

BOROUGH OF RIVERTON
County of Burlington

Report of Audit of Financial Statements
For the Year Ended December 31, 2025

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, 2025

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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 08077

Report on the Audit of the Financial Statements

Opinions

I have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Borough of Riverton, ("Borough"), County of Burlington, State of New Jersey, as of December 31, 2025 and 2024 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 the statement of general fixed asset account group for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements as listed in the table of contents.

Unmodified Opinions 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 as of December 31, 2025 and 2024 and the results of its operations and changes in fund balance - regulatory basis of such funds for the years then ended, and the revenues - regulatory basis and expenditures - regulatory basis of the various funds, and general fixed asset group of accounts - regulatory basis, for the year ended December 31, 2025, in conformity with accounting principles and practices prescribed by the Division of Local Government Services ("Division"), Department of Community Affairs, State of New Jersey as described in Note 1.

Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

In my opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America* section of my report, the accompanying financial statements referred to above do not present fairly the financial position of the Borough as of December 31, 2025 and 2024, or the results of its operations and the changes in fund balance for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions on Regulatory Basis of Accounting

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 prescribed by the Division. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am required to be independent of the Borough and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. 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 Accounting Principles Generally Accepted in the United States of America

As described in Note 1 to the financial statements, the financial statements are prepared by the Borough on the basis of the financial reporting provisions of the Division (regulatory basis), 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 and pervasive.

Responsibilities of Management 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. 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in aggregate, that raise substantial doubt about the Borough's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements - regulatory basis as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, I:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Borough's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Borough's ability to continue as a going concern for a reasonable period of time.

I am required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that I identified during the audit.

Supplementary Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough's basic financial statements. The accompanying supplemental statements and schedules presented for the various funds, as listed in the table of contents, are presented for purposes of additional analysis as required by the Division and are not a part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 accompanying supplemental statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated July 31, 2026, on my consideration of the Borough's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of 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's internal control over financial reporting and compliance.

Respectfully submitted,

INVERSO & STEWART, LLC

Certified Public Accountants

A handwritten signature in black ink, appearing to read 'R. P. Inverso', written in a cursive style.

Robert P. Inverso
Certified Public Accountant
Registered Municipal Accountant

Marlton, New Jersey
July 31, 2026

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 08077

I have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial statement 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 ("Division"), Department of Community Affairs, State of New Jersey, the financial statements prepared on a regulatory basis of accounting prescribed by the Division, of the Borough of Riverton ("Borough"), in the County of Burlington, State of New Jersey, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements, and have issued my report thereon dated July 31, 2026. That report indicated that the Borough'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.

Report on Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the Borough's internal control over financial reporting (internal control) as a basis for designing 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'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 a 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, and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during my audit, I did not identify any deficiencies in internal control that I consider to be material weaknesses. I identified a deficiency in internal control, described in the accompanying *Schedule of Findings and Recommendations* as Finding Number 2025-1, that I consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough'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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and which is described in the accompanying *Schedule of Findings and Recommendations*, as Finding Number 2025-1.

The Borough of Riverton's Response to Findings

Government Auditing Standards require the auditor to perform limited procedures on the Borough's response to the findings identified in my audit and described in the accompanying *Schedule of Findings and Recommendations*. The Borough's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, I express no opinion on the response.

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 entity'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, in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

INVERSO & STEWART, LLC

Certified Public Accountants



Robert P. Inverso
Certified Public Accountant
Registered Municipal Accountant

Marlton, New Jersey

July 31, 2026

BOROUGH OF RIVERTON

Current Fund

Statement of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
For the Years Ended December 31, 2025 and 2024

	<u>Reference</u>	<u>2025</u>	<u>2024</u>
<u>ASSETS</u>			
Regular Fund:			
Cash - Treasurer	A-4	\$ 3,476,407.79	\$ 3,417,319.88
Cash - Change Fund		<u>100.00</u>	<u>100.00</u>
Total		<u>3,476,507.79</u>	<u>3,417,419.88</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-5	170,982.97	131,381.36
Tax Title Liens Receivable	A-6	-	-
Sewer Liens Receivable	A-7	-	-
Revenue Accounts Receivable	A-8	4,072.94	4,567.22
Sewer Rent Receivable	A-9	42,150.07	23,643.40
Due from Federal and State Grant Fund	A	15,309.91	11,683.28
Due from Animal Control Fund	B	38.63	30.27
Due from Trust Other Fund	B	55,277.91	37,678.05
Due from General Capital Fund	C	<u>439.43</u>	<u>336.31</u>
Total		<u>288,271.86</u>	<u>209,319.89</u>
Deferred Charges:			
Overexpenditure of Appropriations		23,619.23	
Emergency Authorization (N.J.S. 40A-4-46)		<u></u>	<u>48,667.83</u>
Total Regular Fund		<u>3,788,398.88</u>	<u>3,675,407.60</u>
Federal and State Grant Fund:			
Cash - Treasurer	A-4	-	
Federal and State Grants Receivable	A-18	486,541.15	351,165.65
Due from Current Fund	A		
Due from Capital Fund	C	<u>1,979.87</u>	<u>1,979.87</u>
Total Federal and State Grant Fund		<u>488,521.02</u>	<u>353,145.52</u>
Total		<u>\$ 4,276,919.90</u>	<u>\$ 4,028,553.12</u>

(Continued)

BOROUGH OF RIVERTON

Current Fund

Statement of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
For the Years Ended December 31, 2025 and 2024

	<u>Reference</u>	<u>2025</u>	<u>2024</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3	\$ 125,886.80	\$ 79,940.76
Reserve for Encumbrances	A-3	17,260.11	51,277.85
Accounts Payable	A-11	10,046.67	
Tax Overpayments	A-12	6,782.74	5,009.84
Prepaid Taxes	A-13	61,850.03	44,457.41
Sewer Rent Overpayments	A-14	3,784.35	1,923.10
Prepaid Sewer Rents			
Due to Federal and State Grant Fund	A		
Due to General Capital Fund	C	5,798.59	5,798.59
Due to State of NJ - Construction Code Fees	A-15	938.00	775.00
Due County for Added Taxes	A-16	5,138.75	7,764.68
Reserve for Municipal Property Tax Relief			
Due to State of N.J. for Senior Citizen and Veteran Deductions	A-10	2,500.00	2,000.00
Local District School Tax Payable	A-17	2,281,294.97	2,149,021.45
Total Liabilities		2,521,281.01	2,347,968.68
Reserve for Receivables and Other Assets	A	288,271.86	209,319.89
Fund Balance	A-1	978,846.01	1,118,119.03
Total Regular Fund		3,788,398.88	3,675,407.60
Federal and State Grant Fund:			
Encumbrances Payable	A-20	233.45	3,733.45
Due to Current Fund	A	15,309.91	11,683.28
Unappropriated Reserves	A-19	1,187.10	1,508.22
Appropriated Reserves	A-20	471,790.56	336,220.57
Total Federal and State Grant Fund		488,521.02	353,145.52
Total		\$ 4,276,919.90	\$ 4,028,553.12

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, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Revenue and Other Income Realized:		
Fund Balance Utilized	\$ 360,000.00	\$ 360,000.00
Miscellaneous Revenue Anticipated	1,403,483.50	1,453,575.21
Receipts from Delinquent Taxes	127,805.59	89,279.15
Receipts from Current Taxes	10,096,235.32	9,477,238.50
Nonbudget Revenues	99,650.46	101,858.32
Other Credits to Income:		
Unexpended Prior Year Appropriation Reserves and Encumbrances Payable		511.56
Total Revenue and Other Income Realized	<u>12,087,174.87</u>	<u>11,482,462.74</u>
Expenditures		
Operations Within "CAPS":		
Salaries and Wages	1,185,785.20	1,155,434.98
Other Expenses	1,931,252.46	1,855,843.85
Deferred Charges and Statutory Expenditures Within "CAPS"	332,248.57	287,679.04
Operations Excluded from "CAPS":		
Other Expenses	443,592.27	396,507.46
Capital Improvements	18,766.00	-
Municipal Debt Service Excluded from "CAPS"	287,298.03	255,081.21
Deferred Charges - Excluded from "CAPS"	48,667.83	
Local District School Tax	6,260,120.00	5,995,573.00
County Taxes	1,356,908.34	1,254,856.03
Due County for Added Taxes	5,138.75	7,764.68
Interfunds Created	20,039.67	11,737.10
Prior Year Tax Overpayments Created		724.45
Prior Year Veteran/Senior Citizen	250.00	-
Total	<u>11,890,067.12</u>	<u>11,221,201.80</u>
Excess in Revenue	197,107.75	261,260.94
Adjustments to Income Before Surplus:		
Expenditures Included Above which are by Statute Deferred		
Charges to Budget of Succeeding Year	<u>23,619.23</u>	<u>48,667.83</u>
Excess in Revenue & Statutory Excess to Fund Balance	220,726.98	309,928.77
Fund Balance January 1	<u>1,118,119.03</u>	<u>1,168,190.26</u>
Total	1,338,846.01	1,478,119.03
Decreased by Utilization as Anticipated Revenue	<u>360,000.00</u>	<u>360,000.00</u>
Balance December 31	<u><u>\$ 978,846.01</u></u>	<u><u>\$ 1,118,119.03</u></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, 2025

	<u>BUDGET</u>	<u>SPECIAL NJS 40A:4-87</u>	<u>REALIZED</u>	<u>EXCESS (DEFICIT)</u>
Fund Balance Anticipated	\$ 360,000.00	\$ -	\$ 360,000.00	\$ -
Miscellaneous Revenues:				
Licenses - Other	800.00		1,395.00	595.00
Fees and Permits - Other	1,600.00		2,800.00	1,200.00
Fines and Costs				
Municipal Court	71,000.00		46,460.09	(24,539.91)
Interest and Costs on Taxes	27,000.00		34,955.53	7,955.53
Interest on Investments and Deposits	50,000.00		51,562.59	1,562.59
Cell Tower Rental Fees	39,000.00		44,594.46	5,594.46
Sewer Rent Fees	493,000.00		538,176.42	45,176.42
Comcast Fees	9,250.00		9,213.97	(36.03)
Park Fees	1,600.00		2,395.00	795.00
Energy Receipts Taxes	233,327.00		233,326.66	(0.34)
Uniform Construction Code Fees	71,000.00		50,162.00	(20,838.00)
Uniform Fire Safety Act	7,550.00		10,574.10	3,024.10
Reserve for Debt Service	18,528.41		18,528.41	-
Miscellaneous Revenues Offset with Appropriations:				
Body Armor Replacement Fund	969.85		969.85	-
Bulletproof Vest Partnership Grant	538.37		538.37	-
Clean Communities		8,280.60	8,280.60	-
NJDEP Stormwater Assistance Grant		10,000.00	10,000.00	-
NJDCA - Wastewater System Rehabilitation		235,000.00	235,000.00	-
Municipal Alcohol Education Rehab		515.83	515.83	-
Assistance to Firefighters Grant		31,615.00	31,615.00	-
Burlington County Youth Opioid Grant		5,000.00	5,000.00	-
ANJEC Open Space Stewardship Grant		760.00	760.00	-
NJDCA - Local Recreation Improvement Grant		62,920.00	62,920.00	-
Recycling Tonnage Grant		3,739.62	3,739.62	-
Total	1,025,163.63	357,831.05	1,403,483.50	20,488.82
Receipts from Delinquent Taxes	89,000.00		127,805.59	38,805.59
Amount to be Raised by Taxes for Support of				
Municipal Budget - Local Tax for Municipal Purposes	2,596,580.02		2,677,399.83	80,819.81
Budget Totals	4,070,743.65	357,831.05	4,568,688.92	\$ 140,114.22
Nonbudget Revenues			99,650.46	
Total	\$ 4,070,743.65	\$ 357,831.05	\$ 4,668,339.38	

(Continued)

BOROUGH OF RIVERTON

Current Fund

Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2025

Analysis of Realized Revenue

Allocation of Current Tax Collections:

Revenue from Collections	10,096,235.32
Allocated to School and County Taxes	<u>7,622,167.09</u>
Balance for Support of Municipal Budget Appropriations	2,474,068.23
Add Appropriation - Reserve for Uncollected Taxes	<u>203,331.60</u>
Amount for Support of Municipal Budget Appropriations	<u><u>\$ 2,677,399.83</u></u>

Receipts from Delinquent Taxes:

Delinquent Tax Collections	<u><u>\$ 127,805.59</u></u>
----------------------------	-----------------------------

Licenses - Other:

Registrar of Vital Statistics	<u>\$ 2,800.00</u>
Total	<u><u>\$ 2,800.00</u></u>

Miscellaneous Revenue Not Anticipated:

Admin Fee - SC & Vet	\$ 300.00
Insurance Dividend	8,686.80
Sewer Connection Fee	4,635.00
Sewer Penalties	6,588.54
Administration Fee for Off-Duty Police	75,975.12
Cat Licenses	145.00
Other Permits and Fees	840.00
Business Registrations	<u>2,480.00</u>
Total	<u><u>\$ 99,650.46</u></u>

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

BOROUGH OF RIVERTON
Current Fund
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2025

			Expended				
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Canceled</u>	<u>Over- Expended</u>
GENERAL APPROPRIATIONS:							
Operations Within "CAPS":							
General Government							
Mayor and Council							
Other Expenses	\$ 1,000.00	\$ 1,000.00	\$ 796.70		\$ 203.30	\$ -	\$ -
Borough Clerk							
Salaries and Wages	101,053.00	104,237.25	104,237.25		-		
Other Expenses	27,350.00	24,350.00	23,928.99		421.01		
Financial Administration:							
Salaries and Wages	16,149.00	16,149.00	16,149.00		-		
Other Expenses	5,400.00	5,400.00	5,304.30		95.70		
Audit Services							
Other Expenses	28,000.00	28,000.00	28,000.00		-		
Computerized Data Processing							
Other Expenses	27,300.00	26,550.00	21,043.70		5,506.30		
Collection of Taxes							
Salaries and Wages	67,000.00	62,480.24	62,315.41		164.83		
Other Expenses	6,630.00	2,630.00	2,213.74		416.26		
Assessment of Taxes							
Salaries and Wages	13,777.00	13,777.00	13,776.88		0.12		
Other Expenses	2,660.00	2,660.00	2,541.60		118.40		
Legal Services & Costs							
Other Expenses	22,000.00	22,000.00	20,432.80		1,567.20		
Engineer							
Other Expenses	2,000.00	2,196.75	1,313.75	883.00	-		
Economic Development							
Other Expenses	5,679.00	5,986.34	5,986.34		-		
Land Use Administration:							
Planning Board:							
Salaries and Wages	18,761.00	19,057.86	19,057.86		-		
Other Expenses	7,300.00	7,300.00	1,983.00		5,317.00		

