December 31, 2014 and 2013	\$ 3,563.82
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EXHIBIT B-6

**Schedule of Reserve For Payment of Unemployment Claims
For the Year Ended December 31, 2014**

Balance December 31, 2013		\$ 23,476.20
Increased by:		
Employee withholdings	\$ 1,559.17	
Due from Trust Premium	220.91	
Interest Earned	<u>105.61</u>	<u>1,885.69</u>
Subtotal		25,361.89
Decreased by:		
Payment of Unemployment Claims		<u>3,792.34</u>
Balance December 31, 2014		<u>\$ 21,569.55</u>

EXHIBIT B-7

**Schedule of Reserve For Flexible Spending Benefits
For the Year Ended December 31, 2014**

Balance December 31, 2013		\$ -
Increased by:		
Employee withholdings	\$ 1,000.00	
Employer contribution		
Interest Earned		<u>1,000.00</u>
Subtotal		1,000.00
Decreased by:		
Payment of Flexible Spending Benefits		<u>1,000.00</u>
Balance December 31, 2014		<u>\$ -</u>

BOROUGH OF RIVERTON

Trust - Other Funds

**Schedule of Reserve For Developer's Escrow Deposits
For the Year Ended December 31, 2014**

Balance December 31, 2013	\$ 57,821.25
Increased by Receipts	<u>30,531.70</u>
Subtotal	88,352.95
Decreased by:	
Cash Disbursed	<u>19,799.12</u>
Balance December 31, 2014	<u><u>\$ 68,553.83</u></u>

EXHIBIT B-9

**Schedule of Reserve For Tax Sale Premiums
For the Year Ended December 31, 2014**

Balance December 31, 2013	\$ 16,648.37
Increased by:	
Premiums Collected	1,320.91
Interest Earned	<u>37.22</u>
Subtotal	18,006.50
Decreased by:	
Due to Unemployment	220.91
Payment of Premiums	<u>7,000.00</u>
Balance December 31, 2014	<u><u>\$ 10,785.59</u></u>

BOROUGH OF RIVERTON

Trust - Other Funds

**Schedule of Reserve For Shade Tree Commission
For the Year Ended December 31, 2014**

Balance December 31, 2013	\$ 10,885.89
Increased by:	
Receipts	<u>500.00</u>
Subtotal	11,385.89
Decreased by:	
Payments	<u>2,842.05</u>
Balance December 31, 2014	<u><u>\$ 8,543.84</u></u>

EXHIBIT B-11

**Schedule of Reserve For Environmental Fund
For the Year Ended December 31, 2014**

Balance December 31, 2014 and 2013	<u><u>\$ 8,102.10</u></u>
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EXHIBIT B-12

**Schedule of Reserve For Veteran Affairs
For the Year Ended December 31, 2014**

Balance December 31, 2013	\$ 1,393.00
Increased by:	
Receipts	<u> </u>
Subtotal	1,393.00
Decreased by:	
Payments	<u>250.00</u>
Balance December 31, 2014	<u><u>\$ 1,143.00</u></u>

BOROUGH OF RIVERTON

Trust - Other Funds

Schedule of Reserve For Public Defender
For the Year Ended December 31, 2014

Balance December 31, 2013		\$	301.21
Increased by:			
Receipts from Municipal Court	\$	3,500.00	
Interest Earned		<u>2.92</u>	<u>3,502.92</u>
Subtotal			3,804.13
Decreased by:			
Payments			<u>3,100.00</u>
Balance December 31, 2014		\$	<u><u>704.13</u></u>

BOROUGH OF RIVERTON

Trust - Other Funds

**Schedule of Reserve For Police Forfeited Property
For the Year Ended December 31, 2014**

Balance December 31, 2013	\$ 998.67
Increased by:	
Receipts	683.00
Interest Earned	<u>3.14</u>
Subtotal	1,684.81
Decreased by:	
Payments	<u> </u>
Balance December 31, 2014	<u><u>\$ 1,684.81</u></u>

EXHIBIT B-15

**Schedule of Reserve For Compensated Absences
For the Year Ended December 31, 2014**

Balance December 31, 2014 and 2013	<u><u>\$ 30,000.00</u></u>
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EXHIBIT B-16

**Schedule of Reserve For POAA Funds
For the Year Ended December 31, 2014**

Balance December 31, 2013	\$ 310.64
Increased by:	
Receipts from Municipal Court	\$ 12.00
Interest Earned	<u>0.81</u>
Subtotal	12.81
	<u>323.45</u>
Decreased by:	
Payments	<u> </u>
Balance December 31, 2014	<u><u>\$ 323.45</u></u>

GENERAL CAPITAL FUND

BOROUGH OF RIVERTON
General Capital Fund
Schedule of Cash - Treasurer
For the Year Ended December 31, 2014

