

**BOROUGH OF RIVERDALE**

---

**REPORT ON EXAMINATION OF FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015**

**BOROUGH OF RIVERDALE**

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**INDEPENDENT AUDITOR'S REPORT**



# VM ASSOCIATES, INC.

Vincent M. Montanino, RMA, PSA  
Michael S. Zambito, CPA, RMA  
Antonia Russo, Associate

## INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and  
Members of the Borough Council  
Borough of Riverdale  
County of Morris, New Jersey

### **Report on the Financial Statements**

We have audited the accompanying balance sheets – regulatory basis of the various funds and account group of the Borough of Riverdale as of December 31, 2015 and December 31, 2014, and the results of operations and changes in fund balance – regulatory basis of such funds for the years then ended and the statements of revenues – regulatory basis and statements of expenditures – regulatory basis of the various funds for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Borough's financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

The management of the Borough of Riverdale is responsible for the preparation and fair presentation of these financial statements in accordance with the basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States; and in compliance with audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Borough's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained is sufficient and appropriate to provide a reasonable basis for our audit opinions.

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

As discussed in Note I, the Borough of Riverdale prepares its financial statements in conformity with the accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of New Jersey. The effects on the financial statements of the variances between the regulatory basis of accounting discussed in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the Borough's policy to prepare its financial statements on the basis of accounting discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Borough of Riverdale as of December 31, 2015 and December 31, 2014 or the results of its operations for the years then ended.

### **Qualified Opinion on Regulatory Basis of Accounting**

However, in our opinion, the financial statements referred to above present fairly, in all material respects, the financial position - regulatory basis of the various funds and account group of the Borough of Riverdale as of December 31, 2015 and December 31, 2014, and the results of operations and changes in fund balance - regulatory basis of such funds for the years then ended and the statements of revenues - regulatory basis and statements of expenditures - regulatory basis of the various funds for the year ended December 31, 2015, on the basis of accounting described in Note I.

### ***Emphasis of Matter***

As discussed in Note III to the financial statements, the Borough of Riverdale implemented Governmental Accounting Standards Board ("GASB") Statement No. 68, *Accounting and Financial Reporting for Pensions - An Amendment to GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date an amendment of GASB Statement No. 68* during the year ended December 31, 2015. Our opinions are not modified with respect to this matter.

### **Other Matters**

Our audit was performed for the purpose of forming opinions on the financial statements of the Borough of Riverdale, in the County of Morris, State of New Jersey, that collectively comprise their financial statements. The accompanying supplementary information listed in the table of contents and the letter of comments and recommendations section are presented for purposes of additional analysis, as required by the Division of Local Government Services and are not a required part of the financial statements.

The supplemental information listed in the table of contents are the responsibility of management and were derived from the underlying accounting and other records used to prepare the financial statement. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, such supplemental information is fairly stated in all material respects in relation to the financial statements taken as a whole

**Other Reporting Required by Government Auditing Standards**

In accordance with Governmental Auditing Standards, we have also issued our report dated June 29, 2016 on our consideration of the Borough of Riverdale's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Governmental Auditing Standards and should be read in considering the Borough's internal control over financial reporting and compliance.



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License No. CR 000375



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Certified Public Accountant  
License No. 20CC00789500

June 29, 2016

SECTION A  
CURRENT FUND

BOROUGH OF RIVERDALE

CURRENT FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

<u>Assets</u>	<u>Ref.</u>	<u>December 31,</u>	
		<u>2015</u>	<u>2014</u>
Cash - Treasurer	A-4	\$ 2,662,371.60	\$ 2,671,554.99
Change Funds and Petty Cash	A-5	100.00	100.00
Amount Due From State of New Jersey:			
Senior Citizens' and Veterans Deductions	A-6	-	41.96
		<u>2,662,471.60</u>	<u>2,671,696.95</u>
Receivables and other Assets With Full Reserves :			
Delinquent Property Taxes	A-7	95,915.45	78,477.04
Tax Title Liens	A-8	109,558.69	136,953.10
Property Acquired for Taxes -			
At Assessed Valuation	A-9	235,100.00	235,100.00
Interfund Accounts Receivable	A-10	2,290.60	290.84
Revenue Accounts Receivable	A-11	18,354.89	16,806.44
Amount Due from Federal and State Grants Fund	A-19	182,461.11	117,991.03
		<u>643,680.74</u>	<u>585,618.45</u>
Deferred Charges:			
Special Emergency Authorization	A-12	32,000.00	48,000.00
		<u>3,338,152.34</u>	<u>3,305,315.40</u>
Federal and State Grants Fund :			
Federal and State Aid Receivable	A-26	522,325.13	517,947.13
		<u>\$ 3,860,477.47</u>	<u>\$ 3,823,262.53</u>

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

BOROUGH OF RIVERDALE

CURRENT FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS  
(CONCLUDED)

<u>Liabilities, Reserves and Fund Balance</u>	<u>Ref.</u>	<u>December 31,</u>	
		<u>2015</u>	<u>2014</u>
Liabilities :			
Appropriation Reserves	A-3,13	\$ 318,231.92	\$ 381,677.28
Amount Due To State of New Jersey:			
Senior Citizens' and Veterans Deductions	A-6	208.04	
Reserve for Encumbrances	A-14	38,780.63	343,180.78
Accounts Payable	A-15	48,210.51	40,396.41
Prepaid Taxes	A-16	205,140.81	87,686.35
Tax Overpayments	A-17	184,545.81	5,747.78
Reserve for Tax Sale Premium	A-20	36,400.00	9,300.00
Amount Due to Outside Lien Holders	A-21	40,962.93	26,930.97
Reserve for Funds - Appropriated	A-22	614,983.03	637,970.73
Amount Due to State of New Jersey -			
Building Surcharge Fees	A-23	542.00	1,298.00
Marriage License Fees	A-24	75.00	225.00
		<u>1,488,080.68</u>	<u>1,534,413.30</u>
Reserve for Receivables and Other Assets		643,680.74	585,618.45
Fund Balance	A-1	<u>1,206,390.92</u>	<u>1,185,283.65</u>
		<u>3,338,152.34</u>	<u>3,305,315.40</u>
Federal and State Grants Fund :			
Amount Due to Current Fund	A-27	182,461.11	117,991.03
Unappropriated Reserves	A-28	12,026.26	29,587.48
Appropriated Reserves	A-29	100,147.37	327,133.23
Reserve for Encumbrances	A-30	<u>227,690.39</u>	<u>43,235.39</u>
		<u>522,325.13</u>	<u>517,947.13</u>
		<u>\$ 3,860,477.47</u>	<u>\$ 3,823,262.53</u>