(Continued)

BOROUGH OF RIVERTON
Current Fund
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2025

			Expended				
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Canceled</u>	<u>Over- Expended</u>
Operations Within "CAPS" (Continued)							
General Government (Continued)							
Insurance:							
Liability Insurance	\$ 115,356.00	\$ 115,356.00	\$ 107,351.50		\$ 8,004.50	\$ -	\$ -
Worker Compensation	61,487.00	61,487.00	67,173.00				5,686.00
Employees Group Insurance	492,636.00	492,636.00	487,329.83		5,306.17		
Public Safety:							
Police:							
Salaries and Wages	619,797.00	619,797.00	619,480.40		316.60		
Other Expenses	61,746.00	62,586.73	61,852.73	734.00	0.00		
Office of Emergency Management							
Other Expenses	-	-	-		-		
Aid to Volunteer Ambulance Squad							
Other Expenses	3,500.00	3,500.00	3,500.00		-		
Fire Department							
Other Expenses	27,500.00	25,500.00	22,410.34	2,617.80	471.86		
Fire Official							
Salaries and Wages	6,653.00	6,762.90	6,762.90		-		
Other Expenses	2,900.00	2,900.00	2,680.59		219.41		
Public Works:							
Road Repairs and Maintenance							
Salaries and Wages	274,706.00	280,386.95	280,386.95		-		
Other Expenses	53,800.00	53,800.00	47,612.83	865.13	5,322.04		
Shade Tree Commission							
Other Expenses	40,000.00	39,250.00	39,242.50		7.50		
Solid Waste Collection							
Other Expenses	198,872.00	198,872.00	180,058.10		18,813.90		
Public Buildings and Grounds							
Other Expenses	21,900.00	19,900.00	19,145.23		754.77		
Vehicle Maintenance							
Other Expenses	49,000.00	49,000.00	61,370.31	1,162.92			13,533.23
Registrar of Vital Statistics:							
Salaries and Wages	1,292.00	1,292.00	1,291.69		0.31		
Other Expenses	150.00	150.00	107.00		43.00		

(Continued)

BOROUGH OF RIVERTON
Current Fund
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2025

			Expended				
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Canceled</u>	<u>Over- Expended</u>
Operations Within "CAPS" (Continued)							
General Government (Continued)							
Animal Control							
Other Expenses	\$ 3,500.00	\$ 4,307.00	\$ 4,307.00		\$ -		\$ -
Environmental Commission							
Other Expenses	600.00	600.00	450.00		150.00		
Parks and Recreation:							
Recreation Services:							
Other Expenses	22,000.00	20,000.00	19,288.90	251.00	460.10		
Celebration of Public Events:							
Other Expenses	300.00	300.00	-		300.00		
Utilities:							
Electricity	81,000.00	85,142.83	85,142.83		-		
Street Lighting	50,000.00	52,204.58	52,204.58		-		
Telephone	22,500.00	22,500.00	22,467.84		32.16		
Water	4,000.00	4,000.00	3,569.06		430.94		
Fire Hydrant Service	56,500.00	56,500.00	55,912.89		587.11		
Sewerage Processing:							
Salaries and Wages	24,000.00	24,000.00	23,567.37		432.63		
Other Expenses	236,500.00	236,500.00	222,327.37	10,746.26	3,426.37		
Gasoline	32,000.00	32,000.00	30,877.70		1,122.30		
Landfill and Solid Waste Disposal Costs - Landfill Fees	128,000.00	128,000.00	120,185.50		7,814.50		
Municipal Court:							
Other Expenses	-	-	-		-		
Public Defender (P.L. 1997, c 256)							
Other Expenses	1,000.00	1,000.00	5,400.00				4,400.00
Construction Code Office:							
Salaries and Wages	37,845.00	37,845.00	37,811.53		33.47		
Other Expenses	11,568.00	11,568.00	11,351.06		216.94		
Total Operations - Within "CAPS"	<u>3,094,667.00</u>	<u>3,093,418.43</u>	<u>3,031,700.85</u>	<u>17,260.11</u>	<u>68,076.70</u>	<u>-</u>	<u>23,619.23</u>
Detail:							
Salaries and Wages	1,181,033.00	1,185,785.20	1,184,837.24	-	947.96	-	-
Other Expenses	<u>1,913,634.00</u>	<u>1,907,633.23</u>	<u>1,846,863.61</u>	<u>17,260.11</u>	<u>67,128.74</u>	<u>-</u>	<u>23,619.23</u>
							(Continued)

BOROUGH OF RIVERTON
Current Fund
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2025

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Expended</u>			<u>Canceled</u>	<u>Over- Expended</u>
			<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>		
<i>Municipal - Within "CAPS":</i>							
DEFERRED CHARGES:							
Prior Year's Bill - Cinnaminson Twp Court	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ -	\$ -		\$ -
STATUTORY EXPENDITURES:							
Contribution to:							
Social Security System (O.A.S.I.)	60,000.00	61,248.57	61,248.57	-	-		-
Police & Fireman's Retirement System	142,175.00	142,175.00	142,174.72		0.28		
Public Employees' Retirement System	88,825.00	88,825.00	88,824.83		0.17		
<i>Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"</i>	331,000.00	332,248.57	332,248.12	-	0.45	-	-
<i>Total General Appropriations - For Municipal Purposes Within "CAPS"</i>	3,425,667.00	3,425,667.00	3,363,948.97	17,260.11	68,077.15	-	23,619.23
<i>Operations Excluded from "CAPS":</i>							
Aid To Library (N.J.S.A.40:54-35)	7,000.00	7,000.00	7,000.00		-		
Insurance							
Employees Group Insurance	7,253.00	7,253.00	7,253.00		-		
Municipal Court - Cinnaminson Twp							
Other Expense	70,000.00	70,000.00	12,190.35		57,809.65		
Public and Private Programs Offset By Revenues:							
Body Armor Replacement Grant	969.85	969.85	969.85		-		
ANJEC Open Space Stewardship Grant (C159 \$760.00)		760.00	760.00		-		
Bulletproof Vest Partnership Grant	538.37	538.37	538.37		-		
Recycling Tonnage Grant (C159 \$3,739.62)		3,739.62	3,739.62		-		
Alcohol Education and Rehab (C159 \$515.83)		515.83	515.83		-		
Clean Communities Grant (C159 \$8,280.60)		8,280.60	8,280.60		-		
NJDCA - Local Recreation Improvement (C159 \$62,920.00)		62,920.00	62,920.00		-		
NJDCA - Wastewater System Rehab (C159 \$235,000.00)		235,000.00	235,000.00		-		
NJDEP - Stormwater Assistance Grant (C159 \$10,000.00)		10,000.00	10,000.00		-		
Burlington County Youth Opioid (C159 \$5,000.00)		5,000.00	5,000.00		-		
Assistance to Firefighters Grant (C159 \$31,615.00)		31,615.00	31,615.00		-		
<i>Total Operations - Excluded From "CAPS"</i>	85,761.22	443,592.27	385,782.62	-	57,809.65	-	-
<i>Detail:</i>							
Other Expenses	85,761.22	443,592.27	385,782.62	-	57,809.65	-	-
<i>Capital Improvements - Excluded From "CAPS"</i>							
Capital Improvement Fund	18,766.00	18,766.00	18,766.00		-		
<i>Total Capital Improvements - Excluded From "CAPS"</i>	18,766.00	18,766.00	18,766.00	-	-	-	-

(Continued)

BOROUGH OF RIVERTON
Current Fund
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2025

			Expended				
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Canceled</u>	<u>Over- Expended</u>
<i>Municipal Debt Service - Excluded From "CAPS"</i>							
Payment of Bond Principal	\$ 170,000.00	\$ 170,000.00	\$ 170,000.00	\$ -	\$ -	\$ -	\$ -
Payment of Bond Anticipation Notes Principal	15,000.00	15,000.00	14,868.00			132.00	-
Interest on Bonds	54,550.00	54,550.00	53,771.46			778.54	-
Interest on Notes	49,000.00	49,000.00	48,658.57			341.43	-
<i>Total Municipal Debt Service - Excluded From "CAPS"</i>	<u>288,550.00</u>	<u>288,550.00</u>	<u>287,298.03</u>	<u>-</u>	<u>-</u>	<u>1,251.97</u>	<u>-</u>
<i>Deferred Charges - Municipal - Excluded From "CAPS"</i>							
Emergency Authorizations	<u>48,667.83</u>	<u>48,667.83</u>	<u>48,667.83</u>		-		
<i>Total Deferred Charges - Municipal - Excluded From "CAPS"</i>	<u>48,667.83</u>	<u>48,667.83</u>	<u>48,667.83</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total General Appropriations for Municipal Purposes Excluded From "CAPS"</i>	<u>441,745.05</u>	<u>799,576.10</u>	<u>740,514.48</u>	<u>-</u>	<u>57,809.65</u>	<u>1,251.97</u>	<u>-</u>
Subtotal General Appropriations	3,867,412.05	4,225,243.10	4,104,463.45	17,260.11	125,886.80	1,251.97	23,619.23
Reserve for Uncollected Taxes	<u>203,331.60</u>	<u>203,331.60</u>	<u>203,331.60</u>		-		-
<i>TOTAL GENERAL APPROPRIATIONS</i>	<u>\$ 4,070,743.65</u>	<u>\$ 4,428,574.70</u>	<u>\$ 4,307,795.05</u>	<u>\$ 17,260.11</u>	<u>\$ 125,886.80</u>	<u>\$ 1,251.97</u>	<u>\$ 23,619.23</u>
Original Budget		\$ 4,070,743.65					
Emergency Appropriation		-					
Amended by NJS 40A:4-87		<u>357,831.05</u>					
		<u>\$ 4,428,574.70</u>					
Expended - Paid or Charged:							
Reserve for Federal and State Grants			\$ 359,339.27				
Reserve for Uncollected Taxes			203,331.60				
Deferred Charges			48,667.83				
Disbursed			<u>3,696,456.35</u>				
Total			<u>\$ 4,307,795.05</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, 2025 and 2024

	<u>Reference</u>	<u>2025</u>	<u>2024</u>
<u>ASSETS</u>			
Animal Control Fund:			
Cash - Treasurer	B-1	\$ 148.68	\$ 422.27
Other Funds:			
Cash - Treasurer	B-1	411,085.41	371,339.65
Total Other Funds		411,085.41	371,339.65
Total		<u>\$ 411,234.09</u>	<u>\$ 371,761.92</u>
<u>LIABILITIES AND RESERVES</u>			
Animal Control Fund:			
Due to Current Fund	A	\$ 38.63	\$ 30.27
Due to State		1.20	6.00
Reserve for Dog Fund Expenditures	B-2	108.85	386.00
Total Dog License Fund		148.68	422.27
Other Funds:			
Due State of New Jersey:			
Marriage License Fees	B-3	125.00	75.00
Due to Current Fund	A	55,277.91	37,678.05
Payroll Deductions Payable	B-4	9,953.40	438.25
Reserve for Lead Hazard Control Assistance	B-5	1,955.00	1,955.00
Reserve for Unemployment Compensation Trust	B-6	11,740.38	24,932.19
Reserve for Flexible Spending Account	B-7	416.93	417.01
Reserve for Developers Escrow Fund	B-8	163,774.94	118,906.77
Reserve for Tax Sale Premiums	B-9	40,779.90	48,438.94
Reserve for Shade Tree Commission	B-10	14,713.73	14,713.73
Reserve for Environmental Fund	B-11	5,161.38	5,161.38
Reserve for Veterans Affairs Fund	B-12	1,225.12	1,225.12
Reserve for Public Defender	B-13	-	489.59
Reserve for Police Forfeited Property	B-14	6,641.23	6,575.17
Reserve for Compensated Absences	B-15	30,000.00	30,000.00
Reserve for POAA Funds	B-16	260.54	250.00
Reserve for Off Duty Police	B-17	55,424.83	73,040.33
Reserve for Dog Park	B-18	4,040.00	4,040.00
Reserve for Uniform Fire Safety	B-19	2,229.71	2,229.71
Reserve for Police Donations	B-20	7,365.41	773.41
Total Other Funds		411,085.41	371,339.65
Total		<u>\$ 411,234.09</u>	<u>\$ 371,761.92</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, 2025 and 2024

	<u>Reference</u>	<u>2025</u>	<u>2024</u>
<u>ASSETS</u>			
Cash	C-2, C-3	\$ 509,984.40	\$ 350,834.83
Due from Current Fund	A	5,798.59	5,798.59
Deferred Charges to Future Taxation:			
Funded	C-4	960,000.00	1,130,000.00
Unfunded	C-5	1,564,626.00	1,222,949.00
Grants Receivable	C-6	<u>10,500.00</u>	<u>10,500.00</u>
Total		<u>\$ 3,050,908.99</u>	<u>\$ 2,720,082.42</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Serial Bonds Payable	C-7	\$ 960,000.00	\$ 1,130,000.00
Bond Anticipation Notes Payable	C-8	1,564,577.00	1,222,900.00
Due to Current Fund	A	439.43	336.31
Due to Federal and State Grant Fund	A	1,979.87	1,979.87
Improvement Authorizations:			
Funded	C-9	172,895.80	213,141.41
Unfunded	C-9	286,068.74	95,830.49
Encumbrances Payable	C-9	4,561.57	33,833.49
Capital Improvement Fund	C-10	3,220.76	3,220.76
Reserve for Debt		20,114.14	18,528.41
Fund Balance	C-1	<u>37,051.68</u>	<u>311.68</u>
Total		<u>\$ 3,050,908.99</u>	<u>\$ 2,720,082.42</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, 2025

Balance December 31, 2024	\$ 311.68
Increased by:	
Funded Improvement Authorizations Canceled	<u>36,740.00</u>
Balance December 31, 2025	<u><u>\$ 37,051.68</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, 2025 and 2024

	<u>Reference</u>	<u>2025</u>	<u>2024</u>
<u>ASSETS</u>			
Cash	D-1	<u>\$ 767.36</u>	<u>\$ 759.71</u>
Total		<u><u>\$ 767.36</u></u>	<u><u>\$ 759.71</u></u>
<u>LIABILITIES AND RESERVES</u>			
Reserve for Public Assistance		<u><u>\$ 767.36</u></u>	<u><u>\$ 759.71</u></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, 2025

	Balance December 31, <u>2024</u>	<u>Additions</u>	<u>Retirements</u>	Balance December 31, <u>2025</u>
General Fixed Assets:				
Land	\$ 147,405.00	\$ -	\$ -	\$ 147,405.00
Buildings	1,580,688.90	-	-	1,580,688.90
Land and Building Improvements	643,954.54	18,116.00	-	662,070.54
Equipment	842,651.62	-	-	842,651.62
Vehicles	<u>2,596,488.48</u>	<u>99,000.00</u>	<u>-</u>	<u>2,695,488.48</u>
 Total General Fixed Assets	 <u><u>\$ 5,811,188.54</u></u>	 <u><u>\$ 117,116.00</u></u>	 <u><u>\$ -</u></u>	 <u><u>\$ 5,928,304.54</u></u>
 Total Investment in General Fixed Assets	 <u><u>\$ 5,811,188.54</u></u>	 <u><u>\$ 117,116.00</u></u>	 <u><u>\$ -</u></u>	 <u><u>\$ 5,928,304.54</u></u>

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

Borough of Riverton
Notes to Financial Statements
December 31, 2025

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 2020 census is 2,686.