Balance December 31, 2013		\$ 46,152.97
Receipts:		
Bond Anticipation Notes	\$ 847,704.00	
Due to Current Fund	<u>721.79</u>	
		<u>848,425.79</u>
Total		894,578.76
Disbursements:		
Improvement Authorizations	357,527.67	
Due to Current Fund	<u>591.74</u>	
		<u>358,119.41</u>
Balance December 31, 2014		<u><u>\$ 536,459.35</u></u>

BOROUGH OF RIVERTON
General Capital Fund
Analysis of General Capital Cash and Investments
For the Year Ended December 31, 2014

Fund Balance		\$ 18,478.88
Capital Improvement Fund		360.76
Due from Current Fund		(62,471.54)
Reserve for Debt		
Bond Anticipation Notes Payable		
Improvement Authorizations:		
Ordinance		
<u>Number</u>		
2002-4	Various Improvements	1,211.66
2007-3	Various Improvements:	
	Purchase of Police Equipment	741.17
	2007 Road Program	19,563.21
	Computer Equipment	381.28
	Office Equipment	3,800.32
2010-4	Various Improvements	(114,242.10)
2011-8	Various Improvements	29,780.00
2013-5	Various Improvements	
	Purchase of Loader Bucket	(30,212.88)
	Improvements and Upgrades to WW Treatment Tank	
	Acquisition of Equipment for Public Works	
2013-7	Sewer System Upgrades	(16,904.75)
2014-8	Multi-purpose	
	Police Vehicles	7,262.34
	Borough Roof and Police remodeling	32,600.00
	Road Improvements to Elm Terrace	436,825.00
	Acquisition of Public Works Equipment	11,414.00
	Acquisition of Fire Truck	197,872.00
Total		<u>\$ 536,459.35</u>

BOROUGH OF RIVERTON
General Capital Fund
Schedule of Deferred Charges to Future Taxation - Funded
For the Year Ended December 31, 2014

Balance December 31, 2013		\$	260,418.89
Decreased by:			
Serial Bond Principal	\$	87,000.00	
Green Acres Loan Principal		<u>2,267.90</u>	<u>89,267.90</u>
Balance December 31, 2014		\$	<u><u>171,150.99</u></u>

		Analysis of Balance December 31, 2014						
Ordinance Number	Improvement Description	Balance December 31, 2013	2014 Authorizations	Paid by Budget	Balance December 31, 2014	Financed by Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorization
2005-6	Various Capital Improvements	\$ 117,500.00		\$ 35,000.00	\$ 82,500.00	\$ 82,500.00		
2009-5	2009 Road Program	289,000.00		75,000.00	214,000.00	148,363.68		\$ 65,636.32
2010-4	Various Capital Improvements	236,900.00		5,000.00	231,900.00	44,588.00	\$ 114,242.10	73,069.90
2011-8	Various Capital Improvements	90,250.00		5,000.00	85,250.00	85,250.00		
2013-5	Various Capital Improvements	57,475.00			57,475.00		30,212.88	27,262.12
2013-7	Upgrades to Sewer System	47,500.00			47,500.00		16,904.75	30,595.25
2014-8	Various Capital Improvements		\$ 847,704.00		847,704.00	847,704.00		
		<u>\$ 838,625.00</u>	<u>\$ 847,704.00</u>	<u>\$ 120,000.00</u>	<u>\$ 1,566,329.00</u>	<u>\$ 1,208,405.68</u>	<u>\$ 161,359.73</u>	<u>\$ 196,563.59</u>
					Improvement Authorizations - Unfunded			\$ 743,931.93
					Less - Unexpended Proceeds from Bond			
					Anticipation Notes:			
					Ordinance 2011-8	\$ 29,780.00		
					Ordinance 2014-8	517,588.34		
								<u>547,368.34</u>
						Total		<u>\$ 196,563.59</u>

BOROUGH OF RIVERTON
General Capital Fund
Statement of Grants Receivable
For the Year Ended December 31, 2014

Balance December 31, 2013		\$ -
Increased by:		
Department of Transportation - Elm Terrace	\$ 205,000.00	
Burlington County Park Development Grant	<u>125,000.00</u>	<u>330,000.00</u>
		330,000.00
Decreased by:		
Due from Current Fund		<u>153,750.00</u>
Balance December 31, 2014		<u><u>\$ 176,250.00</u></u>
Analysis of Balance		
Department of Education - Elm Terrace	\$ 51,250.00	
Burlington County Park Development Grant - Memorial Park		<u>125,000.00</u>
	<u>\$</u>	<u><u>176,250.00</u></u>

BOROUGH OF RIVERTON
General Capital Fund
Schedule of General Serial Bonds
For the Year Ended December 31, 2014