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

BOROUGH OF RIVERDALE

CURRENT FUND  
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE  
IN FUND BALANCE - REGULATORY BASIS

<u>Revenue and Other Income Realized</u>	<u>Ref.</u>	<u>Year 2015</u>	<u>Year 2014</u>
Fund Balance Utilized	A-2	\$ 450,000.00	\$ 475,000.00
Miscellaneous Revenue Anticipated	A-2	1,199,576.20	1,368,619.18
Receipts from Delinquent Taxes	A-2	88,641.09	155,744.54
Receipts from Current Taxes	A-2	14,362,033.79	14,372,065.04
Non - Budget Revenue	A-2	226,811.46	322,405.20
Other Credits to Income :			
Prior Year Voided Checks	A-4	3,475.12	582.87
Return of Interfund Advances	A-10	65.64	44.73
Unexpended Balance of Appropriation Reserves	A-13	169,489.29	92,861.81
Accounts Payable Canceled	A-15	7,298.10	580.31
Grant Appropriated Reserves Canceled	A-19	<u>5,627.54</u>	<u>23,184.00</u>
 Total Income		 <u>16,513,018.23</u>	 <u>16,811,087.68</u>
 <u>Expenditures</u>			
Budgetary and Emergency Appropriations :			
Appropriations Within "CAP"			
Operations:			
Salaries and Wages	A-3	2,868,060.00	2,675,190.00
Other Expenses	A-3	1,599,202.00	1,712,350.00
Deferred Charges and Statutory Expenditures	A-3	713,236.94	702,678.00
Appropriations Excluded from "CAP"			
Operations:			
Salaries and Wages	A-3	211,478.65	
Other Expenses	A-3	337,693.44	1,000,921.27
Capital Improvements	A-3	227,500.00	25,000.00
Debt Service	A-3	567,100.00	578,109.20
Deferred Charges	A-3	16,000.00	16,000.00
Refund of Prior Year Revenue			305.00
Prior Year Senior Citizens'/Veterans' Deductions Disallowed	A-6	3,417.12	1,750.00
Interfund Advances	A-10	67.80	
Amount Due from Federal and State Grants Fund	A-19	64,470.10	117,991.03
Cancel Prior Year Receivables	A-19	1,000.00	1,424.00
County Taxes	A-25	2,138,880.37	2,207,625.68
County Share of Added Taxes	A-25	1,696.54	194.23
Local District School Taxes	A-25	7,212,486.00	7,049,156.00
Local Open Space Taxes	A-25	79,559.15	79,967.41
Local Open Space Share of Added Taxes	A-25	<u>62.85</u>	<u>7.02</u>
Total Expenditures		<u>16,041,910.96</u>	<u>16,168,668.84</u>

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

BOROUGH OF RIVERDALE  
CURRENT FUND  
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE  
IN FUND BALANCE - REGULATORY BASIS

<u>Expenditures (Continued)</u>	<u>Ref.</u>	<u>Year 2015</u>	<u>Year 2014</u>
Excess in Revenue		\$ 471,107.27	\$ 642,418.84
Fund Balance January 1	A	<u>1,185,283.65</u>	<u>1,017,864.81</u>
		1,656,390.92	1,660,283.65
Decreased by :			
Utilization as Anticipated Revenue	A-2	<u>450,000.00</u>	<u>475,000.00</u>
Fund Balance December 31	A	<u>\$ 1,206,390.92</u>	<u>\$ 1,185,283.65</u>

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

BOROUGH OF RIVERDALE

CURRENT FUND  
STATEMENT OF REVENUES - REGULATORY BASIS

	Ref.	Budget Anticipated	Added by 40A-4-87	Realized	Excess or (Deficit)
		\$	\$	\$	\$
Fund Balance Anticipated	A-1	\$ 450,000.00	-	\$ 450,000.00	-
Miscellaneous Revenues :					
Licenses :					
Alcohol Beverages	A-11	16,000.00		16,920.00	920.00
Other	A-2	7,000.00		9,420.00	2,420.00
Fees and Permits :					
Construction Code Official	A-11	40,000.00		54,517.00	14,517.00
Other	A-2	50,000.00		45,428.57	(4,571.43)
Fines and Costs					
Municipal Court	A-11	240,000.00		258,717.35	18,717.35
Interest and Costs on Taxes	A-11	16,000.00		21,671.60	5,671.60
Energy Receipts Tax (N.J.S.A. 54:30A-24.1 et seq.)	A-11	439,515.00		439,515.00	-
Public and Private Programs Offset by Revenues :					
Recycling Tonnage Grant	A-19	16,575.71		16,575.71	-
Drunk Driving Enforcement Fund	A-19	4,280.40		4,280.40	-
Clean Communities Act	A-19	6,586.35	8,005.90	14,592.25	-
Alcohol Education and Rehabilitation	A-19	295.40		295.40	-
Body Armor Fund	A-19	1,849.62		1,849.62	-
N. J. Transportation Trust Fund Authority Act	A-19	185,000.00		185,000.00	-
Donation - PBA Police	A-19		4,932.50	4,932.52	0.02
Other Special Items:					
Facility Usage Fee	A-11	40,000.00		60,500.00	20,500.00
Uniform Fire Safety Act	A-11	25,500.00		23,589.78	(1,910.22)
Donation - Newsletter	A-11	8,680.00		16,771.00	8,091.00
General Capital Fund Balance	A-11	25,000.00		25,000.00	-
Total Miscellaneous Revenues	A-1	1,122,282.48	12,938.40	1,199,576.20	64,355.32
Receipts from Delinquent Taxes	A-1,7	75,000.00		88,641.09	13,641.09
Amount to be Raised by Taxes for Support of Municipal Budget :					
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	A-2	5,082,965.59	-	5,132,259.32	49,293.73
Minimum Library Tax	A-2	285,526.21		285,526.21	-
Budget Totals	A-1,2	7,015,774.28	12,938.40	7,156,002.82	127,290.14
Non-Budget Revenues				226,811.46	226,811.46
	Ref.	\$ 7,015,774.28	\$ 12,938.40	\$ 7,382,814.28	\$ 354,101.60
		A-3	A-3		

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

BOROUGH OF RIVERDALE

CURRENT FUND  
STATEMENT OF REVENUES - REGULATORY BASIS  
(CONTINUED)

	<u>Ref.</u>		
<u>Analysis of Realized Revenue</u>			
Allocation of Current Year Collections :			
Revenue from Tax Collections -			
Collected in 2014	A-7	\$ 86,417.24	
Collected in 2015	A-7	14,370,866.55	
State's Share of Senior Citizens' and Veterans' Deductions	A-7	<u>54,750.00</u>	
		14,512,033.79	
Less: Reserve for Tax Appeals Pending	A-22	<u>150,000.00</u>	
	A-1	14,362,033.79	
Allocated to Local School. Open Space and County Taxes	A-25	<u>9,432,684.91</u>	
		4,929,348.88	
Add : Appropriation :Reserve for Uncollected Taxes"	A-3	<u>488,436.65</u>	
Amount for Support of Municipal Budget Appropriations	A-2		<u>\$ 5,417,785.53</u>
Licenses - Other:			
Board of Health	A-11	\$ 9,030.00	
Clerk	A-11	<u>390.00</u>	
	A-2		<u>\$ 9,420.00</u>
Fees and Permits - Other :			
Board of Health	A-11	\$ 5,118.00	
Police Chief	A-11	2,136.80	
Tax Collector	A-11	10.00	
Road Opening	A-11	1,200.00	
Zoning/Planning	A-11	<u>36,963.77</u>	
	A-2		<u>\$ 45,428.57</u>

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

BOROUGH OF RIVERDALE

CURRENT FUND  
STATEMENT OF REVENUES - REGULATORY BASIS  
(CONCLUDED)

	<u>Ref.</u>		
<u>Analysis of Realized Revenue (Continued)</u>			
Miscellaneous Revenue Not Anticipated:			
Interfund Accounts Receivable:			
Prior Year Statutory Excess - Animal Control	A-10	\$	225.20
Interest on Investments	A-10		67.80
Cable Franchise Fee		\$	25,329.00
Traffic Control			25,476.66
Recycling			425.00
Tire Disposal			10.00
Motor Vehicle Inspection Program			5,100.00
Other Refunds			23,203.18
Rent of Municipal Owned Property			135,289.94
Miscellaneous			1,827.42
Interest on Investments			29.99
Copies			28.83
Unclaimed Funds - Municipal Court			2,514.50
US Department of Justice-Bullet Proof Vest			1,252.28
State of NJ Highway Traffic-Click it or Ticket			5,000.00
Senior Citizens - 2% Administrative Fee			<u>1,031.66</u>
	A-4		<u>226,518.46</u>
	A-2		<u>\$ 226,811.46</u>