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 – GASB Statement No. 14, *The Financial Reporting Entity* and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, provide guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity, but also for legally separate organizations that meet the criteria established by GASB Statements No. 14 and No. 39. In addition, GASB Statement No. 61, provides additional guidance for organizations that do not meet the financial accountability criteria for inclusion as component units but that nevertheless should be included because the primary government's management determines that it would be misleading to exclude them. GASB Statement No. 80, *Blending Requirements for Certain Component Units* - an Amendment of GASB Statement No. 14 amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criteria requires the blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the Borough is not includable in any other reporting entity on the basis of such criteria.

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.

Borough of Riverton
Notes to Financial Statements
December 31, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. 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.

Borough of Riverton
Notes to Financial Statements
December 31, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

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

Fund Balance - Fund Balance included in the Current Fund represents the amount 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.

Borough of Riverton
Notes to Financial Statements
December 31, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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, 2024 and decreased by the amount deferred at December 31, 2025.

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.

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.

Borough of Riverton
Notes to Financial Statements
December 31, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

Impact of Recently Issued Accounting Principles

The Governmental Accounting Standards Board (GASB) has issued the following statements that have effective dates that may affect future financial presentations:

Statement No. 101, Compensated Absences. The objective of this Statement is to better align the recognition and measurement guidance for compensated absences with the concept of a liability, and to simplify the guidance for certain types of leave. As a result of the regulatory basis of accounting described in Note 1, the implementation of this Statement did not impact the Borough's financial statements.

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 Borough's deposits may not be recovered. Although the Borough does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act. 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 Borough 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 Borough relative to the happening of a future condition. Such funds are shown as uninsured and uncollateralized. Of the Borough's amount on deposit of \$4,581,655 as of December 31, 2025, \$500,000 was insured under FDIC and the remaining balance of \$4,081,655 was collateralized under GUDPA.

NOTE 3. 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>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total Tax Rate without Business					
Improvement District Tax Rate	<u>\$ 4.087</u>	<u>\$ 3.846</u>	<u>\$ 3.737</u>	<u>\$ 3.646</u>	<u>\$ 3.651</u>
Apportionment of Tax Rate:					
Municipal	1.039	0.924	0.879	0.860	0.854
County	0.543	0.506	0.476	0.472	0.476
Local School	2.505	2.416	2.382	2.314	2.321

Borough of Riverton
Notes to Financial Statements
December 31, 2025

NOTE 3. PROPERTY TAXES (CONTINUED)

Assessed Valuation

2025	\$	249,917,600
2024		248,153,000
2023		246,748,100
2022		242,925,000
2021		242,127,000

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2025	\$ 10,269,400	\$ 10,096,235	98.31%
2024	9,601,941	9,477,239	98.70%
2023	9,245,339	9,150,436	98.97%
2022	8,972,501	8,848,046	98.61%
2021	8,860,158	8,747,019	98.72%

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>
2025	\$ -	\$ 170,983	\$ 170,983	1.66%
2024	-	131,381	131,381	1.37%
2023	-	96,999	96,999	1.05%
2022	-	95,909	95,909	1.07%
2021	114,765	89,774	204,539	2.31%

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

NOTE 4. 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>				
2025	\$ 23,643	\$ -	\$ 556,683	\$ 580,326	\$ 538,176	92.74%
2024	26,055	-	526,456	552,511	528,867	95.72%
2023	24,284	-	503,509	527,793	501,365	94.99%
2022	26,678	-	504,858	531,536	507,053	95.39%
2021	23,957	-	514,059	538,016	510,565	94.90%

Borough of Riverton
Notes to Financial Statements
December 31, 2025

NOTE 5. 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>			
2025	\$ 978,846	\$ 341,000	34.84%
2024	1,118,119	360,000	32.20%
2023	1,168,190	360,000	30.82%
2022	1,145,486	310,000	27.06%
2021	823,296	270,000	32.80%

NOTE 6. 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, 2025:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Current Fund	\$ 71,066	\$ 5,799
Federal and State Grant Fund	1,980	15,310
Trust Fund:		
Animal Control Fund		39
Other Trust Funds		55,278
General Capital Fund	5,799	2,419
	<u>\$ 78,845</u>	<u>\$ 78,845</u>

NOTE 7. 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 following address or visiting the State's website: the State of New Jersey, Division of Pensions and Benefits. P.O. Box 295, Trenton, New Jersey, 08625-0295, <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

Police and Firemen's Retirement System (PFRS)

Plan Description - The Police and Firemen's Retirement System is a cost sharing multiple-employer defined benefit pension plan which was established as of July 1, 1944. The PFRS provides retirement, death and disability, and medical benefits to certain qualified members. Membership in the PFRS is mandatory for substantially all full-time police and firemen of the Borough.

Vesting and Benefit Provisions - The vesting and benefit provisions are set by N.J.S.A. 43:16A. PFRS provides retirement, death and disability benefits. All benefits vest after ten years of service, except disability benefits, which vest after four years of service.

**Borough of Riverton
Notes to Financial Statements
December 31, 2025**

NOTE 7. PENSION PLANS (CONTINUED)

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

The following represents the membership tiers for PFRS:

Tier	Definition
1	Members who were enrolled prior to May 22, 2010
2	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
3	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service up to 30 years plus 1% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (tiers 1 and 2 members) and 60% (tier 3 members) of final compensation plus 1% for each year of creditable service over 25 years, but not to exceed 30 years. Members may elect deferred retirement benefits after achieving ten years of service, in which case benefits would begin at age 55 equal to 2% of final compensation for each year of service.

Contributions - The contribution requirements of plan members are determined by N.J.S.A. 43:16A, which requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate is 10.0%. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

Special Funding Situation Component - Under N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The legislation, which legally obligates the State, is as follows: Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed on behalf of the local participating employers under this legislation are considered to be a special funding situation as defined by GASB Statement No. 68, and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to record in the government-wide financial statements or to disclose in the notes to the financial statements of the local participating employer related to this legislation.

The Borough's contractually required contribution rate for the year ended December 31, 2025, was 40.36% of the Borough's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PFRS measurement date of June 30, 2025, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2025, is \$170,681 and is payable by April 1, 2026. Due to the basis of accounting described in Note 1, no liability has been recorded in the financial statements for this amount.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the Borough, for the year ended December 31, 2025, was 6.82% of the Borough's covered payroll.

Based on the most recent PFRS measurement date of June 30, 2025, the State's contractually required contribution, on-behalf of the Borough, to the pension plan for the year ended December 31, 2025, is \$28,827 and is payable by April 1, 2026. Based on the PFRS measurement date of June 30, 2024, the State's contractually required contribution, on-behalf of the Borough, to the pension plan for the year ended December 31, 2024, was \$23,863, which was paid on April 1, 2025.

Pension Liabilities, Pension Expense, and Deferred Outflow of Resources and Deferred Inflows of Resources Related to Pensions - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the PFRS and additions to/deductions from PFRS fiduciary net position have been determined on the same basis as they are reported by PFRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Borough of Riverton
Notes to Financial Statements
December 31, 2025

NOTE 7. PENSION PLANS (CONTINUED)

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

For the year ended December 31, 2025, the Borough's proportionate share of PFRS pension expense was \$71,249. This expense is not recognized by the Borough because of the regulatory basis of accounting as described in Note 1.

The State of New Jersey is a nonemployer contributing entity to the PFRS under a special funding situation. For the year ended December 31, 2025, the State's proportionate share of PFRS pension expense associated with the Borough was \$28,827. Accordingly, under generally accepted accounting principles, the Borough would recognize pension expense and revenue in the amount of \$28,827 for the support provided by the State. These amounts are not recognized by the Borough because of the regulatory basis of accounting as described in Note 1.

At December 31, 2025, the Borough's proportionate share of the net pension liability is \$1,198,057. The Borough had deferred outflows and inflows of resources related to PFRS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 98,153	\$ 22,770
Changes of assumptions	59,927	15,146
Net Difference between projected and actual earnings on pension plan investments		58,690
Changes in proportion	160,947	192,730
Borough contributions subsequent to the measurement date	170,681	
Total	\$ 489,708	\$ 289,336

\$170,681 included in deferred outflows of resources, will be included as a reduction of the net pension liability in the year ending December 31, 2026.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For the year ended:	Net Deferred Outflows (Inflows) of Resources
2026	54,584
2027	(38,225)
2028	(29,856)
2029	997
2030	42,191
Total	\$ 29,691

Borough of Riverton
Notes to Financial Statements
December 31, 2025

NOTE 7. PENSION PLANS (CONTINUED)

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

The amortization of the above other deferred outflows of resources and deferred inflows of resources related to pensions will be over the following number of

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Differences between expected and actual experience		
Year of Pension Plan Deferral:		
June 30, 2018	5.73	-
June 30, 2019	-	5.92
June 30, 2020	5.90	-
June 30, 2021	-	6.17
June 30, 2022	6.22	-
June 30, 2023	6.16	-
June 30, 2024	6.09	-
June 30, 2025	5.86	-
Changes of assumptions		
June 30, 2018	-	5.73
June 30, 2019	-	5.92
June 30, 2020	-	5.90
June 30, 2021	6.17	-
June 30, 2022	-	6.22
June 30, 2023	-	-
June 30, 2024	-	-
June 30, 2025	5.86	-
Differences between projected and actual investment earnings on pension plan investments		
June 30, 2018	5.00	-
June 30, 2019	5.00	-
June 30, 2020	-	5.00
June 30, 2021	-	5.00
June 30, 2022	-	5.00
June 30, 2023	-	5.00
June 30, 2024	-	5.00
June 30, 2025	-	5.00

Additional Information

Collective balances at June 30, 2025 and 2024 are as follows:

	6/30/2025	6/30/2024
Collective deferred outflows of resources	\$ 1,956,190,968	\$ 1,350,388,724
Collective deferred inflows of resources	1,441,590,785	1,421,121,200
Collective net pension liability	10,029,033,268	10,326,599,453
 Borough's Proportion	 0.0119458900%	 0.0101887200%

**Borough of Riverton
Notes to Financial Statements
December 31, 2025**

NOTE 7. PENSION PLANS (CONTINUED)

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

Actuarial assumptions - The total pension liability for the June 30, 2025 measurement date was determined by an actuarial valuation as of July 1, 2024, which was rolled forward to June 30, 2025. This actuarial valuation used the following actuarial assumptions:

Inflation Rate:	
Price	2.50%
Wage	3.00%
Salary Increases:	4.00 - 17.50%
	based on years of service
Investment Rate of Return:	7.00%

Employee mortality rates were based on the Pub-2016 Safety Employee mortality tables projected generationally from 2016 with Scale MP-2021. 5% of deaths are assumed to be accidental. Healthy annuitants, mortality rates were 100% of the Pub-2016 Safety Retiree Below Median amount-weighted mortality tables for males and 98% of the Pub-2016 Safety Retiree Below Median amount-weighted mortality tables for females, projected generationally from 2016 with Scale MP-2021 mortality projection. For contingent annuitants, mortality rates were 100% of the Pub-2016 Contingent Survivor Below Median amount-weighted mortality tables for males and 102% Pub-2016 Contingent Survivor Below Median amount-weighted tables for females, projected generationally from 2016 with Scale MP-2021. Disability mortality rates were 134% of the Pub-2016 Safety Disabled Retiree amount-weighted mortality table for males and 100% of the Pub-2016 Safety Disabled Retiree amount-weighted mortality table for females, projected generationally from 2016 with Scale MP-2021 mortality projection.

The actuarial assumptions used in the July 1, 2024 valuation were based on the results of an actuarial experience study for the period July 1, 2021 to June 30, 2024.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2025) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2025 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	31.00%	6.00%
Non-U.S. Developed Market Equity	11.50%	6.10%
Emerging Market Equity	4.50%	7.30%
Private Equity	10.00%	9.55%
Real Estate	7.00%	3.40%
Core Fixed Income	14.00%	1.80%
High Yield Fixed Income	6.00%	3.40%
Private Debt	10.00%	6.00%
Cash Equivalents	2.00%	0.65%
Special Situations	1.00%	3.70%
Infrastructure	3.00%	6.00%
	<u>100.00%</u>	

**Borough of Riverton
Notes to Financial Statements
December 31, 2025**

NOTE 7. PENSION PLANS (CONTINUED)

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

Discount rate. The discount rate used to measure the total pension liability was 7.00% as of June 30, 2025. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

Sensitivity of the Borough's proportionate share of the net pension liability to changes in the discount rate.

The following presents the Borough's and State's proportionate share of the net pension liability measured as of June 30, 2025, calculated using the discount rate of 7.00%, as well as what the Borough's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.00%) or 1-percentage point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Borough's proportionate share of the net pension liability	\$ 1,742,868	\$ 1,198,057	\$ 743,513
State's proportionate share of the net pension liability associated with the Borough	285,676	243,202	207,710
	<u>\$ 2,028,544</u>	<u>\$ 1,441,259</u>	<u>\$ 951,223</u>

Public Employees' Retirement System (PERS)

Plan Description - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established on January 1, 1955. The PERS provides retirement, death and disability, and medical benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the Borough, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or local jurisdiction's pension fund. The PERS's Board of Trustees is primarily responsible for the administration of the PERS. For additional information about PERS, please refer to Division's annual financial statements, which can be found at <http://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

Vesting and Benefit Provisions - The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

The following represents the membership tiers for PERS:

Tier	Definition
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Borough of Riverton
Notes to Financial Statements
December 31, 2025

NOTE 7. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (PERS) (Continued)

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 or more years of service credit before age 62, and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for their respective tier.