Purpose	Date of Issue	Amount of Original Note	Maturities of Bonds Outstanding December 31, 2014		Interest Rate	Balance December 31, 2013	Issued	Decreased	Balance December 31, 2014
			Date	Amount					
General Bonds of 2001	3/15/01	\$ 1,301,000	3/15/2015	\$ 87,000	4.50%	\$ 257,000.00		\$ 87,000.00	\$ 170,000.00
			3/15/2016	83,000	4.50%				
Total						\$ 257,000.00	\$ -	\$ 87,000.00	\$ 170,000.00

BOROUGH OF RIVERTON
General Capital Fund
Statement of Green Acres Trust Loan Proceeds Payable
For the Year Ended December 31, 2014

Balance December 31, 2013	\$ 3,418.89
Decreased by:	
Paid by Budget Appropriation	<u>2,267.90</u>
Balance December 31, 2014	<u><u>\$ 1,150.99</u></u>

Analysis of Balance - December 31, 2014

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 1,150.99	\$ 11.51	\$ 1,162.50
	<u> </u>	<u> </u>	<u> </u>
	<u><u>\$ 1,150.99</u></u>	<u><u>\$ 11.51</u></u>	<u><u>\$ 1,162.50</u></u>

BOROUGH OF RIVERTON
General Capital Fund
Schedule of Bond Anticipation Notes
For the Year Ended December 31, 2014

Ordinance Number	Improvement Description	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2013	Increased	Decreased	Balance December 31, 2014
2005-6	Multi-Purpose	10/12/06	10/10/13	10/10/14	Nil.	\$ 117,500.00		\$ 117,500.00	
2005-6	Multi-Purpose	10/12/06	10/10/14	10/10/15	Nil.		\$ 82,500.00		\$ 82,500.00
2009-5	2009 Road Program	12/12/09	12/9/13	12/8/14	Nil.	223,363.68		223,363.68	
2009-5	2009 Road Program	12/12/09	12/8/14	12/8/15	Nil.		148,363.68		148,363.68
2010-4	Multi-Purpose	12/10/10	12/9/13	12/8/14	Nil.	49,588.00		49,588.00	
2010-4	Multi-Purpose	12/10/10	12/8/14	12/8/15	Nil.		44,588.00		44,588.00
2011-8	Multi-Purpose	12/10/11	12/9/13	12/8/14	Nil.	90,250.00		90,250.00	
2011-8	Multi-Purpose	12/10/11	12/8/14	12/8/15	Nil.		85,250.00		85,250.00
	Investment in Current Fund					480,701.68	360,701.68	480,701.68	360,701.68
2014-8	Multi-Purpose	9/9/14	9/9/14	9/9/15	0.75%		847,704.00		847,704.00
						<u>\$ 480,701.68</u>	<u>\$ 1,208,405.68</u>	<u>\$ 480,701.68</u>	<u>\$ 1,208,405.68</u>
Nil. = Held as an investment in the Current Fund						Renewal	\$ 360,701.39	\$ 360,701.39	
						Issued for Cash	847,704.00		
						Paid by Budget		120,000.00	
							<u>\$ 1,208,405.39</u>	<u>\$ 480,701.39</u>	

BOROUGH OF RIVERTON
General Capital Fund
Schedule of Improvement Authorizations
For the Year Ended December 31, 2014

Ordinance Number	Improvement Description	Date	Ordinance		Balance December 31, 2013		2014 Authorizations		Deferred Charges To Future Taxation Unfunded	Paid or Charged	Balance December 31, 2014	
			Amount	Funded	Unfunded	Capital Improvement Fund	Grant Receivable	Funded			Unfunded	
2002-4	Multi-purpose: c. Repairs to Seawall	07/11/02	\$ 16,000	\$ 1,211.66							\$ 1,211.66	
2007-3	Multi-purpose: a. Purchase of Police Equipment b. 2007 Road Program c. Computer Equipment d. Office Equipment	05/21/07	153,800	741.17 19,563.21 381.28 3,800.32							741.17 19,563.21 381.28 3,800.32	
2009-5	2009 Road Program	12/12/09	200,000		\$ 65,636.32							\$ 65,636.32
2010-4	Multi-purpose: c. Improvements to Park	07/14/10	201,875		183,474.87					\$ 110,404.97		73,069.90
2011-8	Multi-purpose: c. 2011 Road Program	06/08/11	50,000		30,211.25					431.25		29,780.00
2013-5	Multi-purpose: a. Purchase of Loader Bucket b. Imps and upgrades to WW Treatment Tank c. Acq. of Equipment for Public Works Dept.	05/08/13	15,500 30,000 15,000		217.15 28,500.00 3,855.00					6,810.03		217.15 23,189.97 3,855.00
2013-7	Sewer System Upgrades	12/01/13	50,000		30,595.25							30,595.25
2014-8	Multi-purpose: a. Police Vehicles b. Borough Roof and Police Remodeling c. Road Improvements to Elm Terrace d. Various Memorial Park Improvements e. Acquisition of Public Works Equipment f. Acquisition of Fire Truck	06/11/14	68,000.00 38,000.00 497,700.00 125,000.00 43,620.00 450,000.00			\$ 3,400.00 1,900.00 14,635.00 2,181.00 22,500.00	\$ 205,000.00 125,000.00	\$ 64,600.00 36,100.00 278,065.00 41,439.00 427,500.00	60,737.66 5,400.00 9,625.00 32,206.00 252,128.00		7,262.34 32,600.00 268,440.00 11,414.00 197,872.00	
Total				\$ 27,197.64	\$ 342,489.84	\$ 44,616.00	\$ 330,000.00	\$ 847,704.00	\$ 477,742.91	\$ 370,332.64	\$ 743,931.93	
										Cash Disbursed	\$ 357,527.67	
										Due to Current Fund	120,215.24	
											\$ 477,742.91	