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

BOROUGH OF RIVERDALE

CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS

	Ref.	Budget	Appropriations Budget After Modification	Paid or Charged	Expended	Reserved	Unexpended Balance Canceled
OPERATIONS WITHIN "CAP"							
GENERAL GOVERNMENT :							
Administrative and Executive							
Salaries and Wages		\$62,100.00	\$63,350.00	\$63,338.30	\$	11.70	\$ -
Other Expenses		70,000.00	75,000.00	74,537.54	462.46		
Miscellaneous Other Expenses							
Mayor and Council		89,975.00	89,975.00	89,575.04	399.96		
Salaries and Wages		82,500.00	85,500.00	84,697.16	802.84		
Borough Clerk							
Salaries and Wages		57,600.00	58,750.00	58,743.19	6.81		
Financial Administration		150.00	150.00	-	150.00		
Salaries and Wages		18,550.00	18,550.00	-	18,550.00		
Other Expenses							
Annual Audit							
Assessment of Taxes		3,000.00	3,000.00	2,989.34	10.66		
Salaries and Wages		15,000.00	15,000.00	14,136.36	863.64		
Other Expenses							
Revision of Tax Map		100.00	100.00	-	100.00		
Other Expenses							
Collection of Taxes							
Other Expenses		3,000.00	3,000.00	2,772.01	227.99		
Legal Services and Costs							
Contractual Expenses		25,000.00	25,000.00	24,999.96	0.04		
Other Expenses		20,000.00	22,500.00	19,338.62	3,161.38		
Municipal Prosecutor							
Salaries and Wages		17,130.00	17,130.00	16,082.09	1,047.91		
Professional and Engineering Services and Costs							
Other Expenses		15,000.00	20,000.00	18,190.00	1,810.00		
Insurance (N.J.S.A. 40A:4-45.3(00))							
General Liability		101,000.00	101,000.00	99,220.50	1,779.50		
Workers Compensation		112,000.00	112,000.00	102,058.90	9,941.10		
Employee Group Health		450,397.00	450,397.00	438,018.64	12,378.36		
Employee Group Health - Waiver		10,000.00	10,000.00	8,798.16	1,201.84		
Public Buildings and Grounds							
Salaries and Wages		42,750.00	42,750.00	42,750.00	-		
Other Expenses		25,000.00	27,500.00	25,820.97	1,679.03		
Municipal Land Use Law (40:44D-1)							
Planning Board							
Salaries and Wages		3,985.00	4,060.00	4,059.94	0.06		
Other Expenses		14,500.00	14,500.00	12,977.00	1,523.00		
Zoning Official							
Salaries and Wages		19,200.00	19,580.00	19,579.03	0.97		

BOROUGH OF RIVERDALE

CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
(CONTINUED)

	Ref.	Budget	Appropriations Budget After Modification	Paid or Charged	Expended	Reserved	Unexpended Balance Canceled
<b>OPERATIONS WITHIN "CAP"</b>							
<b>PUBLIC SAFETY FUNCTIONS:</b>							
Fire							
Salaries and Wages		\$ 19,300.00	\$ 19,300.00	\$ 16,696.88	\$ 2,603.12	\$ -	
Other Expenses		42,000.00	42,000.00	29,622.09	12,377.91		
Fire Inspector							
Salaries and Wages		8,205.00	8,365.00	8,364.05	0.95		
Other Expenses		600.00	600.00	525.00	75.00		
Police							
Salaries and Wages		1,863,100.00	1,863,100.00	1,853,962.50	9,137.50		
Other Expenses		70,500.00	70,500.00	69,988.49	511.51		
Contribution to Pompton Lakes First Aid Squad		77,500.00	77,500.00	65,800.00	11,700.00		
Emergency Management Services							
Salaries and Wages		8,500.00	8,500.00	8,499.96	0.04		
Other Expenses		5,000.00	5,000.00	4,605.90	394.10		
<b>STREETS AND ROADS:</b>							
Road Repairs and Maintenance (Including Snow Removal)							
Salaries and Wages		255,100.00	255,100.00	247,391.36	7,708.64		
Other Expenses		50,000.00	60,000.00	51,159.99	8,840.01		
Shade Tree							
Salaries and Wages		1,435.00	1,461.00	1,460.02	0.98		
Other Expenses		3,000.00	3,000.00	2,989.23	10.77		
Vehicle Maintenance							
Salaries and Wages		37,500.00	37,500.00	37,500.00	-		
Other Expenses		57,000.00	60,500.00	59,728.49	771.51		
<b>HEALTH AND WELFARE:</b>							
Board of Health							
Salaries and Wages		2,005.00	2,043.00	2,042.95	0.05		
Other Expenses		52,200.00	52,200.00	41,972.00	10,228.00		
Registrar							
Salaries and Wages		3,905.00	4,209.00	4,208.36	0.64		
Other Expenses		100.00	100.00	-	100.00		
Senior Citizen's Program							
Salaries and Wages		100.00	100.00	-	100.00		
Other Expenses		33,000.00	33,000.00	32,665.40	334.60		
Public Facilities							
Other Expenses		8,000.00	8,000.00	7,970.59	29.41		
Aid to Pequannock Valley Mental Health Center (N.J.S.A. 40:48-9(4) (A))		1,000.00	1,000.00	-	1,000.00		
<b>RECREATION AND EDUCATION:</b>							
Parks and Playgrounds							
Salaries and Wages		10,000.00	10,000.00	9,416.10	583.90		
Other Expenses		1,000.00	1,000.00	863.79	136.21		
Celebration of Public Events, Anniversary or Holiday							
Other Expenses		2,000.00	2,000.00	1,830.65	169.35		

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

BOROUGH OF RIVERDALE

CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
(CONTINUED)

	Ref.	Budget	Appropriations Budget After Modification	Paid or Charged	Expended	Reserved	Unexpended Balance Canceled
<b>OPERATIONS WITHIN "CAP"</b>							
Municipal Court							
Salaries and Wages		\$ 107,600.00	\$ 117,217.00	\$ 116,412.84	\$ 804.16	\$ -	
Other Expenses		8,275.00	8,775.00	8,603.70	171.30		
Public Defender							
Other Expenses		900.00	900.00	-	900.00		
UNCLASSIFIED:							
Utilities:							
Electricity		42,000.00	52,500.00	47,221.00	5,279.00		
Street Lighting		18,000.00	18,000.00	14,665.25	3,334.75		
Telephone and Telegraph		30,000.00	31,500.00	28,600.17	2,899.83		
Natural Gas		20,000.00	20,000.00	16,358.31	3,641.69		
Gasoline		85,000.00	68,500.00	58,933.20	9,566.80		
Garbage Removal		260,000.00	234,000.00	207,735.61	26,264.39		
Municipal Services Act		10,000.00	10,000.00	-	10,000.00		
Salary Adjustment		15,000.00	-	-	-		
<b>TOTAL OPERATIONS WITHIN "CAPS"</b>		<b>4,466,762.00</b>	<b>4,466,262.00</b>	<b>4,280,476.63</b>	<b>185,785.37</b>	<b>-</b>	
<b>CONTINGENT</b>		<b>1,000.00</b>	<b>1,000.00</b>	<b>98.00</b>	<b>902.00</b>	<b>-</b>	
<b>TOTAL OPERATIONS INCLUDING CONTINGENT WITHIN "CAPS"</b>		<b>4,467,762.00</b>	<b>4,467,262.00</b>	<b>4,280,574.63</b>	<b>186,687.37</b>	<b>-</b>	
<b>DETAIL:</b>							
Salaries and Wages	A-1	2,709,990.00	2,868,060.00	2,835,041.86	33,018.14		
Other Expenses	A-1	1,757,772.00	1,599,202.00	1,445,532.77	153,669.23		
		<b>4,467,762.00</b>	<b>4,467,262.00</b>	<b>4,280,574.63</b>	<b>186,687.37</b>	<b>-</b>	