Contributions - The contribution requirements of plan members are determined by N.J.S.A 43:15A, which requires contributions by active members and contributing employers. Members contribute at a uniform rate. The member contribution rate was 7.50% in State fiscal year 2025. Employers' contribution amounts are based on an actuarially determined rate. The Borough's contribution amounts are based on an actuarially determined rate which included the normal cost and unfunded accrued liability.

The Borough's contractually required contribution rate for the year ended December 31, 2025 was 17.46% of the Borough's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2025, the Borough's contractually required contribution to the pension plan for the fiscal year ended December 31, 2025 was \$67,801 and is payable by April 1, 2026. Based on the PERS measurement date of June 30, 2024, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2024 was \$87,428, which was paid by April 1, 2025. Employee contributions to the pension plan during the year ended December 31, 2025 were \$29,129.

Pension Liabilities, Pension Expense, and Deferred Outflow of Resources and Deferred Inflows of Resources Related to Pensions – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the PERS and additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

At December 31, 2025, the Borough's proportionate share of the PERS net pension liability was \$610,139. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

For the year ended December 31, 2025, the Borough's proportionate share of PERS pension expense (benefit) was (\$22,141). This pension benefit is not recognized by the Borough because of the regulatory basis of accounting as described in Note 1.

The State of New Jersey is a nonemployer contributing entity to the PERS under a special funding situation. For the year ended December 31, 2025, the State's proportionate share of PERS pension expense associated with the Borough was \$2,096. Accordingly, under generally accepted accounting principles, the Borough would recognize pension expense and revenue in the amount of \$2,096 for the support provided by the State. These amounts are not recognized by the Borough because of the regulatory basis of accounting as described in Note 1.

**Borough of Riverton
Notes to Financial Statements
December 31, 2025**

NOTE 7. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (PERS) (Continued)

At December 31, 2025, the Borough had deferred outflows and inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 17,396	\$ 652
Changes of assumptions	96	7,029
Net Difference between projected and actual earnings on pension plan investments		50,878
Changes in proportion	108,746	243,475
Borough contributions subsequent to the measurement date	67,801	-
Total	\$ 194,039	\$ 302,034

\$67,801 included in deferred outflows of resources, will be included as a reduction of the net pension liability in the year ending December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For the year ended:	Net Deferred Outflows (Inflows) of Resources
2026	\$ (35,109)
2027	(61,021)
2028	(25,739)
2029	(47,982)
2030	(5,945)
Total	\$ (175,796)

Borough of Riverton
Notes to Financial Statements
December 31, 2025

NOTE 7. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (PERS) (Continued)

The amortization of the above other deferred outflows of resources and deferred inflows of resources related to pensions will be over the following number of years:

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Differences between expected and actual experience		
Year of Pension Plan Deferral:		
June 30, 2019	5.21	-
June 30, 2020	5.16	-
June 30, 2021	-	5.13
June 30, 2022	-	5.04
June 30, 2023	5.08	-
June 30, 2024	5.08	-
June 30, 2025	5.15	-
Changes of assumptions		
June 30, 2019	-	5.21
June 30, 2020	-	5.16
June 30, 2021	5.13	-
June 30, 2022	-	5.04
June 30, 2023	-	-
June 30, 2024	-	-
June 30, 2025	-	5.15
Differences between projected and actual investment earnings on pension plan investments		
June 30, 2019	5.00	-
June 30, 2020	5.00	-
June 30, 2021	-	5.00
June 30, 2022	-	5.00
June 30, 2023	-	5.00
June 30, 2024	-	5.00
June 30, 2025	-	5.00

Additional Information

Collective balances at June 30, 2025 and 2024 are as follows:

	<u>6/30/2025</u>	<u>6/30/2024</u>
Total deferred outflows of resources	\$ 1,093,964,592	\$ 1,079,580,780
Total deferred inflows of resources	1,921,744,319	1,611,322,898
 Total local-group net pension liability	 12,404,749,906	 13,702,423,985
Less: State special-funding net pension liability	(106,095,944)	(114,378,189)
Net pension liability allocable to local employers	<u>12,298,653,962</u>	<u>13,588,045,796</u>
 Borough's employer allocation percentage	 0.0049610246%	 0.0064251256%

Actuarial assumptions – The total pension liability for the June 30, 2025 measurement date was determined by an actuarial valuation as of July 1, 2024, which was rolled forward to June 30, 2025.

**Borough of Riverton
Notes to Financial Statements
December 31, 2025**

NOTE 7. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (PERS) (Continued)

This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	3.25 - 7.75%
	based on years of service
Investment Rate of Return:	7.00%

Pre-retirement mortality rates were based on the Pub-2016 General Below-Median Income Employee mortality table with an 86.3% adjustment for males and 97.6% adjustment for females, and with future improvement from the base year of 2016 on a generational basis. Post-retirement mortality rates were based on the Pub-2016 General Below-Median Income Healthy Retiree mortality table with a 93.3% adjustment for males and 99.5% adjustment for females, and with future improvement from the base year of 2016 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2016 Non-Safety Disabled Retiree mortality table with a 156.9% adjustment for males and 139.0% adjustment for females, and with future improvement from the base year of 2016 on a generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2024 valuation were based on the results of an actuarial experience study for the period July 1, 2021 to June 30, 2024.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2025) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2025 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Equity	28.00%	8.55%
Non-U.S. Developed Market Equity	12.75%	8.77%
International Small Cap Equity	1.25%	8.77%
Emerging Markets Equity	5.50%	10.30%
Private Equity	13.00%	12.00%
Real Estate	8.00%	10.78%
Real Assets	3.00%	7.90%
High Yield	4.50%	6.63%
Private Credit	8.00%	9.00%
Investment Grade Credit	7.00%	5.47%
Cash Equivalents	2.00%	3.61%
U.S. Treasuries	4.00%	3.61%
Risk Mitigation Strategies	3.00%	7.26%

**Borough of Riverton
Notes to Financial Statements
December 31, 2025**

NOTE 7. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (PERS) (Continued)

Discount rate. The discount rate used to measure the total pension liability was 7.00% as of June 30, 2025. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and nonemployer contributing entity will be made based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

Sensitivity of the Borough's proportionate share of the net pension liability to changes in the discount rate.

The following presents the Borough's proportionate share of the net pension liability measured as of June 30, 2025, calculated using the discount rate of 7.00%, as well as what the Borough's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.00%) or 1 percentage point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Borough's proportionate share of the net pension liability	\$ 835,244	\$ 610,139	\$ 418,290

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

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program was established in 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et seq.), and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The Defined Contribution Retirement Program Board oversees the DCRP, which is administered by Empower 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 and participating employers are determined by State statute. Plan members are required to contribute 5.5% of their applicable base salary, and participating employers are required to contribute 3.0% of the applicable base salary. Employee contributions, along with the Borough's contributions for each pay period, are transmitted to Empower 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, 2025, 2024 and 2023.

Borough of Riverton
Notes to Financial Statements
December 31, 2025

NOTE 8. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

The New Jersey Division of Local Government Services allows local units to disclose the most recently available information as it relates to the New Jersey Division of Pensions and Benefits' reporting on GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. As of the date of this report, the information for the measurement period ended June 30, 2025 was not available; therefore, the information from the measurement period ended June 30, 2024 is disclosed below.

Plan Description

The Borough contributes to the State Health Benefits Program (SHBP), a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) administered by the State of New Jersey Division of Pensions and Benefits. It covers employees of local government employers that have adopted a resolution to participate in the Plan. The plan meets the definition of an equivalent arrangement as defined in paragraph 4 of GASB Statement No. 75; therefore, assets are accumulated to pay associated benefits. For additional information about the Plan, please refer to the State of New Jersey (the State), Division of Pensions and Benefits' (the Division) Annual Comprehensive Financial Report (ACFR), which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

The Plan provides medical and prescription drug benefits to retirees and their covered dependents of the participating employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees. Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations agreement.

In accordance with Chapter 330, P.L. 1997, which is codified in N.J.S.A 52:14-17.32i, the State provides medical and prescription coverage to local police officers and firefighters, who retire with 25 years of service or on a disability from an employer who does not provide postretirement medical coverage. Local employers were required to file a resolution with the Division in order for their employees to qualify for State-paid retiree health benefits coverage under Chapter 330. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

The Municipality has adopted a resolution to participate in the SHBP.

Funding policy - Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Postretirement 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 Municipality monthly. Premiums are funded entirely by the Municipality and are based on the type of coverage selected by the employee. The Municipality's contributions to the SHBP for post-retirement benefits for the years ended December 31, 2025 and 2024 were \$155,881 and \$155,873 respectively, which equaled the required benefit contribution for each year. There were ten retired participants eligible at December 31, 2025 and 2024.

Borough of Riverton
Notes to Financial Statements
December 31, 2025

NOTE 8. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

Allocation Methodology

GASB Statement No. 75 requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB expense (benefit). The special funding situation and nonspecial funding situation are based on separately calculated total OPEB liabilities. For the year ended June 30, 2024, the total OPEB liabilities for the special funding situation and nonspecial funding situation were \$4,833,833,875 and \$12,914,432,673, respectively. The nonspecial funding situation amounts are allocated to employers based on the ratio of plan members of an individual employer to total members of the Plan's nonspecial funding situation during the measurement period July 1, 2023 through June 30, 2024.

At the June 30, 2024 measurement date, the Borough had 24 plan members and an employer allocation percentage of 0.025257%. The Borough's allocation percentage at the June 30, 2023 measurement date was 0.026309%, representing a decrease of 0.001052 percentage points.

Net OPEB Liability

At December 31, 2025 and 2024, the Borough disclosed proportionate shares of the net OPEB liability of \$4,522,378 and \$3,948,070, respectively, based on Plan measurement dates of June 30, 2024 and June 30, 2023. The total OPEB liability used to calculate the June 30, 2024 net OPEB liability was determined by an actuarial valuation as of July 1, 2023 and rolled forward to June 30, 2024.

The components of the collective net OPEB liability of the Plan as of June 30, 2024 were as follows:

	2024
Total OPEB liability	\$ 17,748,257,548
Plan fiduciary net position	(157,187,957)
Net OPEB liability	<u>\$ 17,905,445,505</u>
Plan fiduciary net position as a percentage of the total OPEB liability	-0.89%

OPEB Expense (Benefit)

For the years ended June 30, 2024 and 2023, the Borough's total OPEB benefits were \$141,347 and \$188,363, respectively. For June 30, 2024, the total benefit consisted of a \$52,703 proportionate share of allocable Plan OPEB benefit and \$88,644 of net amortization of employer-specific changes in proportion. These GASB Statement No. 75 amounts are not recognized in the Borough's regulatory-basis financial statements as described in Note 1.

Borough of Riverton
Notes to Financial Statements
December 31, 2025

NOTE 8. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

At the June 30, 2024 and June 30, 2023 measurement dates, the Borough's deferred outflows of resources and deferred inflows of resources related to OPEB were as follows:

	2024		2023	
	Deferred Outflows	Deferred Inflows	Deferred Outflows	Deferred Inflows
Net differences between projected and actual investment earnings on OPEB plan investments	\$ -	\$ 2,047	\$ -	\$ 651
Differences between expected and actual experience	229,027	766,246	182,065	1,072,167
Changes of assumptions	756,056	750,686	511,423	1,115,993
Changes in proportion	1,055,307	1,100,385	1,261,119	1,177,180
Total	<u>\$ 2,040,390</u>	<u>\$ 2,619,364</u>	<u>\$ 1,954,607</u>	<u>\$ 3,365,991</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the OPEB will be recognized in OPEB expense as follows:

For the year ended:	
2025	\$ (327,119)
2026	(148,782)
2027	(24,103)
2028	(157,813)
2029	(82,450)
Thereafter	161,293
Total	<u>\$ (578,974)</u>

The actuarial assumptions vary for each plan member depending on the pension plan in which the member is enrolled. The July 1, 2023 actuarial valuation, rolled forward to June 30, 2024, used the following salary increase assumptions, applied to all periods in the measurement:

This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Salary increases

Public Employees' Retirement System (PERS)

Rate for all future years 2.75% to 6.55% based on years of service

Police and Firemen's Retirement System (PFRS)

Rate for all future years 3.25% to 16.25% based on years of service

Pre-retirement healthy mortality rates for PERS were based on the PUB-2010 General classification headcount-weighted mortality table with fully generational mortality improvement projections using Scale MP-2021. Pre-retirement mortality rates for PFRS were based on the PUB-2010 Safety classification headcount-weighted mortality table with fully generational mortality improvement projections using Scale MP-2021. Post-retirement and disabled-retiree mortality assumptions use the corresponding PUB-2010 General or Safety classification tables, as applicable, with fully generational mortality improvement projections using Scale MP-2021.

Borough of Riverton
Notes to Financial Statements
December 31, 2025

NOTE 8. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

Actuarial assumptions used in the July 1, 2023 valuation were based on the results of the PFRS and PERS experience studies prepared for July 1, 2018 through June 30, 2021. One hundred percent of active members are assumed to participate in the Plan upon retirement.

Healthcare Cost Trend Assumptions

Benefit	2024 Valuation Trend Assumption
Pre-Medicare medical	7.50% initially, decreasing to 4.50% after nine years
Post-65 medical - PPO	Increases to 22.62% in fiscal year 2027, decreasing to 4.50% in fiscal year 2034
Post-65 medical - HMO	Increases to 23.58% in fiscal year 2027, decreasing to 4.50% in fiscal year 2034
Prescription drug	12.75% initially, decreasing to 4.50% after nine years
Medicare Part B reimbursement	5.00%

Discount Rate - The discount rate used to measure the OPEB liability at June 30, 2024 was 3.93%. This represents the municipal bond return rate selected by the State. The source is the Bond Buyer GO 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. Because the long-term rate of return is less than the municipal bond rate, the discount rate is set at the municipal bond rate.