BOROUGH OF RIVERTON
General Capital Fund
Statement of Capital Improvement Fund
For the Year Ended December 31, 2014

Balance December 31, 2013	\$ 360.76
Increased by:	
2014 Budget Appropriation	<u>44,616.00</u>
	44,976.76
Decreased by:	
Appropriated to Finance Improvement Authorization	<u>44,616.00</u>
Balance December 31, 2014	<u><u>\$ 360.76</u></u>

BOROUGH OF RIVERTON
General Capital Fund
Statement of Bonds and Notes Authorized but not Issued
For the Year Ended December 31, 2014

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance December 31, 2013</u>	<u>2014 Authorizations</u>	<u>Bond Anticipation Notes Issued</u>	<u>Balance December 31, 2014</u>
2009-5	2009 Road Program	\$ 65,636.32			\$ 65,636.32
2010-4	Multi-Purpose	187,312.00			187,312.00
2013-5	Multi-Purpose	57,475.00			57,475.00
2013-7	Sewer System Upgrades	47,500.00			47,500.00
2014-8	Multi-Purpose		\$ 847,707.00	\$ 847,707.00	
	Total	<u>\$ 357,923.32</u>	<u>\$ 847,707.00</u>	<u>\$ 847,707.00</u>	<u>\$ 357,923.32</u>

PUBLIC ASSISTANCE FUND

BOROUGH OF RIVERTON
PUBLIC ASSISTANCE FUND
Schedule of Cash - Treasurer
For the Year Ended December 31, 2014

	P.A.T.F. I
Balance December 31, 2013	\$ 726.58
Increased by Receipts:	
Interest Earned	1.79
Total	728.37
Decreased by Disbursements	
Balance December 31, 2014	\$ 728.37

BOROUGH OF RIVERTON

PART II

Schedule of Findings and Recommendations

For the Year Ended December 31, 2014

**BOROUGH OF RIVERTON
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

Section 1 -- Summary of Auditor's Results

Financial Statement Section

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

1) Material weaknesses identified?

_____ yes X no

2) Significant deficiencies identified that are
not considered to be material weaknesses?

_____ yes X none reported

Noncompliance material to financial statements noted?

_____ yes X no

Federal Awards

NOT APPLICABLE

State Awards

NOT APPLICABLE

BOROUGH OF RIVERTON
Schedule of Findings and Recommendations
For the Year Ended December 31, 2014

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
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2014

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

This section identifies reportable conditions, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major Federal and State Programs, as required by OMB Circular A-133 and New Jersey OMB's Circular 04-04.

FEDERAL AWARDS

A federal single audit was not required.

STATE AWARDS

A state single audit was not required.

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

This section identifies the status of prior year findings related to the financial statements and federal awards and state financial assistance that are required to be reported in accordance with *Government Auditing Standard*, OMB Circular A-133 and New Jersey OMB's Circular 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, 2014:

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>	<u>Name of Corporate Surety</u>
William C. Brown	Mayor		
Suzanne Cairns Wells	President of Council		
Armand Bianchini	Councilman		
William Corbi	Councilman		
Renee Azelby	Councilwoman		
Michael Kinzler	Councilman		
Joseph Creighton	Councilman		
Mary Longbottom	Borough Clerk, 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)
Roger Fort	Construction Code Official	25,000	(A)
Mary Lodato	Code Enforcement Official	25,000	(A)
James Duda	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

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

Respectfully submitted,

INVERSO & STEWART, LLC
Certified Public Accountant



Robert P. Inverso
Certified Public Accountant
Registered Municipal Accountant

March 27, 2015