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

BOROUGH OF RIVERDALE

CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
(CONTINUED)

	Ref.	Appropriations		Budget After Modification	Paid or Charged	Expended	Reserved	Unexpended Balance Canceled
		Budget						
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAP"</u>								
STATUTORY EXPENDITURES :								
Contribution to :								
Public Employees' Retirement System		\$ 137,811.46	\$	137,811.46	\$ 137,781.75	\$	29.71	\$ -
Social Security System (O.A.S.I.)		220,000.00		220,000.00	211,725.72		8,274.28	
Police and Fireman's Retirement System of N.J.		322,925.48		322,925.48	322,925.48		-	
Defined Contribution Retirement System		7,500.00		7,500.00	2,351.13		5,148.87	
Unemployment Compensation Fund		25,000.00		25,000.00	25,000.00		-	
<u>TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAP"</u>								
	A-1	713,236.94		713,236.94	699,784.08		13,452.86	-
<u>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAP"</u>								
		5,180,998.94		5,180,498.94	4,980,358.71		200,140.23	-
<u>OPERATIONS EXCLUDED FROM "CAP"</u>								
Reserve for Pending Tax Appeals		25,000.00		25,000.00	25,000.00		-	
Maintenance of Free Public Library		285,526.21		285,526.21	232,295.12		53,231.09	
BPP Adjustment for School Agreements		25,517.00		25,517.00	25,517.00		-	
LOSAP Contribution		52,500.00		52,500.00	4,035.00		48,465.00	
Group Insurance		14,603.00		14,603.00			14,603.00	
Recycling Tax		5,000.00		5,000.00	3,707.40		1,292.60	
Interlocal Municipal Service Agreements:								
Police Dispatch Service - Butler		8,000.00		8,000.00	8,000.00		-	
Other Expenses								
Tax Assessor Services - Butler		20,000.00		20,000.00	20,000.00		-	
Other Expenses								
Tax Collector Services - Butler		30,000.00		30,000.00	30,000.00		-	
Other Expenses								
UCC Services - Wanaque		40,000.00		40,500.00	40,000.00		500.00	
Other Expenses								
Public and Private Programs Offset by Revenues:								
Recycling Tonnage Grant		16,575.71		16,575.71	16,575.71		-	
Drunk Driving Enforcement Fund		4,280.40		4,280.40	4,280.40		-	
Clean Community Grant (\$8,005.90 Added by N.J.S.A. 40A:4-87)		6,586.35		14,592.25	14,592.25		-	
Body Armor Fund		1,849.62		1,849.62	1,849.62		-	
Alcohol Education & Rehabilitation Fund		295.40		295.40	295.40		-	
Donation- Police (Added by N.J.S.A. 40A:4-87)		-		4,932.50	4,932.50		-	
<u>TOTAL OPERATIONS EXCLUDED FROM "CAP"</u>								
		535,733.69		549,172.09	431,080.40		118,091.69	-
DETAIL :								
Salaries and Wages	A-1	211,478.65		211,478.65	158,247.56		53,231.09	
Other Expenses	A-1	324,255.04		337,693.44	272,832.84		64,860.60	
		535,733.69		549,172.09	431,080.40		118,091.69	-

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

BOROUGH OF RIVERDALE

CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
(CONCLUDED)

	Ref.	Budget	Appropriations Budget After Modification	Paid or Charged	Expended Reserved	Unexpended Balance Canceled
<u>CAPITAL IMPROVEMENTS EXCLUDED FROM "CAP"</u>						
Capital Improvement Fund		\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ -	\$ -
Purchase of Police Equipment		17,500.00	17,500.00	17,500.00	-	-
Public and Private Programs Offset by Revenues: N.J. Transportation Trust Fund Authority Act NJDOT - Federal Place and Halsey Avenue		185,000.00	185,000.00	185,000.00	-	-
TOTAL CAPITAL IMPROVEMENTS EXCLUDED FROM "CAP"	A-1	<u>227,500.00</u>	<u>227,500.00</u>	<u>227,500.00</u>	<u>-</u>	<u>-</u>
<u>MUNICIPAL DEBT SERVICE EXCLUDED FROM "CAP"</u>						
Payment of Bond Anticipation Notes and Capital Notes Interest on Notes		550,000.00	550,000.00	550,000.00	-	5.00
TOTAL MUNICIPAL DEBT SERVICE EXCLUDED FROM "CAP"	A-1	<u>567,105.00</u>	<u>567,105.00</u>	<u>567,100.00</u>	<u>-</u>	<u>5.00</u>
<u>DEFERRED CHARGES:</u>						
Special Emergency Authorizations		16,000.00	16,000.00	16,000.00	-	-
TOTAL DEFERRED CHARGES	A-1	<u>16,000.00</u>	<u>16,000.00</u>	<u>16,000.00</u>	<u>-</u>	<u>-</u>
<u>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES - EXCLUDED FROM "CAP"</u>		<u>1,346,338.69</u>	<u>1,359,777.09</u>	<u>1,241,680.40</u>	<u>118,091.69</u>	<u>5.00</u>
<u>SUBTOTAL GENERAL APPROPRIATIONS RESERVE FOR UNCOLLECTED TAXES</u>		<u>6,527,337.63</u>	<u>6,540,276.03</u>	<u>6,222,039.11</u>	<u>318,231.92</u>	<u>5.00</u>
		<u>488,436.65</u>	<u>488,436.65</u>	<u>488,436.65</u>	<u>-</u>	<u>-</u>
<u>TOTAL GENERAL APPROPRIATIONS</u>		<u>\$ 7,015,774.28</u>	<u>\$ 7,028,712.68</u>	<u>\$ 6,710,475.76</u>	<u>\$ 318,231.92</u>	<u>\$ 5.00</u>
Adopted	Ref.				A	
Appropriated by N.J.S.A. 40A:4-87	A-2		\$ 7,015,774.28			
	A-2		<u>12,938.40</u>			
			<u>\$ 7,028,712.68</u>			
Cash Disbursed	A-4			\$ 5,914,732.60		
Amount Due from Federal and State Grants Fund	A-19			227,525.88		
Special Emergency Authorization	A-12			16,000.00		
Reserve for Encumbrances	A-14			38,780.63		
Reserve for Funds - Appropriated	A-22			25,000.00		
Reserve for Uncollected Taxes	A-2			488,436.65		
				<u>\$ 6,710,475.76</u>		

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

SECTION B

TRUST FUND

BOROUGH OF RIVERDALE  
 TRUST FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