Sensitivity of the Net OPEB liability to changes in the discount rate - The following presents the net OPEB liability to the Municipality as of June 30, 2024, calculated using a discount rate as disclosed above as well as what the net OPEB liability to the Municipality would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current discount rate:

	1% Decrease (2.93%)	Current Discount Rate (3.93%)	1% Increase (4.93%)
Proportionate Share Attributable to the Municipality	\$ 5,268,083	\$ 4,522,378	\$ 3,925,135

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates - The following presents the net OPEB liability as of June 30, 2024, calculated using the healthcare trend rate as disclosed above as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage point higher than the current healthcare cost trend rate:

	1% Decrease	Current Healthcare cost trend rate	1% Increase
Proportionate Share Attributable to the Municipality	\$ 3,825,009	\$ 4,522,378	\$ 5,418,999

**Borough of Riverton
Notes to Financial Statements
December 31, 2025**

NOTE 9. 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 Retirement 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. Despite the limitations disclosed above, and in accordance with *Governmental Accounting Standards Board Statement 101* (GASB 101), the accrued benefits for compensated absences at December 31, 2025, are estimated to be valued at \$36,861.

The Borough has established a Compensated Absences Trust Fund to set aside funds for the future payments of compensated absences. At December 31, 2025, the balance of the fund is \$30,000.00.

NOTE 10. DEFERRED COMPENSATION SALARY ACCOUNT

The Borough offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457 and which has 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 11. 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 12. 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>
2025	\$ 947	\$ 2,338	\$ 16,477	\$ 11,740
2024	1,065	3,466	5,861	24,932
2023	597	2,203	324	26,262

**Borough of Riverton
Notes to Financial Statements
December 31, 2025**

NOTE 13. CAPITAL DEBT

Summary of Municipal Debt

	<u>Year 2025</u>	<u>Year 2024</u>	<u>Year 2023</u>
<u>Issued:</u>			
General Bonds and Notes	\$ 2,524,577	\$ 2,352,900	\$ 2,066,000
Loans			
Total Issued	<u>2,524,577</u>	<u>2,352,900</u>	<u>2,066,000</u>
<u>Authorized But Not Issued:</u>			
General Bonds and Notes	<u>49</u>	<u>49</u>	<u>276,049</u>
Net Debt	<u><u>\$ 2,524,626</u></u>	<u><u>\$ 2,352,949</u></u>	<u><u>\$ 2,342,049</u></u>

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 0.641%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ -	\$ -	\$ -
General Debt	<u>2,524,626</u>	<u>-</u>	<u>2,524,626</u>
Total	<u><u>\$ 2,524,626</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,524,626</u></u>

Net Debt, \$2,524,626, divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2, as amended, \$393,682,284 equals .641%.

Equalized Valuation Basis:

2023	\$ 353,236,077
2024	387,194,414
2025	<u>440,616,361</u>
Average	<u><u>\$ 393,682,284</u></u>

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

3.5% of Equalized Valuation Basis (Municipal)	\$ 13,778,880
Net Debt	<u>2,524,626</u>
Remaining Borrowing Power	<u><u>\$ 11,254,254</u></u>

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

**Borough of Riverton
Notes to Financial Statements
December 31, 2025**

NOTE 13. CAPITAL DEBT (CONTINUED)

Serial Bonds Payable

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, 2025 consisted of the following issues:

<u>Purpose</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Amount</u>
General Obligation Bonds of 2018	08/01/2030	4.00-5.00%	\$ 960,000
Total			<u>\$ 960,000</u>

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

General Capital Serial Bonds Payable

<u>Calendar Year</u>	<u>General</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2026	\$ 180,000	\$ 46,050	\$ 226,050
2027	185,000	37,050	222,050
2028	195,000	27,800	222,800
2029	195,000	18,050	213,050
2030	<u>205,000</u>	<u>10,250</u>	<u>215,250</u>
Total	<u>\$ 960,000</u>	<u>\$ 139,200</u>	<u>\$ 1,099,200</u>

Bond Anticipation Notes Payable

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

As of December 31, 2025, the Borough had the following outstanding bond anticipation notes.

<u>Fund</u>	<u>Amount Outstanding</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
General Capital	<u>\$ 1,564,577</u>	3.60%	April 23, 2026

Borough of Riverton
Notes to Financial Statements
December 31, 2025

NOTE 14. LEASES

The Borough, as lessee, has entered into the following lease agreements which meet the requirements of GASB 87:

Rental Space - On October 1, 1990, the Borough entered into a lease agreement with the Riverton Fire Company for the rental of a fire engine room, police station, and storage space. The lease is perpetual and has no termination date. The agreement has an estimated discount rate of 3.50% based on the incremental borrowing rate of the Borough. The lease payment is \$3,000 per quarter. The Borough paid the lessor \$12,000 for the year ended December 31, 2025.

Postage Meter – On June 25, 2021, the Borough entered into a 60-month lease as lessee for the use of a postage meter. The initial lease liability at commencement was \$9,510. As of December 31, 2025, the lease liability was \$1,028, and the right of use asset was \$951. The lease payment is \$516 per quarter. The estimated discount rate is 3.50% based on the incremental borrowing rate of the Borough. The Borough paid the lessor \$2,063 for the year ended December 31, 2025.

The future minimum lease payments to be paid by the Borough are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 10,622	\$ 2,410	\$ 13,032
2027	9,945	2,055	12,000
2028	10,299	1,701	12,000
2029	10,665	1,335	12,000
2030	11,045	955	12,000
2031-2032	20,283	717	21,000
Total	<u>\$ 72,859</u>	<u>\$ 9,173</u>	<u>\$ 82,032</u>

As discussed in Note 1, the financial statements are prepared by the Borough on a basis of accounting prescribed by the New Jersey Division of Local Government Services, Department of Community Affairs. This is a basis of accounting other than Generally Accepted Accounting Principles (GAAP). As a result, the Borough does not recognize GASB requirements for recognition of the lease liability or lease asset on the Statements of Assets, Liabilities, Reserves and Fund Balance – Regulatory Basis. For the year ended December 31, 2025, the Borough recognized lease expense of \$14,063 in the Current Fund.

NOTE 15. LEASE RECEIVABLE

The Borough, as lessor, has entered into the following lease agreement which meets the requirements of GASB 87:

Cell Tower Lease – On May 18, 2006, the Borough entered into a five-year lease agreement for the lease of a cell tower. The lease includes the option of four (4) renewal terms of five (5) years each. Three of the renewal options have been exercised, and it is likely that the remaining renewal option will also be exercised. The lease receivable was measured using an estimated discount rate of 3.50%. Under the terms of the lease, the Borough receives rent payments of \$2,247 per month. There is also a revenue sharing component based on a percentage of sublease revenue collected by the lessee. The lessee paid the Borough \$44,594 for the year ended December 31, 2025.

The future minimum lease payments to be received by the Borough, exclusive of revenue sharing, are as follows:

<u>Year</u>	<u>Cell Tower Lease</u>
2026	\$ 26,960
2027	26,960
2028	26,960
2029	26,960
2030	26,960
2031	8,987
Total	<u>\$ 143,787</u>

Borough of Riverton
Notes to Financial Statements
December 31, 2025

NOTE 15. LEASE RECEIVABLE (CONTINUED)

As discussed in Note 1, the financial statements are prepared by the Borough on a basis of accounting prescribed by the New Jersey Division of Local Government Services, Department of Community Affairs. This is a basis of accounting other than Generally Accepted Accounting Principles (GAAP). As a result, the Borough does not recognize GASB requirements for recognition of the lease receivable on the Statements of Assets, Liabilities, Reserves and Fund Balance – Regulatory Basis.

NOTE 16. 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>2025</u>	<u>2024</u>
Balance of Tax	\$ 3,130,061	\$ 2,997,787
Deferred	<u>848,766</u>	<u>848,766</u>
School Tax Payable	<u><u>\$ 2,281,295</u></u>	<u><u>\$ 2,149,021</u></u>

NOTE 17. 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.

NOTE 18. DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. As of December 31, 2025, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following fund:

	Balance December 31, <u>2025</u>	2026 Budget <u>Appropriation</u>	Balance to Succeeding <u>Years</u>
<u>Current Fund:</u>			
Overexpenditure of Appropriations	\$ 23,619.23	\$ 23,619.23	\$ -

The appropriation in the 2026 Budget is not less than that required by the statutes.

NOTE 19. SUBSEQUENT EVENTS

Subsequent to December 31, 2025, the Borough of Riverton authorized additional Bonds and Notes as follows:

<u>Purpose</u>	<u>Date</u>	<u>Amount</u>
Various Capital Acquisitions and Improvements	4/15/2026	<u><u>\$ 793,250</u></u>

CURRENT FUND

BOROUGH OF RIVERTON

Current Fund

Statement of Cash - Collector/Treasurer
For the Year Ended December 31, 2025

	<u>CURRENT FUND</u>	<u>FEDERAL AND STATE GRANT FUND</u>
Balance December 31, 2024	\$ 3,417,319.88	\$ -
Receipts:		
Taxes Receivable	\$ 10,159,823.66	\$ -
Taxes Title Liens Receivable	-	
Sewer Rent Receivable	536,253.32	
Sewer Liens Receivable	-	
Revenue Accounts Receivable	505,967.81	
Due from State of New Jersey - Senior Citizens and Veterans Deductions	15,000.00	
Prepaid 2024 Taxes	61,850.03	
Tax Overpayments	6,782.74	
Sewer Rent Overpayments	3,784.35	
Federal and State Grants Receivable		222,455.55
Federal and State Grants Unappropriated Reserves		1,187.10
Due to Current Fund		3,626.63
Due to State of NJ - Construction Code Fees	3,433.00	
Miscellaneous Revenue Not Anticipated	99,650.46	
Contra	77,711.55	
Total Receipts	11,470,256.92	227,269.28
Total Funds Available	14,887,576.80	227,269.28
Disbursements:		
2025 Appropriations	3,696,456.35	
2024 Appropriation Reserves	121,171.94	
Due to State of NJ - Construction Code Fees	3,270.00	
County Taxes Payable	1,364,673.02	
Local District School Tax	6,127,846.48	
Due from Federal and State Grant Fund	3,626.63	
Due from Other Trust Fund	16,413.04	
Tax Overpayments	-	
Contra	77,711.55	
Reserve for Federal and State Grant Funds - Appropriated		227,269.28
Total Disbursements	11,411,169.01	227,269.28
Balance December 31, 2024	\$ 3,476,407.79	\$ -

BOROUGH OF RIVERTON

Current Fund

**Schedule of Taxes Receivable and Analysis of Property Tax Levy
For the Year Ended December 31, 2025**

Year	Balance	Added	2025 Levy	Collections by Cash		State Share of Senior Citizen and Veterans Deductions Allowed	Over Payments Applied	Transferred to Tax Title Liens	Canceled	Balance
	December 31, 2024			2024	2025					December 31, 2025
2022	\$ 6,678.49	\$ -	\$ -	\$ -	\$ 2,852.72	\$ -	\$ -	\$ -	\$ -	\$ 3,825.77
2024	124,702.87	250.00	-	-	124,952.87	-	-	-	-	-
	131,381.36	250.00			127,805.59					3,825.77
2025			10,269,400.41	44,457.41	10,032,018.07	14,750.00	5,009.84	-	6,007.89	167,157.20
Total	<u>\$ 131,381.36</u>	<u>\$ 250.00</u>	<u>\$ 10,269,400.41</u>	<u>\$ 44,457.41</u>	<u>\$ 10,159,823.66</u>	<u>\$ 14,750.00</u>	<u>\$ 5,009.84</u>	<u>\$ -</u>	<u>\$ 6,007.89</u>	<u>\$ 170,982.97</u>

ANALYSIS OF PROPERTY TAX LEVY

Tax Yield:

General Purpose Tax	\$ 10,203,116.08
Added Taxes	51,534.33
Senior Citizens and Veterans Deductions Allowed	
Per Original Levy	<u>14,750.00</u>
Total	<u>\$ 10,269,400.41</u>

Tax Levy:

Local District School Tax (Abstract)	\$ 6,260,120.00
County Taxes:	
Regular Tax (Abstract)	\$ 1,115,736.33
Library Tax (Abstract)	104,491.02
Open Space Preservation Tax (Abstract)	136,680.99
Amount Due County for Added Taxes (54:4-63.1 et. Seq.)	<u>5,138.75</u>
	1,362,047.09
Local Tax for Municipal Purposes	2,596,580.02
Additional Tax Levies	<u>50,653.30</u>
Total	<u>\$ 10,269,400.41</u>

BOROUGH OF RIVERTON

Current Fund

Schedule of Tax Title Liens
For the Year Ended December 31, 2025

Balance December 31, 2025 and 2024	\$ -
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Schedule of Sewer Liens
For the Year Ended December 31, 2025

Balance December 31, 2025 and 2024	\$ -
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BOROUGH OF RIVERTON

Current Fund

Schedule of Revenue Accounts Receivable
For the Year Ended December 31, 2025

	Balance December 31, <u>2024</u>	Accrued in <u>2025</u>	<u>Collected</u>	Balance December 31, <u>2025</u>	<u>Remarks</u>
Borough Clerk:					
Registrar of Vital Statistics - Licenses	\$ -	\$ 1,395.00	\$ 1,395.00	\$ -	
Fees and Permits		2,800.00	2,800.00		
Cell Tower Fees		44,594.46	44,594.46		
Park Fees		2,395.00	2,395.00		
Municipal Court - Fines and Costs	4,567.22	45,965.81	46,460.09	4,072.94	Rec'd Jan 2026
Interest and Costs on Taxes		34,955.53	34,955.53		
Fire Official - Uniform Fire Safety - Fees and Permits		10,574.10	10,574.10		
Construction Code Fees		50,162.00	50,162.00		
Interest on Investments and Bank Deposits		51,562.59	51,562.59		
Energy Receipts Tax		233,326.66	233,326.66		
Cable TV Franchise Fees		9,213.97	9,213.97		
Reserve for Debt Service		18,528.41	18,528.41		
Total	<u>\$ 4,567.22</u>	<u>\$ 505,473.53</u>	<u>\$ 505,967.81</u>	<u>\$ 4,072.94</u>	

BOROUGH OF RIVERTON

Current Fund

Schedule of Sewer Rent Receivable
For the Year Ended December 31, 2025

Balance December 31, 2024		\$ 23,643.40
Increased by:		
Sewer Rents Billed in 2025		<u>556,683.09</u>
Total		580,326.49
Decreased by:		
Collections	\$ 536,253.32	
Overpayments Applied	<u>1,923.10</u>	<u>538,176.42</u>
Balance December 31, 2025		<u><u>\$ 42,150.07</u></u>