<u>Assets</u>	<u>Ref.</u>	<u>December 31,</u>	
		<u>2015</u>	<u>2014</u>
Animal Control Fund :			
Cash - Treasurer	B-1	\$ 15,354.60	\$ 10,559.60
		<u>15,354.60</u>	<u>10,559.60</u>
Other Trust Funds :			
Cash - Treasurer	B-1	<u>1,140,780.85</u>	<u>1,119,745.35</u>
		<u>\$ 1,156,135.45</u>	<u>\$ 1,130,304.95</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Animal Control Fund:			
Reserve for Animal Control Fund Expenditures	B-3	\$ 13,125.80	\$ 10,329.60
Amount Due to State of New Jersey	B-2	6.00	4.80
Amount Due to Current Fund	B-5	<u>2,222.80</u>	<u>225.20</u>
		<u>15,354.60</u>	<u>10,559.60</u>
Other Funds:			
Reserve for Special Funds	B-4	1,140,713.05	1,119,679.71
Amount Due to Current Fund	B-5	<u>67.80</u>	<u>65.64</u>
		<u>1,140,780.85</u>	<u>1,119,745.35</u>
		<u>\$ 1,156,135.45</u>	<u>\$ 1,130,304.95</u>

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

SECTION C  
GENERAL CAPITAL FUND

BOROUGH OF RIVERDALE  
 GENERAL CAPITAL FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

<u>Assets</u>	<u>Ref.</u>	<u>December 31,</u>	
		<u>2015</u>	<u>2014</u>
Cash - Treasurer	C-2	\$ 1,363,404.55	\$ 525,415.15
Deferred Charges to Future Taxation:			
Unfunded	C-4	<u>4,258,550.00</u>	<u>4,141,513.46</u>
		<u>\$ 5,621,954.55</u>	<u>\$ 4,666,928.61</u>
 <u>Liabilities, Reserves and Fund Balance</u>			
Bond Anticipation Notes	C-9	\$ 2,450,000.00	\$ 1,900,000.00
Improvement Authorizations :			
Funded	C-5	16,635.21	16,635.21
Unfunded	C-5	2,015,506.83	2,532,207.14
Capital Improvement Fund	C-6	27,288.10	35,788.10
Reserve for Payment of Debt Service	C-7	55,622.30	55,622.30
Encumbrances Payable	C-8	1,009,354.12	54,664.41
Fund Balance	C-1	<u>47,547.99</u>	<u>72,011.45</u>
		<u>\$ 5,621,954.55</u>	<u>\$ 4,666,928.61</u>

There were Bonds and Notes Authorized but not Issued at December 31, 2015 in the amount of \$1,808,550.00. (See Schedule C-10 for Analysis)

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

BOROUGH OF RIVERDALE  
 GENERAL CAPITAL FUND  
STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>	
Balance December 31, 2014	C	\$ 72,011.45
Increased by:		
Funded Improvement Authorizations - Notes Paid	C-4	<u>536.54</u>
		72,547.99
Decreased by:		
Utilized as Revenue in Current Fund	C-2	<u>25,000.00</u>
Balance December 31, 2015	C	<u>\$ 47,547.99</u>

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

SECTION D

WATER/SEWER UTILITY FUND

BOROUGH OF RIVERDALE  
WATER/SEWER UTILITY FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

<u>Assets</u>	<u>Ref.</u>	<u>December 31,</u>	
		<u>2015</u>	<u>2014</u>
Operating Fund:			
Cash - Treasurer	D-6	\$ 999,181.93	\$ 953,180.38
Change Fund	D-7	50.00	50.00
Consumers' Accounts Receivable	D-9	233,265.53	77,612.39
Water/Sewer Liens Receivable	D-10	<u>24,587.83</u>	<u>24,587.83</u>
Total Operating Fund		<u>1,257,085.29</u>	<u>1,055,430.60</u>
Assessment Fund			
Cash - Treasurer	D-6	<u>106,778.10</u>	<u>106,778.10</u>
Total Sewer Assessment Fund		<u>106,778.10</u>	<u>106,778.10</u>
Capital Fund:			
Cash - Treasurer	D-6	319,297.38	562,297.38
Fixed Capital	D-20	4,015,953.32	4,015,953.32
Fixed Capital Authorized and Uncompleted	D-21	<u>8,000,000.00</u>	<u>8,000,000.00</u>
Total Capital Fund		<u>12,335,250.70</u>	<u>12,578,250.70</u>
		<u>\$ 13,699,114.09</u>	<u>\$ 13,740,459.40</u>

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

BOROUGH OF RIVERDALE  
WATER/SEWER UTILITY FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

## Operating Fund:

## Liabilities:

Appropriation Reserves	D-5,11	\$ 120,266.16	\$ 203,907.58
Reserve for Premium	D-12	2,000.00	2,000.00
Reserve for Encumbrances	D-13	68,409.25	9,042.66
Accounts Payable	D-14	1,490.70	11,723.45
Accrued Interest on Notes	D-16	3,802.75	787.50
Consumer Overpayments	D-17	647.12	3,570.63
Meter Deposits	D-18	4,375.00	4,375.00

		200,990.98	235,406.82
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Reserve for Consumers' Accounts Receivable

		257,853.36	102,200.22
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Fund Balance

D-1	798,240.95	717,823.56
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Total Operating Fund

	<u>1,257,085.29</u>	<u>1,055,430.60</u>
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## Assessment Fund:

Overpaid Assessments	D-19	30.25	30.25
Fund Balance	D-2	106,747.85	106,747.85
Total Sewer Assessment Fund		<u>106,778.10</u>	<u>106,778.10</u>

## Capital Fund:

Bond Anticipation Notes	D-28	2,050,000.00	300,000.00
Improvement Authorizations - Funded	D-22	-	299,450.00
Improvement Authorizations - Unfunded	D-22	4,720,879.13	6,438,363.96
Encumbrances Payable	D-23	-	76,065.17
Capital Improvement Fund	D-24	67,595.00	67,595.00
Reserve for Amortization	D-25	4,015,953.32	4,015,953.32
Deferred Reserve for Amortization	D-26	1,351,300.00	1,251,300.00
Reserve for Payment of Debt	D-27	100,000.00	100,000.00
Fund Balance	D-3	29,523.25	29,523.25

	<u>12,335,250.70</u>	<u>12,578,250.70</u>
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	<u>\$ 13,699,114.09</u>	<u>\$ 13,740,459.40</u>
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There were Bonds and Notes Authorized but not Issued at December 31, 2015 in the amount of \$4,598,700.00. See Exhibit D-29 for an analysis.

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

BOROUGH OF RIVERDALE  
 WATER/SEWER UTILITY FUND  
 COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE  
IN FUND BALANCE - REGULATORY BASIS

<u>Revenue and Other Income Realized</u>	<u>Ref.</u>	<u>Year 2015</u>	<u>Year 2014</u>
Fund Balance Utilized	D-1.4	\$ 684,360.00	\$ 615,610.00
Rents	D-4	1,928,371.71	1,801,404.23
Miscellaneous	D-4	4,725.29	11,961.15
Other Credits to Income :			
Unexpended Balance of Appropriation Reserve	D-11	162,162.89	107,253.44
Accounts Payable Canceled	D-14	10,232.75	-
Accrued Interest on Notes Canceled	D-16	19,284.75	19,829.69
Total Income		<u>2,809,137.39</u>	<u>2,556,058.51</u>
 <u>Expenditures</u> 			
Budgetary Appropriations:			
Operating	D-5	1,875,000.00	1,800,000.00
Debt Service	D-5	125,000.00	175,000.00
Statutory Expenditures	D-5	44,360.00	40,610.00
Refund of Prior Year Revenue	D-6	-	743.51
		<u>2,044,360.00</u>	<u>2,016,353.51</u>
Excess in Revenue		764,777.39	539,705.00
Fund Balance January 1	D	<u>717,823.56</u>	<u>793,728.56</u>
		1,482,600.95	1,333,433.56
Decreased by :			
Utilization as Sewer Operating Budget	D-1	<u>684,360.00</u>	<u>615,610.00</u>
Fund Balance December 31	D	<u>\$ 798,240.95</u>	<u>\$ 717,823.56</u>

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

BOROUGH OF RIVERDALE  
 WATER/SEWER UTILITY FUND  
STATEMENT OF ASSESSMENT TRUST FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>	
Balance December 31, 2014	D	\$ 106,747.85
Balance December 31, 2015	D	<u>\$ 106,747.85</u>

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

STATEMENT OF CAPITAL FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>	
Balance December 31, 2014	D	<u>\$ 29,523.25</u>
Balance December 31, 2015	D	<u>\$ 29,523.25</u>

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

BOROUGH OF RIVERDALE  
 WATER/SEWER UTILITY FUND  
STATEMENT OF REVENUES - REGULATORY BASIS

	<u>Ref.</u>	<u>Anticipated</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Surplus Anticipated	D-1	\$ 684,360.00	\$ 684,360.00	\$ -
Rents	D-1,9	1,350,000.00	1,928,371.71	578,371.71
Miscellaneous	D-1,4	<u>10,000.00</u>	<u>4,725.29</u>	<u>(5,274.71)</u>
	D-5	<u>\$ 2,044,360.00</u>	<u>\$ 2,617,457.00</u>	<u>\$ 573,097.00</u>

Analysis of Realized RevenuesRef.

## Miscellaneous:

Interest on Investments		\$ 80.51
Cost of Tax Sale		325.48
Meters		950.00
Water Connection Fee		900.00
Sewer Connection Fee		2,000.00
Other Miscellaneous		<u>469.30</u>

D-4,6      \$ 4,725.29

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

BOROUGH OF RIVERDALE  
 WATER/SEWER UTILITY FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS

		<u>Appropriations</u>			
<u>Ref.</u>	<u>Budget</u>	<u>Budget After</u>	<u>Modification</u>	<u>Paid or</u>	<u>Reserved</u>
				<u>Charged</u>	
Operating :					
Salaries and Wages	\$ 175,000.00	\$ 175,000.00		\$ 175,000.00	\$ -
Other Expenses	<u>1,700,000.00</u>	<u>1,700,000.00</u>		<u>1,579,846.34</u>	<u>120,153.66</u>
D-1	<u>1,875,000.00</u>	<u>1,875,000.00</u>		<u>1,754,846.34</u>	<u>120,153.66</u>
Debt Service:					
Payment Bond Anticipation Notes	100,000.00	100,000.00		100,000.00	-
Interest on Notes	<u>25,000.00</u>	<u>25,000.00</u>		<u>25,000.00</u>	<u>-</u>
D-1	<u>125,000.00</u>	<u>125,000.00</u>		<u>125,000.00</u>	<u>-</u>
Statutory Expenditures :					
Contribution to:					
Public Employees' Retirement System	20,860.00	20,860.00		20,860.00	-
Social Security System (O.A.S.I.)	13,500.00	13,500.00		13,387.50	112.50
Unemployment Compensation Insurance	<u>10,000.00</u>	<u>10,000.00</u>		<u>10,000.00</u>	<u>-</u>
D-1	<u>44,360.00</u>	<u>44,360.00</u>		<u>44,247.50</u>	<u>112.50</u>
	<u>\$ 2,044,360.00</u>	<u>\$ 2,044,360.00</u>		<u>\$ 1,924,093.84</u>	<u>\$ 120,266.16</u>
Ref.	D-4	D-4			D
		<u>Ref.</u>			
		D-6	\$ 1,830,684.59		
		D-13	68,409.25		
		D-16	<u>25,000.00</u>		
			<u>\$ 1,924,093.84</u>		

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

SECTION E  
PUBLIC ASSISTANCE FUND

BOROUGH OF RIVERDALE  
PUBLIC ASSISTANCE FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

<u>Assets</u>	<u>Ref.</u>	<u>December 31,</u>	
		<u>2015</u>	<u>2014</u>
Public Assistance Trust Fund No. 1			
Cash - Treasurer	E-1	\$ 2,738.34	\$ 2,738.34
		<u>\$ 2,738.34</u>	<u>\$ 2,738.34</u>
 <u>Liabilities and Reserves</u>			
Reserve for Public Assistance :			
Trust Fund No. 1	E-2	\$ 2,738.34	\$ 2,738.34
		<u>\$ 2,738.34</u>	<u>\$ 2,738.34</u>

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

SECTION F

GENERAL FIXED ASSET ACCOUNT GROUP

## BOROUGH OF RIVERDALE

GENERAL FIXED ASSET ACCOUNT GROUP  
COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS - REGULATORY BASIS

	<u>December 31,</u>	
	<u>2015</u>	<u>2014</u>
General Fixed Assets:		
Land	\$ 659,856.00	\$ 652,700.00
Buildings	2,354,311.27	2,140,153.75
Machinery and Equipment	<u>4,510,881.07</u>	<u>4,328,499.07</u>
	<u>\$ 7,525,048.34</u>	<u>\$ 7,121,352.82</u>
 Investments in General Fixed Assets	 <u>\$ 7,525,048.34</u>	 <u>\$ 7,121,352.82</u>

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

**NOTES TO FINANCIAL STATEMENTS**

BOROUGH OF RIVERDALE

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015

Note I: Summary of Significant Accounting Policies

A. Basis of Presentation

The financial statements of the Borough Council of the Borough of Riverdale have been prepared in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Borough's accounting policies are described below.

B. Reporting Entity

The Borough of Riverdale is an instrumentality of the State of New Jersey, established to function as a municipality. The Borough Council consists of elected officials and is responsible for the fiscal control of the Borough of Riverdale.

The primary criterion for including activities within the Borough's reporting entity, as set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards, is the degree of oversight responsibility maintained by the Borough of Riverdale. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters.

Except as noted below, the financial statements of the Borough of Riverdale include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Borough of Riverdale, as required by N.J.S. 40A:5-5. Accordingly, the financial statements of the Borough of Riverdale do not include the operations of the municipal library or volunteer fire and first aid squads. Furthermore, the Borough of Riverdale is not includable in any other reporting entity on the basis of such criteria.

C. Description of Funds

The accounting policies of the Borough of Riverdale conform to the accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the Division). Such principles and practices 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. Under this method of accounting, the Borough of Riverdale accounts for its financial transactions through the following separate funds which differ from the fund structure required by generally accepted accounting principles generally accepted in the United States:

Current Fund – resources and expenditures for governmental operations of a general nature, including Federal and State grants for operation.

Trust Fund – receipts, custodianship and disbursement of monies in accordance with the purpose for which each reserve was created.

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

BOROUGH OF RIVERDALE

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2015

(CONTINUED)

Note I: Summary of Significant Accounting Policies (Continued)

C. Description of Funds (Continued)

Water/Sewer Operating and Capital Funds – account for the operations and acquisition of capital facilities of the Water/Sewer utility.