BOROUGH OF RIVERTON

Current Fund

**Schedule of Due (To)/From State of New Jersey-
Senior Citizen and Veterans' Deductions
For the Year Ended December 31, 2025**

Balance December 31, 2024 (Due To)		\$	(2,000.00)
Increased by:			
Accrued in 2025:			
Senior Citizens Deductions Per Billings	\$	1,500.00	
Veterans Deductions Per Billings		13,250.00	
		<u>14,750.00</u>	
Add - Current Year Senior Citizen and Veteran Allowed by Collector		500.00	
		<u>15,250.00</u>	
Less - Current Year Senior Citizen and Veteran Disallowed by Collector		500.00	
Less - Prior Year Disallowed		<u>250.00</u>	<u>14,500.00</u>
			12,500.00
Decreased by:			
Cash Received			<u>15,000.00</u>
Balance December 31, 2025 (Due to)		\$	<u><u>(2,500.00)</u></u>

BOROUGH OF RIVERTON
CURRENT FUND
Statement of 2024 Appropriation Reserves and Reserve for Encumbrances
For The Year Ended December 31, 2025

	<u>Balance December 31, 2024</u>		Balance	Paid or	Balance
	<u>Encumbered</u>	<u>Reserved</u>	<u>After Transfers</u>	<u>Charged</u>	<u>Lapsed</u>
Salaries and Wages:					
Borough Clerk	\$ -	\$ -	\$ -	\$ -	\$ -
Financial Administration	-	0.09	-	-	-
Collection of Taxes	-	0.03	-	-	-
Assessment of Taxes	-	0.11	-	-	-
Planning Board	-	362.34	-	-	-
Registrar of Vital Statistics	-	0.09	-	-	-
Public Defender	700.00	-	-	-	-
Construction Code Office	-	62.64	-	-	-
Other Expenses:					
Mayor and Council	-	0.31	-	-	-
Borough Clerk	87.36	5,892.70	529.01	529.01	-
Financial Administration	161.00	648.87	714.50	714.50	-
Computerizing Data Processing	-	2,024.42	-	-	-
Collection of Taxes	-	892.90	-	-	-
Assessment of Taxes	-	512.04	-	-	-
Legal Services and Costs	1,744.00	716.75	1,744.00	1,744.00	-
Engineer	-	212.50	-	-	-
Economic Development	-	82.45	-	-	-
Planning Board	-	1,124.00	-	-	-
Worker Compensation	-	111.58	-	-	-
Employees Group Insurance	-	170.68	-	-	-
Police	104.09	147.07	251.16	251.16	-
Aid to Volunteer Ambulance Squad	-	30.04	-	-	-
Fire	10,046.16	1,205.52	9,624.70	9,624.70	-
Fire Official	173.50	48.57	173.50	173.50	-
Road Repair and Maintenance	821.90	1,137.36	936.97	936.97	-
Shade Tree Commission	2,180.00	-	2,180.00	2,180.00	-
Solid Waste Collection	-	900.00	-	-	-
Public Buildings and Grounds	34.28	1,015.07	34.28	34.28	-
Vehicle Maintenance	3,486.67	329.56	2,659.26	2,659.26	-
Registrar of Vital Statistics	-	150.00	-	-	-
Animal Control	696.00	796.00	1,073.00	1,073.00	-
Environmental Commission	-	20.00	-	-	-
Recreation	-	3,454.78	-	-	-
Electricity	236.82	6,798.72	7,035.54	7,035.54	-
Street Lighting	-	9,402.88	5,245.28	5,245.28	-
Telephone	-	32.33	-	-	-
Water	266.84	444.88	266.84	266.84	-
Fire Hydrant Service	5,082.99	0.41	5,082.99	5,082.99	-
Sewerage Processing	21,355.38	12,014.94	32,094.69	32,094.69	-
Gasoline	58.53	6,730.13	1,481.73	1,481.73	-
Landfill and Solid Waste Disposal Costs	-	10,367.34	9,512.40	9,512.40	-
Municipal Court	42.33	11,453.31	46,578.76	46,578.76	-
Construction Code Office	-	0.98	-	-	-
Social Security System	-	646.37	-	-	-
Aid to Library (NJSA 40:54-35)	4,000.00	-	4,000.00	4,000.00	-
	<u>51,277.85</u>	<u>79,940.76</u>	<u>131,218.61</u>	<u>131,218.61</u>	<u>-</u>
Total	\$ 51,277.85	\$ 79,940.76	\$ 131,218.61	\$ 131,218.61	\$ -
Accounts Payable			Accounts Payable	\$ 10,046.67	
Cash Disbursed			Cash Disbursed	121,171.94	
			Total	\$ 131,218.61	

BOROUGH OF RIVERTON

Current Fund

**Schedule of Tax Overpayments
For the Year Ended December 31, 2025**

Balance December 31, 2024		\$	5,009.84
Increased by:			
Collected	\$	6,782.74	
Prior Year Overpayments Created		<u>-</u>	<u>6,782.74</u>
Subtotal			11,792.58
Decreased by:			
Cash Disbursed		-	
Overpayment Applied to 2025 Taxes		5,009.84	
Canceled		<u>-</u>	<u>5,009.84</u>
Balance December 31, 2025			<u><u>\$ 6,782.74</u></u>

**Schedule of Prepaid Taxes
For the Year Ended December 31, 2025**

Balance December 31, 2024		\$	44,457.41
Increased by:			
Collected			<u>61,850.03</u>
Subtotal			106,307.44
Decreased by:			
Applied to 2025 Taxes			<u>44,457.41</u>
Balance December 31, 2025			<u><u>\$ 61,850.03</u></u>

BOROUGH OF RIVERTON

Current Fund

**Schedule of Sewer Rent Overpayments
For the Year Ended December 31, 2025**

Balance December 31, 2024	\$	1,923.10
Increased by:		
Collected		<u>3,784.35</u>
		5,707.45
Decreased by:		
Applied to 2025 Sewer Rents		<u>1,923.10</u>
Balance December 31, 2025	\$	<u><u>3,784.35</u></u>

**Schedule of Due to State of NJ - UCC Fees
For the Year Ended December 31, 2025**

Balance December 31, 2024	\$	775.00
Increased by:		
State Portion of UCC Fees		<u>3,433.00</u>
		4,208.00
Decreased by:		
Disbursements		<u>3,270.00</u>
Balance December 31, 2025	\$	<u><u>938.00</u></u>

BOROUGH OF RIVERTON

Current Fund

**Schedule of County Taxes Payable
For the Year Ended December 31, 2025**

Balance December 31, 2024		\$	7,764.68
Increased by:			
2025 Levy:			
General County	\$	1,115,736.33	
County Library		104,491.02	
County Open Space		136,680.99	
Added and Omitted Taxes		<u>5,138.75</u>	
			<u>1,362,047.09</u>
Subtotal			1,369,811.77
Decreased by:			
Payments			<u>1,364,673.02</u>
Balance December 31, 2025		\$	<u><u>5,138.75</u></u>

BOROUGH OF RIVERTON

Current Fund

**Schedule of Local District School Tax Payable
For the Year Ended December 31, 2025**

Balance December 31, 2024:		
School Tax Payable	\$ 2,149,021.45	
School Tax Deferred	<u>848,766.00</u>	\$ 2,997,787.45
Increased by:		
Levy - School Year July 1, 2025 to June 30, 2026		<u>6,260,120.00</u>
Total		9,257,907.45
Decreased by:		
Payments		<u>6,127,846.48</u>
Balance December 31, 2025:		
School Tax Payable	2,281,294.97	
School Tax Deferred	<u>848,766.00</u>	<u>\$ 3,130,060.97</u>
2025 Liability for Local District School Tax:		
Tax Paid		\$ 6,127,846.48
Tax Payable December 31, 2025		<u>2,281,294.97</u>
Total		8,409,141.45
Less:		
Tax Payable December 31, 2024		<u>2,149,021.45</u>
Amount Charged to 2025 Operations		<u>\$ 6,260,120.00</u>

BOROUGH OF RIVERTON

Federal and State Grant Fund

Schedule of Federal and State Grants Receivable
For the Year Ended December 31, 2025

	Balance December 31, 2024	Accrued	Received	Transferred From Unappropriated Reserves	Canceled	Balance December 31, 2025
State Grants:						
Clean Communities Grant	\$ -	\$ 8,280.60	\$ 8,280.60	\$ -	\$ -	\$ -
Alcohol Education Rehab		515.83	515.83			-
Body Armor Grant		969.85		969.85		-
Recycling Tonnage Grant		3,739.62	3,739.62			-
Distracted Driving Statewide Crackdown Grant	70.00					70.00
NJ Transportation Trust Fund	260,310.00		132,619.50			127,690.50
Burlington County Park Grant	12,841.59					12,841.59
Green Communities	1,390.00					1,390.00
ANJEC Open Space Stewardship Grant		760.00				760.00
NJDEP Stormwater Assistance Grant		10,000.00	10,000.00			-
NJDCA - Wastewater System Rehabilitaion		235,000.00				235,000.00
NJDCA - Local Recreation Improvement		62,920.00				62,920.00
Total State Grants	<u>274,611.59</u>	<u>322,185.90</u>	<u>155,155.55</u>	<u>969.85</u>		<u>440,672.09</u>
Federal Grants:						
NJ Transportation Trust Fund	9,248.00					9,248.00
Bulletproof Vest Program		538.37		538.37		
Assistance to Fire Fighter Grant		31,615.00				31,615.00
American Rescue Plan - Fire Fighter Grant	67,306.06		67,300.00			6.06
Total Federal Grants	<u>76,554.06</u>	<u>32,153.37</u>	<u>67,300.00</u>	<u>538.37</u>		<u>40,869.06</u>
County Grants:						
Youth Opiod		5,000.00				5,000.00
Total County Grants		<u>5,000.00</u>	<u>-</u>			<u>5,000.00</u>
Total	<u>\$ 351,165.65</u>	<u>\$ 359,339.27</u>	<u>\$ 222,455.55</u>	<u>\$ 1,508.22</u>	<u>\$ -</u>	<u>\$ 486,541.15</u>
Cash Received			<u>\$ 224,455.55</u>			

BOROUGH OF RIVERTON

Federal and State Grant Fund

**Schedule of Reserve for Federal and State Grants - Unappropriated
For the Year Ended December 31, 2025**

	Balance December 31, 2024	Received	Realized as Revenue	Transfer To Current Fund	Balance December 31, 2025
Federal Grants:					
Bulletproof Vest Program	\$ 538.37	\$ 1,187.10	\$ 538.37	\$ -	\$ 1,187.10
Total Federal Grants	<u>538.37</u>	<u>1,187.10</u>	<u>538.37</u>	<u>-</u>	<u>1,187.10</u>
State Grants:					
Body Armor Grant	<u>969.85</u>		<u>969.85</u>		<u>-</u>
Total State Grants	<u>969.85</u>	<u>-</u>	<u>969.85</u>	<u>-</u>	<u>-</u>
Total Federal and State Grants	<u>\$ 1,508.22</u>	<u>\$ 1,187.10</u>	<u>\$ 1,508.22</u>	<u>\$ -</u>	<u>\$ 1,187.10</u>

BOROUGH OF RIVERTON

Federal and State Grant Fund

Schedule of Reserve for Federal and State Grants - Appropriated
For the Year ended December 31, 2025

	Balance December 31, 2024	Transferred from 2025 Budget Appropriation	Transferred from 2025 Budget 40A:4-87	Prior Year Encumbrances	Expended	Reclassification	Balance December 31, 2025
State Grants:							
Clean Communities Grant	\$ 11,502.21	\$ -	\$ 8,280.60	\$ 227.39	\$ 8,141.15	\$ -	\$ 11,869.05
NJ Transportation Trust Fund	260,310.00				205,516.96		54,793.04
NJUCF Stewardship Grant	400.00					(400.00)	
ANJEC Stewardship Grant			760.00				760.00
Recycling Tonnage Grant	2,210.42		3,739.62		1,141.46		4,808.58
Drunk Driving Enforcement Fund	4,533.65						4,533.65
Community Steward Incentive	325.00					400.00	725.00
Alcohol Education Rehabilitation	1,360.95		515.83				1,876.78
Distracted Driving Statewide Crackdown Grant	70.00						70.00
Green Communities	3,885.00						3,885.00
Body Armor Grant	4,768.59	969.85			1,197.10		4,541.34
Stormwater Grant	3,875.97					(3,875.97)	
NJDEP Stormwater Grant	1,990.00		10,000.00	3,500.00	9,500.00	3,875.97	9,865.97
N.J. State Forestry Grant	129.12						129.12
Emergency Management Grant	823.59						823.59
Domestic Violence	137.04						137.04
Burlington County Park Improvement	8,811.46						8,811.46
Body Worn Cameras	11,766.00						11,766.00
NJDCA - Wastewater System Rehabilitation			235,000.00				235,000.00
NJDCA - Local Recreation Improvement			62,920.00				62,920.00
Total State Grants	<u>316,899.00</u>	<u>969.85</u>	<u>321,216.05</u>	<u>3,727.39</u>	<u>225,496.67</u>	<u>-</u>	<u>417,315.62</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	1,046.63	538.37					1,585.00
American Rescue Plan - Firefighter Grant				6.06	6.06		
American Rescue Plan			31,615.00				31,615.00
Total Federal Grants	<u>19,321.57</u>	<u>538.37</u>	<u>31,615.00</u>	<u>6.06</u>	<u>6.06</u>	<u>-</u>	<u>51,474.94</u>
County Grants:							
Youth Opiod			5,000.00		2,000.00		3,000.00
Total County Grants	<u>-</u>	<u>-</u>	<u>5,000.00</u>	<u>-</u>	<u>2,000.00</u>	<u>-</u>	<u>3,000.00</u>
Total Federal and State Grants	<u>\$ 336,220.57</u>	<u>\$ 1,508.22</u>	<u>\$ 357,831.05</u>	<u>\$ 3,733.45</u>	<u>\$ 227,502.73</u>	<u>\$ -</u>	<u>\$ 471,790.56</u>
Cash Disbursed					\$ 227,269.28		
Encumbrances Payable					233.45		
					<u>\$ 227,502.73</u>		

TRUST FUND

BOROUGH OF RIVERTON

Trust Fund

Schedule of Cash - Treasurer
For the Year Ended December 31, 2025

	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, 2024	<u>\$ 422.27</u>	<u>\$ 371,339.65</u>	<u>\$ 168.53</u>	<u>\$ 1,219.80</u>	<u>\$ 30,498.81</u>	<u>\$ 142,663.09</u>	<u>\$ 48,438.94</u>	<u>\$ 6,575.17</u>	<u>\$ 250.00</u>	<u>\$ 703.58</u>	<u>\$ 66,282.54</u>	<u>\$ 55,337.75</u>	<u>\$ 19,201.44</u>
Receipts:													
Dog License Fees:													
Municipal Licenses	448.80												
State Registration Fees	67.20												
Late Fees	65.00												
Marriage Licenses Issued		375.00	375.00										
Employee Contributions		1,999.92		1,999.92									
Premiums		1,800.00					1,800.00						
Redemption		2,500.00				2,500.00							
Escrow		98,348.76				66,013.51					32,335.25		
Shade Tree		-				-							
Police Outside Service		289,475.00				289,475.00							
Police Donations		6,592.00				6,592.00							
Lead Paint		-				-							
Forfeited Property		-						-					
Parking Offenses Adjudication Act		8.00							8.00				
Public Defender Fees		2,028.50								2,028.50			
Payment In Lieu of Construction		-										-	
Payroll Deductions Payable		500,077.09			18,750.78								481,326.31
Net Payroll		982,514.08											982,514.08
Due to Current		-				-							
Interest Earned	8.36	5,243.14	2.03	11.44	947.59	2,015.66	440.96	66.06	2.54	12.05	775.92	510.65	458.24
Total Receipts	<u>589.36</u>	<u>1,890,961.49</u>	<u>377.03</u>	<u>2,011.36</u>	<u>19,698.37</u>	<u>366,596.17</u>	<u>2,240.96</u>	<u>66.06</u>	<u>10.54</u>	<u>2,040.55</u>	<u>33,111.17</u>	<u>510.65</u>	<u>1,464,298.63</u>
Disbursements:													
Expenditures Under RS4:19-15.11	790.95												
State Registration Fees	72.00												
Employee Claims		18,477.14		2,000.00	16,477.14								
Redemption		-				-							
Escrow		42,145.59				31,296.51					10,849.08		
Shade Tree		-				-							
Police Outside Service		307,090.50				307,090.50							
Police Donations		-				-							
Premiums		9,900.00					9,900.00						
Public Defender Fees		2,700.00								2,700.00			
Payment In Lieu of Construction		13,835.00										13,835.00	
Payroll Deductions Payable		471,768.01											471,768.01
Net Payroll		982,514.08											982,514.08
Due to State of NJ		350.00	350.00										
Due to Current Fund	-	2,435.41				1,984.06							451.35
Total Disbursements	<u>862.95</u>	<u>1,851,215.73</u>	<u>350.00</u>	<u>2,000.00</u>	<u>16,477.14</u>	<u>340,371.07</u>	<u>9,900.00</u>	<u>-</u>	<u>-</u>	<u>2,700.00</u>	<u>10,849.08</u>	<u>13,835.00</u>	<u>1,454,733.44</u>
Balance December 31, 2025	<u>\$ 148.68</u>	<u>\$ 411,085.41</u>	<u>\$ 195.56</u>	<u>\$ 1,231.16</u>	<u>\$ 33,720.04</u>	<u>\$ 168,888.19</u>	<u>\$ 40,779.90</u>	<u>\$ 6,641.23</u>	<u>\$ 260.54</u>	<u>\$ 44.13</u>	<u>\$ 88,544.63</u>	<u>\$ 42,013.40</u>	<u>\$ 28,766.63</u>

BOROUGH OF RIVERTON

Dog License Fund

**Schedule of Reserve for Animal Control Fund Expenditures
For the Year Ended December 31, 2025**

Balance December 31, 2024		\$	386.00
Increased by:			
Dog License Fees Collected	\$	448.80	
Late Fees Collected		65.00	
Due from Current Fund		-	
			<u>513.80</u>
Subtotal			<u>899.80</u>
Decreased by:			
Expenditures Under RS4:19-15.11	\$	790.95	
Due to Current Fund		-	
			<u>790.95</u>
Balance December 31, 2025		\$	<u><u>108.85</u></u>

License Fees Collected

<u>Year:</u>		
2023	\$	216.00
2024		<u>110.00</u>
Total	\$	<u><u>326.00</u></u>

BOROUGH OF RIVERTON

Trust - Other Funds

**Schedule of Due to State of New Jersey
For the Year Ended December 31, 2025**

Balance December 31, 2024	\$	75.00
Increased by:		
Marriage Licenses Issued		<u>400.00</u>
Subtotal		475.00
Decreased by:		
Cash Disbursed to State of New Jersey		<u>350.00</u>
Balance December 31, 2025	\$	<u><u>125.00</u></u>

**Schedule of Payroll Deductions Payable
For the Year Ended December 31, 2025**

Balance December 31, 2024	\$	438.25
Increased by:		
Payroll Deductions Received		<u>481,283.16</u>
Total		481,721.41
Decreased by:		
Payroll Deductions Disbursed		<u>471,768.01</u>
Balance December 31, 2025	\$	<u><u>9,953.40</u></u>

BOROUGH OF RIVERTON

Trust - Other Funds

**Schedule of Reserve for Lead Hazard Control Assistance
For the Year Ended December 31, 2025**

Balance December 31, 2025 and 2024	\$ 1,955.00
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EXHIBIT B-6

**Schedule of Reserve For Payment of Unemployment Claims
For the Year Ended December 31, 2025**

Balance December 31, 2024	\$ 24,932.19
Increased by:	
Employee Withholdings	\$ 2,337.74
Interest Earned	947.59
	<u>3,285.33</u>
Subtotal	28,217.52
Decreased by:	
Disbursements	<u>16,477.14</u>
Balance December 31, 2025	\$ <u>11,740.38</u>

EXHIBIT B-7

**Schedule of Reserve For Flexible Spending Benefits
For the Year Ended December 31, 2025**

Balance December 31, 2024	\$ 417.01
Increased by:	
Employee Withholdings	<u>1,999.92</u>
Subtotal	2,416.93
Decreased by:	
Payment of Flexible Spending Benefits	<u>2,000.00</u>
Balance December 31, 2025	\$ <u>416.93</u>

BOROUGH OF RIVERTON

Trust - Other Funds

**Schedule of Reserve For Developer's Escrow Deposits
For the Year Ended December 31, 2025**

Balance December 31, 2024		\$ 118,906.77
Increased by:		
Cash Receipts		<u>100,848.76</u>
Subtotal		219,755.53
Decreased by:		
Cash Disbursed		<u>55,980.59</u>
Balance December 31, 2025		<u><u>\$ 163,774.94</u></u>

**Schedule of Reserve For Tax Sale Premiums
For the Year Ended December 31, 2025**

Balance December 31, 2024		\$ 48,438.94
Increased by:		
Premiums Collected	\$ 1,800.00	
Interest Earned	<u>440.96</u>	<u>2,240.96</u>
Subtotal		50,679.90
Decreased by:		
Payment of Premiums		<u>9,900.00</u>
Balance December 31, 2025		<u><u>\$ 40,779.90</u></u>

BOROUGH OF RIVERTON

Trust - Other Funds

**Schedule of Reserve For Shade Tree Commission
For the Year Ended December 31, 2025**

Balance December 31, 2025 and 2024	<u>\$ 14,713.73</u>
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EXHIBIT B-11

**Schedule of Reserve For Environmental Fund
For the Year Ended December 31, 2025**

Balance December 31, 2025 and 2024	<u>\$ 5,161.38</u>
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EXHIBIT B-12

**Schedule of Reserve For Veteran Affairs
For the Year Ended December 31, 2025**

Balance December 31, 2025 and 2024	<u>\$ 1,225.12</u>
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BOROUGH OF RIVERTON

Trust - Other Funds

**Schedule of Reserve For Public Defender
For the Year Ended December 31, 2025**

Balance December 31, 2024		\$	489.59
Increased by:			
Receipts			<u>2,210.41</u>
Subtotal			2,700.00
Decreased by:			
Disbursements			<u>2,700.00</u>
Balance December 31, 2025		\$	<u><u>-</u></u>

EXHIBIT B-14

**Schedule of Reserve For Police Forfeited Property
For the Year Ended December 31, 2025**

Balance December 31, 2024		\$	6,575.17
Increased by:			
Forfeited Property	\$	-	
Interest Earned	<u>66.06</u>		<u>66.06</u>
Subtotal			6,641.23
Decreased by:			
Disbursements			<u>-</u>
Balance December 31, 2025		\$	<u><u>6,641.23</u></u>

EXHIBIT B-15

**Schedule of Reserve For Compensated Absences
For the Year Ended December 31, 2025**

Balance December 31, 2025 and 2024		\$	<u><u>30,000.00</u></u>
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BOROUGH OF RIVERTON

Trust - Other Funds

**Schedule of Reserve For POAA Funds
For the Year Ended December 31, 2025**

Balance December 31, 2024		\$	250.00
Increased by:			
Receipts from Municipal Court	\$	8.00	
Interest Earned		<u>2.54</u>	
			<u>10.54</u>
Subtotal			260.54
Decreased by:			
Disbursements			<u>-</u>
Balance December 31, 2025		\$	<u><u>260.54</u></u>

EXHIBIT B-17

**Schedule of Reserve For Off Duty Police
For the Year Ended December 31, 2025**

Balance December 31, 2024		\$	73,040.33
Increased by:			
Receipts			<u>289,475.00</u>
Subtotal			362,515.33
Decreased by:			
Disbursements			<u>307,090.50</u>
Balance December 31, 2025		\$	<u><u>55,424.83</u></u>

BOROUGH OF RIVERTON

Trust - Other Funds

**Schedule of Reserve For Dog Park
For the Year Ended December 31, 2025**

Balance December 31, 2025 and 2024	\$ 4,040.00
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**Schedule of Reserve For Uniform Fire Safety
For the Year Ended December 31, 2025**

Balance December 31, 2025 and 2024	\$ 2,229.71
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**Schedule of Reserve For Police Donations
For the Year Ended December 31, 2025**

Balance December 31, 2024	\$ 773.41
Increased by:	
Police Donations	6,592.00
Balance December 31, 2025	\$ 7,365.41

GENERAL CAPITAL FUND

BOROUGH OF RIVERTON
General Capital Fund
Schedule of Cash - Treasurer
For the Year Ended December 31, 2025

Balance December 31, 2024		\$ 350,834.83
Receipts:		
Bond Anticipation Notes	\$ 2,772,609.00	
Budget Appropriation - Capital Improvement Fund	18,766.00	
Due to Current Fund	4,499.39	
	<u> </u>	<u>2,795,874.39</u>
Total		3,146,709.22
Disbursements:		
Bond Anticipation Notes	2,416,064.00	
Improvement Authorizations	197,736.14	
Budget Appropriation - Reserve for Debt	18,528.41	
Due to Current Fund	4,396.27	
	<u> </u>	<u>2,636,724.82</u>
Balance December 31, 2025		<u><u>\$ 509,984.40</u></u>

BOROUGH OF RIVERTON
General Capital Fund
Analysis of General Capital Cash and Investments
For the Year Ended December 31, 2025

Fund Balance		\$ 37,051.68
Capital Improvement Fund		3,220.76
Due from Current Fund		(5,798.59)
Due to Current Fund		439.43
Due to Federal and State Grant Fund		1,979.87
Reserve for Debt		20,114.14
Improvement Authorizations:		
Ordinance		
<u>Number</u>		
2015-2	Multi-purpose:	
	Improvements to Riverton park	(9,537.00)
	Road Improvements	2,498.22
	Acquisition of Public Works Equipment	187.00
2016-4	Multi-purpose:	
	Acquisition of Computer Hardware	1,099.27
2017-06	Multi-purpose:	
	Acquisition of Street Safety Signs	3,489.83
	Road Improvements	44,311.66
	Acquisition of Emergency Back-up Generator	1,207.26
2018-03	Multi-purpose:	
	Road Program - Beachwood/Homewood	3,625.13
	Acquisition of Sewer Equipment	2,406.00
	Acquisition of Fire Equipment	18.43
2019-05	Multi-purpose:	
	Heating System at Public Works Garage	5,339.48
	Police Vehicle and Software	242.00
	Sewer Tank Housing Panel	24.86
	Acquisition of Fire Equipment	77.81
2020-04/	Multi-purpose:	
2021-06	Various Improvements to Riverton Park	3,503.34
2022-06	Multi-purpose:	
	Purchase of Fire Equipment	(49.00)
2024-06	Multi-purpose:	
	Purchase and Installation of Park Rails for the Borough Grandstand	9,000.00
	Purchase of Police Equipment	27.00
	Replacement of UV System for the Sewer Department	175,000.00
2025-5	Multi-purpose:	
	Acquisition of Garage Doors	1,763.64
	Various Road Improvements	180,000.00
	Acquisition of Police Equipment	6,026.13
	Various Repairs to the Sewer System	22,716.05
Total		<u>\$ 509,984.40</u>

BOROUGH OF RIVERTON
General Capital Fund
Schedule of Deferred Charges to Future Taxation - Funded
For the Year Ended December 31, 2025

Balance December 31, 2024	\$ 1,130,000.00
Decreased by:	
Serial Bond Principal Payment	<u>170,000.00</u>
Balance December 31, 2025	<u><u>\$ 960,000.00</u></u>

BOROUGH OF RIVERTON
General Capital Fund
Schedule of Deferred Charges to Future Taxation - Unfunded
For the Year Ended December 31, 2025

Ordinance Number	Improvement Description	Balance December 31, 2024	2025 Authorizations	Paid by Budget	Cancelled	Balance December 31, 2025	Analysis of Balance December 31, 2025		
							Financed by Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorization
2019-05	Various Capital Improvements	\$ 370,025.00	\$ -	\$ 11,463.00	\$ -	\$ 358,562.00	\$ 358,562.00	\$ -	\$ -
2020-04/ 2021-06	Various Capital Improvements	501,524.00		3,405.00		498,119.00	498,119.00		
2022-06	Various Capital Improvements	180,500.00				180,500.00	180,451.00	49.00	
2024-06	Various Capital Improvements	170,900.00				170,900.00	170,900.00		
2025-5	Various Capital Improvements		356,545.00			356,545.00	356,545.00		
		<u>\$ 1,222,949.00</u>	<u>\$ 356,545.00</u>	<u>\$ 14,868.00</u>	<u>\$ -</u>	<u>\$ 1,564,626.00</u>	<u>\$ 1,564,577.00</u>	<u>\$ 49.00</u>	<u>\$ -</u>