Public Assistance Fund – receipts and disbursements of funds that provide assistance to certain residents of the Borough of Riverdale pursuant to Title 44 of New Jersey statutes.

General Fixed Asset Account Group – account for all the general fixed assets of the Borough, other than those accounted for in the Water/Sewer Utility fund. The Borough's infrastructure is not reported in the account group.

D. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the Division differ in certain respects from generally accepted accounting principles (GAAP) applicable to local government units. The more significant differences are as follows:

Property Taxes, Water/Sewer Rents and Other Revenues – property taxes, water/sewer rents and other revenues are recognized on a cash basis. Receivables for property taxes, water/sewer rents and other items that are susceptible to accrual are recorded with offsetting reserves on the balance sheets. GAAP requires such revenue to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

Grant Revenues – Federal and State grants, entitlements or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the Borough of Riverdale budget. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

Expenditures (including Federal and State Financial Assistance Programs) – unexpended or uncommitted appropriations, at December 31, are reported as expenditures through the establishment of appropriation reserves unless canceled by the governing body. GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.

Encumbrances – contractual orders at December 31, are reported as expenditures through the establishment of a reserve for encumbrances. Encumbrances do not constitute expenditures under GAAP.

Appropriation Reserves – are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding year. Lapsed appropriation reserves are recorded as additions to income. Appropriation reserves do not exist under GAAP.

BOROUGH OF RIVERDALE

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015  
(CONTINUED)

Note I: Summary of Significant Accounting Policies (Continued)

D. Basis of Accounting (Continued)

Operating Deficits – deficits resulting from expenditures and other debits which exceed cash revenues, other realized revenues and credits to income in such fiscal year, are recorded as deferred charges on the balance sheet of the respective operating funds at year end and are required to be funded in the succeeding year's budget. GAAP does not permit the deferral of operating deficits at year end.

Compensated Absences – expenditures relating to obligations for unused vested accumulated vacation and sick pay are not recorded until paid, however, municipalities may establish and budget reserve funds for the future payment of compensated absences. GAAP requires that the amount that would normally be liquidated with expendable available financial resources be recorded as an expenditure in the operating funds and the remaining obligations be recorded as a long-term obligation.

Property Acquired for Taxes – is recorded in the Current Fund at the assessed valuation when such property was acquired and fully reserved. GAAP requires such property to be recorded in the general fixed assets account group at market value on the date of acquisition.

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 balance sheets as required by GAAP.

Interfunds – advances from the Current Fund are reported as interfund receivables with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. GAAP does not require the establishment of an offsetting reserve.

Basic Financial Statement – The GASB Codification also defines the financial statements of a governmental unit that are required to be presented in the general purpose financial statements be in accordance with GAAP. The Borough of Riverdale presents the financial statements listed in the table of contents which are required by the Division and which differ from the financial statements required by GAAP. In addition, the Division requires the financial statements listed in the table of contents to be referenced to the supplementary schedules. This practice differs from GAAP.

E. Budgetary Information

Annual budgets are adopted on a basis consistent with the requirements of the State of New Jersey, Department of Community Affairs, Division of Local Government Services.

Under New Jersey State Statutes, the annual budget is required to be balanced, prepared on a cash basis and to provide a reserve for uncollected taxes. The 2015 statutory budget included a reserve for uncollected taxes in the amount of \$488,436.65. To balance the budget, the municipality is permitted to utilize fund balance. The amounts of fund balance utilized to balance the 2015 statutory budgets were as follows:

Current Fund	\$450,000.00
Water/Sewer Utility Operating Fund	684,360.00

BOROUGH OF RIVERDALE

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015  
(CONTINUED)

Note I: Summary of Significant Accounting Policies (Continued)

E. Budgetary Information (Continued)

Transfers of line item amounts are permitted after November 1, and must be made by a resolution adopted by the governing body. The following significant budget transfers were approved in the 2015 calendar year.

<u>Budget Category</u>	<u>Amount</u>
Municipal Court:	
Salaries and Wages	\$9,617.00
Salary Adjustment	(15,000.00)
Road Repairs and Maintenance:	
Other Expenses	10,000.00
Utilities:	
Gasoline	(16,500.00)
Garbage Removal	(26,000.00)
Electricity	10,500.00

N.J.S.A. 40A:4-87 permits special items of revenue and appropriations to be inserted into the annual budget, after the adoption of the budget, when the item has been made available by any public or private funding source. The following significant budget insertions were approved during the 2015 calendar year.

<u>Budget Category</u>	<u>Amount</u>
Clean Communities Grant:	\$8,005.90
PBA Donation - Police	\$4,932.50

The municipality may make emergency appropriations, after the adoption of the budget, for a purpose which was not foreseen at the time the budget was adopted or for which adequate provision was not made therein. This type of appropriation shall be made to meet a pressing need for public expenditure to protect or promote the public health, safety, morals or welfare or to provide temporary housing or public assistance prior to the next succeeding fiscal year. Emergency appropriations, except those classified as a special emergency, must be raised in the budget of the succeeding year. Special emergency appropriations are permitted to be raised in the budgets of the succeeding three or five years. There was one special emergency appropriation approved during the 2012 calendar year in the amount of \$80,000.00 for the reassessment of real property and will be raised in the next five budgets in equal installments of \$16,000.00 and there were no special emergency or emergency appropriations during the 2015 calendar year.

BOROUGH OF RIVERDALE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015  
(CONTINUED)

Note I: Summary of Significant Accounting Policies (Continued)

F. Assets and Liabilities

1. Deposits and Investments

Deposits are cash and cash equivalents including petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. Other than Certificates of Deposit, deposits with maturities of greater than three months are considered to be Investments. U.S. Treasury and Agency Obligations and Certificates of Deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

New Jersey governmental units are limited as to the types of investments and types of financial institutions they may invest in. New Jersey statutes provide a list of permissible investments that may be purchased by New Jersey governmental units.

2. Property Tax Assessment and Billing

Property valuations (assessments) are determined on true values as arrived at by a cost approach, market data approach and capitalization of net income where appropriate. Current assessments are the result of new assessments on a like basis with established comparable properties for newly assessed or purchased properties. This method assures equitable treatment to like property owners. But it often results in a divergence of the assessment ratio to true value. Because of the changes in property resale values, annual adjustments could not keep pace with the changing values. A revaluation of all property in the Borough was last completed in 2005.

Upon the filing of certified adopted budgets by the School District and the County, the tax rate is struck by the County Board of Taxation based on the certified amounts in each of the taxing districts for collection to fund the budgets. The statutory provision for the assessment of property, levying of taxes and the collection thereof are set forth in N.J.S.A. 54:4-1 et seq. Special taxing districts are permitted in New Jersey for various special services rendered to the properties located within the special districts.

Tax bills are mailed annually in June. The taxes are due August 1 and November 1 respectively, and are adjusted to reflect the current calendar year's total tax liability. The preliminary taxes due February 1 and May 1 of the succeeding year, are based upon one-half of the current year's total tax.

Tax installments not paid on or before the due date are subject to interest penalties of 8% per annum on the first \$1,500.00 of the delinquency and 18% per annum on any amount in excess of \$1,500.00. Pursuant to c. 75, P.L. 1991, the governing body may also fix a penalty to be charged to a taxpayer with a delinquency in excess of \$10,000.00 who fails to pay that delinquency prior to the end of the calendar year. The penalty so fixed shall not exceed 6% of the amount of the delinquency. These interest and penalties are the highest permitted under New Jersey Statutes. Delinquent taxes open for one year or more are annually included in a tax sale in accordance with New Jersey Statutes.