Improvement Authorizations - Unfunded \$ 286,068.74
Less - Unexpended Proceeds from Bond Anticipation Notes:

Ordinance Number	
2019-05	\$ 5,684.15
2020-04/2021-06	3,503.34
2024-06	79,937.00
2025-05	196,944.25
	<u>286,068.74</u>
Total	<u>\$ -</u>

BOROUGH OF RIVERTON
General Capital Fund
Statement of Grants Receivable
For the Year Ended December 31, 2025

Balance December 31, 2025 and 2024	<u>\$ 10,500.00</u>
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Analysis of Balance	
Burlington County Park Development Grant - Memorial Park	<u>\$ 10,500.00</u>

BOROUGH OF RIVERTON
General Capital Fund
Schedule of General Serial Bonds
For the Year Ended December 31, 2025

Purpose	Date of Issue	Amount of Original Bonds	Maturities of Bonds Outstanding December 31, 2025		Interest Rate	Balance December 31, 2024	Issued	Decreased	Balance December 31, 2025
			Date	Amount					
General Bonds of 2018	8/23/2018	\$ 1,995,000	8/1/2026	\$ 180,000.00	5.00%	\$ 1,130,000.00	\$ -	\$ 170,000.00	\$ 960,000.00
			8/1/2027	185,000.00	5.00%				
			8/1/2028	195,000.00	5.00%				
			8/1/2029	195,000.00	4.00%				
			8/1/2030	205,000.00	5.00%				
				<u>\$ 960,000.00</u>					
Total						<u>\$ 1,130,000.00</u>	<u>\$ -</u>	<u>\$ 170,000.00</u>	<u>\$ 960,000.00</u>

BOROUGH OF RIVERTON
General Capital Fund
Schedule of Bond Anticipation Notes
For the Year Ended December 31, 2025

Ordinance Number	Improvement Description	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2024	Increased	Decreased	Balance December 31, 2025
2019-05	Various Capital Improvements	3/23/22	7/25/24	2/5/25	4.170%	\$ 370,025.00	\$ -	\$ 370,025.00	\$ -
2019-05	Various Capital Improvements	3/23/22	2/4/25	8/4/25	3.600%		358,562.00	358,562.00	-
2019-05	Various Capital Improvements	3/23/22	7/31/25	4/23/26	3.600%		358,562.00		358,562.00
2017-06	Various Capital Improvements	3/23/22	7/25/24	2/5/25	4.170%	225,524.00		225,524.00	-
2017-06	Various Capital Improvements	3/23/22	2/4/25	8/4/25	3.600%		222,119.00	222,119.00	-
2017-06	Various Capital Improvements	3/23/22	7/31/25	4/23/26	3.600%		222,119.00		222,119.00
2022-06	Various Capital Improvements	7/27/23	7/25/24	2/5/25	4.170%	180,451.00		180,451.00	-
2022-06	Various Capital Improvements	7/27/23	2/4/25	8/4/25	3.600%		180,451.00	180,451.00	-
2022-06	Various Capital Improvements	7/27/23	7/31/25	4/23/26	3.600%		180,451.00		180,451.00
2020-04/ 2021-06	Various Capital Improvements	7/27/23	7/25/24	2/5/25	4.170%	276,000.00		276,000.00	-
2020-04/ 2021-06	Various Capital Improvements	7/27/23	2/4/25	8/4/25	3.600%		276,000.00	276,000.00	-
2020-04/ 2021-06	Various Capital Improvements	7/27/23	7/31/25	4/23/26	3.600%		276,000.00		276,000.00
2024-06	Various Capital Improvements	7/27/23	7/25/24	2/5/25	4.170%	170,900.00		170,900.00	-
2024-06	Various Capital Improvements	7/27/23	2/4/25	8/4/25	3.600%		170,900.00	170,900.00	-
2024-06	Various Capital Improvements	7/27/23	7/31/25	4/23/26	3.600%		170,900.00		170,900.00
2025-05	Various Capital Improvements	7/31/25	7/31/25	4/23/26	3.600%		356,545.00	-	356,545.00
						<u>\$ 1,222,900.00</u>	<u>\$ 2,772,609.00</u>	<u>\$ 2,430,932.00</u>	<u>\$ 1,564,577.00</u>
						Issued for Cash	\$ 356,545.00	\$ -	
						Budget Appropriation		14,868.00	
						Renewals	<u>2,416,064.00</u>	<u>2,416,064.00</u>	
							<u>\$ 2,772,609.00</u>	<u>\$ 2,430,932.00</u>	

BOROUGH OF RIVERTON
General Capital Fund
Schedule of Improvement Authorizations
For the Year Ended December 31, 2025

Ordinance Number	Improvement Description	Date	Ordinance		Balance December 31, 2024		2025 Authorizations					Balance December 31, 2025	
			Amount	Funded	Unfunded	Capital Improvement Fund	Capital Fund Balance	Deferred Charges To Future Taxation Unfunded	Prior Year Encumbrances	Paid or Charged	Canceled	Funded	Unfunded
2015-2	Multi-purpose:	05/06/15											
	b. Improvements to Riverton Park		\$ 287,500.00	\$ 963.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 963.00	\$ -
	c. Road Improvements		366,675.00	2,498.22								2,498.22	
	d. Acquisition of Street Signs		10,000.00	85.41						85.41		(0.00)	
	e. Acquisition of Public Works Equipment		210,500.00	187.00								187.00	
2016-4	Multi-purpose:	06/08/16											
	b. Acquisition of Computer Hardware		6,000.00	1,099.27								1,099.27	
	e. Acquisition of Fire Equipment		100,000.00	16,740.00							16,740.00		
2017-06	Multi-purpose:	7/12/2017											
	a. Acquisition of Street Safety Signs		11,000.00	6,236.71						2,746.88		3,489.83	
	b. Road Improvements		444,050.00	73,984.98						9,673.32	20,000.00	44,311.66	
	d. Acquisition of Emergency Back-Up Generator		45,500.00	1,207.26								1,207.26	
	e. Acquisition of Fire Equipment		12,500.00										
2018-03	Multi-purpose:	07/17/18											
	a. Acquisition of Public Works Equipment		20,200.00										
	b. Road Program - Beachwood/Homewood		2,847,505.00	3,625.13								3,625.13	
	c. Acquisition of a Police Equipment		10,392.00										
	d. Acquisition of Sewer Equipment		212,450.00	2,406.00								2,406.00	
	e. Acquisition of Fire Equipment		15,000.00	18.43								18.43	
2019-05	Multi-purpose:	06/16/19											
	a. Heating System at Public Works Garage		15,000.00		5,339.48								5,339.48
	b. Police Vehicle and Software		74,500.00		242.00								242.00
	c. Sewer Tank Housing Panel		292,000.00		24.86								24.86
	d. Acquisition of Fire Equipment		8,000.00		77.81								77.81
2020-04/ 2021-06	Multi-purpose:	06/16/20											
	a. Various Improvements to Riverton Park	05/24/21	79,305.00		3,503.34								3,503.34
	f. Acquisition of Fire Equipment		8,000.00		1.14						1.14		
2022-06	Multi-purpose:												
	c. Purchase of Fire Equipment		5,000.00		13.00						13.00		
2024-06	Multi-purpose:	06/18/24											
	a Purchase and Installation of Park Rails for the Borough Grandstand		9,000.00	490.00	8,510.00							490.00	8,510.00
	b. Upgrade IT Equipment		16,000.00		1,860.01				1,399.99	3,260.00			
	c. Roof Relacement		5,500.00		250.00					250.00			
	d. Purchase of Police Equipment		16,480.00		1,158.96					1,131.96			27.00
	e. Replacement of UV system for the Sewer Department		175,000.00	103,600.00	71,400.00							103,600.00	71,400.00
	f. Purchase of Fire Department Equipment		57,560.00		3,449.89				32,433.50	35,883.39			
Total Carried Forward				\$ 213,141.41	\$ 95,830.49	\$ -	\$ -	\$ -	\$ 33,833.49	\$ 53,030.96	\$ 36,754.14	\$ 163,895.80	\$ 89,124.49

BOROUGH OF RIVERTON
General Capital Fund
Schedule of Improvement Authorizations
For the Year Ended December 31, 2025

2025 Authorizations													
Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance December 31, 2024		Capital Improvement Fund	Capital Fund Balance	Deferred Charges To Future Taxation Unfunded	Prior Year Encumbrances	Paid or Charged	Canceled	Balance December 31, 2025	
				Funded	Unfunded							Funded	Unfunded
	Total Brought Forward			\$ 213,141.41	\$ 95,830.49	\$ -	\$ -	\$ -	\$ 33,833.49	\$ 53,030.96	\$ 36,754.14	\$ 163,895.80	\$ 89,124.49
2025-5	Multi-purpose:	05/20/25											
	a. Acquisition of Garage Doors		\$ 20,000.00			1,000.00		19,000.00		18,236.36			1,763.64
	b. Purchase of a Gabage Truck		120,000.00			6,000.00		114,000.00		99,900.00	20,100.00		
	c. Vrious Road Improvements		180,000.00			9,000.00		171,000.00				9,000.00	171,000.00
	d. Acqusion of Police Equipment		25,311.00			1,266.00		24,045.00		23,846.44			1,464.56
	e. Various Repairs to the Sewer System		30,000.00			1,500.00		28,500.00		7,283.95			22,716.05
	Total			<u>\$ 213,141.41</u>	<u>\$ 95,830.49</u>	<u>\$ 18,766.00</u>	<u>\$ -</u>	<u>\$ 356,545.00</u>	<u>\$ 33,833.49</u>	<u>\$ 202,297.71</u>	<u>\$ 56,854.14</u>	<u>\$ 172,895.80</u>	<u>\$ 286,068.74</u>
							Encumbrances Payable			\$ 4,561.57			
							Cash Disbursed			197,736.14			
							Total			<u>\$ 202,297.71</u>			
							Fund Balance				\$ 36,740.00		
							Reserve for Debt				<u>20,114.14</u>		
											<u>\$ 56,854.14</u>		

BOROUGH OF RIVERTON
General Capital Fund
Statement of Capital Improvement Fund
For the Year Ended December 31, 2025

Balance December 31, 2024	\$ 3,220.76
Increased by:	
2025 Budget Appropriation	<u>18,766.00</u>
	21,986.76
Decreased by:	
Appropriated to Finance Improvement Authorization	<u>18,766.00</u>
Balance December 31, 2025	<u><u>\$ 3,220.76</u></u>

BOROUGH OF RIVERTON
General Capital Fund
Statement of Bonds and Notes Authorized but not Issued
For the Year Ended December 31, 2025

<u>Ordinance Number</u>	<u>Improvement Description</u>	Balance December 31, <u>2024</u>	2025 <u>Authorizations</u>	Bond Anticipation Notes <u>Issued</u>	Balance December 31, <u>2025</u>
2022-06	Various Capital Improvements	\$ 49.00	\$ -	\$ -	\$ 49.00
2025-05	Various Capital Improvements	<u> </u>	<u>356,545.00</u>	<u>356,545.00</u>	<u> </u>
	Total	<u>\$ 49.00</u>	<u>\$ 356,545.00</u>	<u>\$ 356,545.00</u>	<u>\$ 49.00</u>

PUBLIC ASSISTANCE FUND

BOROUGH OF RIVERTON
PUBLIC ASSISTANCE FUND
Schedule of Cash - Treasurer
For the Year Ended December 31, 2025

	P.A.T.F. <u>I</u>
Balance December 31, 2024	\$ 759.71
Increased by Receipts:	
Interest Earned	<u>7.65</u>
Total	767.36
Decreased by Disbursements	<u>-</u>
Balance December 31, 2025	<u><u>\$ 767.36</u></u>

BOROUGH OF RIVERTON

PART II

Schedule of Findings and Recommendations

For the Year Ended December 31, 2025

BOROUGH OF RIVERTON
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2025

Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards* and with requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Finding 2025-1

Criteria or Specific Requirement

N.J.S.A. 40A:4-57 requires that no expenditures be made in excess of budget appropriations.

Condition

The Borough had overexpenditures of Current Fund budget line items.

Context

The Borough overexpended three budgetary line items totaling \$23,619.23.

Effect

The Borough did not comply with N.J.S.A. 40A:4-57.

Cause

Oversight.

Recommendation

That the Borough establish effective internal controls to monitor budget appropriations and avoid overexpenditures.

View of Responsible Official and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

BOROUGH OF RIVERTON
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2025

Schedule of Federal Awards and State Financial Assistance
Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey Circular 25-12-OMB.

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 Recommendations as Prepared by Management

This section identifies the status of prior year findings related to the financial statements and federal and state grant awards that are required to be reported in accordance with *Government Auditing Standards* and New Jersey Circular 25-12-OMB.

FINANCIAL STATEMENT FINDINGS

There were no financial statement findings in the prior year.

FEDERAL AWARDS

A Federal Single Audit was not required.

STATE AWARDS

A State Single Audit was not required.

BOROUGH OF RIVERTON
OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office at December 31, 2025:

<u>Name</u>	<u>Title</u>	<u>Term expires</u>	<u>Amount of Bond</u>	<u>Name of Corporate Surety</u>
James Quinn	Mayor	12/31/2027		
Edgar Wilburn	Councilperson - President	12/31/2026		
Leslie Harrison	Councilperson	12/31/2027		
Kirk Fullerton	Councilperson	12/31/2025		
Nicole Rafter	Councilperson	12/31/2025		
Katie Lucas	Councilperson	12/31/2027		
Scott Reed	Councilperson	12/31/2026		
Michelle Hack	Municipal Clerk		35,000	(C)
Julia Edmondson	Chief Financial Officer		200,000	(B)
Nicole Chicone-Shively	Tax Collector and Treasurer		175,000	(B)
Catherine R. Smyth	Construction & Administrative Assistant		35,000	(B)
Roger Fort	Construction Code Official		10,000	(A)
Vincent Coniglione	Code Enforcement		10,000	(A)
Edward Ruggiano	Zoning Official		10,000	(A)
James Duda	Assessor		10,000	(A)
Alaimo Associates	Engineer			
Thomas J. Coleman, Esq.	Solicitor			

All Bonds were examined and properly executed.

(A) Selective Insurance Company - Employee Dishonesty Coverage

(B) Selective Insurance Company - Separate Surety Bond.

(C) Penn National 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