BOROUGH OF RIVERDALE

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015  
(CONTINUED)

Note I: Summary of Significant Accounting Policies (Continued)

F. Assets and Liabilities (Continued)

3. Deferred Charges

The funding of certain expenditures incurred in the current year (i.e. emergencies, overexpenditures) are deferred to subsequent years' budgets.

4. Fixed Assets

In accordance with Technical Accounting Directive No. 85-2, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles, the Borough of Riverdale has developed a fixed assets accounting and reporting system based on an inspection and appraisal prepared by an independent appraisal firm

Fixed Assets used in governmental operation (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available except for land which is valued at assessed value.

No depreciation has been provided for in the financial statements.

Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation.

Fixed assets acquired through grants in aid or contributed capital, have not been accounted for separately.

Accounting for utility fund "fixed capital" remains unchanged under the requirements of N.J.A.C. 5:30-5.6.

Property and equipment purchased by the Water/Sewer Utility Funds are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent reproduction costs or current value. Contributions in aid of construction are not capitalized. The balance in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the utility capital fund represent charges to operations for the costs of acquisitions of property, equipment and improvements. The utility does not record depreciation on fixed assets.

BOROUGH OF RIVERDALE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015  
(CONTINUED)

Note I: Summary of Significant Accounting Policies (Continued)

F. Assets and Liabilities (Continued)

5. Use of Estimates

The preparation of financial statements in conformity with the accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey requires management to make estimates and assumptions that affect certain reports, amounts and disclosures. Accordingly, actual results could differ from those estimates.

6. Comparative Data

Comparative total data for the prior year has been presented in the accompanying Balance Sheets and Statements of Operations in order to provide an understanding of changes in the Borough of Riverdale's financial position. However, comparative data have not been presented in each of the supplemental schedules since their inclusion would make statements unduly complex and difficult to read.

Note II: Detailed Notes On All Funds

A. Deposits and Investments

Deposits

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey which are insured by the Federal Deposit Insurance Corporation (FDIC), the Savings Association Insurance Fund, or by any other agencies of the United States that insure deposits or the State of New Jersey Cash Management Fund.

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)Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least 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 full amount of their deposits to the Governmental Units.

At December 31, 2015 the Borough of Riverdale's cash and cash equivalents amounted to \$6,719,340.99. Of this amount, \$484,878.69 was covered by federal depository insurance (F.D.I.C.) and \$5,905,323.47 was covered by a collateral pool maintained by the banks as required by GUDPA. Although the individual developers' accounts are subject to F.D.I.C. coverage, it cannot be accurately determined whether the total amount of \$329,138.83 included in Developers Escrow deposits is covered.

At December 31, 2015 the Borough of Riverdale did not participate in the State of New Jersey Cash Management Fund.

BOROUGH OF RIVERDALE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015  
(CONTINUED)

Note II: Detailed Notes On All Funds (Continued)

A. Deposits and Investments (Continued)

Deposits (Continued)

GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, requires the disclosure of bank deposits that are subject to custodial credit risk. The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Borough of Riverdale will not be able to recover deposits or will not be able to recover collateral securities that may be in the possession of an outside party.

As of December 31, 2015, \$329,138.83 of the Borough of Riverdale's cash and cash equivalents of \$6,719,340.99 was exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	\$329,138.83
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BOROUGH OF RIVERDALE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015  
(CONTINUED)

Note II: Detailed Notes On All Funds (Continued)

A. Deposits and Investments (Continued)

Investments

New Jersey statutes (N.J.S.A.) 40A:5-15.1) permits the Borough of Riverdale to purchase the following types of securities:

a. When authorized by a cash management plan approved pursuant to N.J.S. 40A:5-14, any local unit may use moneys which may be in hand for the purchase of the following types of securities which, if suitable for registry, may be registered in the name if the local unit;

(1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;

(2) Government money market mutual funds;

(3) Any obligations that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;

(4) Bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located

(5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investment of the Department of the Treasury for investment by local units;

(6) Local government investment pools;

(7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); or

(8) Agreements for the repurchase of fully collateralized securities, if:

(a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a;

(b) the custody of collateral is transferred to a third party;

(c) the maturity of the agreement is not more than 30 days;

(d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41); and

(e) a master repurchase agreement providing for the custody and security of collateral is executed.

The Borough of Riverdale had no investments as described in Note I:F.1. at December 31, 2015.

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BOROUGH OF RIVERDALE

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2015

(CONTINUED)

Note II: Detailed Notes On All Funds (Continued)

B. Property Taxes

The Borough of Riverdale is responsible for assessing, collecting and distributing property taxes in accordance with enabling state legislation. All property tax revenue is recognized when received in cash. Property taxes receivable as of December 31, 2015 were composed of the following:

<u>Year of Levy</u>	<u>Amount</u>
2015	<u>\$95,915.45</u>

Property taxes receivable as of December 31, 2014 are composed of the following:

<u>Year of Levy</u>	<u>Amount</u>
2014	\$78,470.97
Prior	\$ <u>6.07</u>
	<u>\$78,477.04</u>

C. Interfund Receivables and Payables

As of December 31, 2014 interfund receivables and payables resulting from various interfund transactions were as follows:

	<u>Due From Other Funds</u>	<u>Due to Other Funds</u>
Current Fund	\$118,281.87	\$ 0.00
Federal and State Grants Fund		117,991.03
Trust Funds:		
Animal Control Fund		225.20
Other Trust Fund		65.64
Water/Sewer Utility Fund:		
Operating Fund	<u>0.00</u>	<u>0.00</u>
	<u>\$118,281.87</u>	<u>\$118,281.87</u>

As of December 31, 2015 interfund receivables and payables resulting from various interfund transactions were as follows:

	<u>Due From Other Funds</u>	<u>Due to Other Funds</u>
Current Fund	\$184,751.71	
Federal and State Grants Fund		\$182,461.11
Trust Funds:		
Animal Control Fund		2,222.80
Other Trust Fund	<u>0.00</u>	<u>67.80</u>
	<u>\$184,751.71</u>	<u>\$184,751.71</u>

BOROUGH OF RIVERDALE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015  
(Continued)

Note II: Detailed Notes On All Funds (Continued)

D. Deferred Charges to be Raised in Succeeding Budgets

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2015, the following deferred charges are shown on the balance sheets of the various funds:

	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>2016 Budget</u> <u>Appropriation</u>	<u>Balance to</u> <u>Succeeding Years</u>
Current Fund:			
Special Emergency			
Authorization (40A:4-53)	\$32,000.00	\$16,000.00	\$16,000.00

The appropriations in the 2016 Budget are not less than required by statute.

E. Leases

The Borough of Riverdale has commitments to lease vehicles under operating leases which expire through 2019. Total operating lease payments made during the year ended December 31, 2015 were \$7,337.67. Total future minimum lease payments are \$50,404.89.

The Borough of Riverdale has no commitments to lease equipment for the year ended December 31, 2014.

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BOROUGH OF RIVERDALE

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015  
(CONTINUED)

Note II: Detailed Disclosures Regarding Liabilities and Expenses/Expenditures

F. Debt

The Local Bond Law governs the issuance of bonds and notes to finance general municipal and utility capital expenditures. Bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Borough of Riverdale are general obligation bonds, backed by the full faith and credit of the Borough of Riverdale. Bond anticipation notes, which are issued to temporarily finance capital projects, must be paid off within ten years or retired by the issuance of bonds.

Summary of Municipal Debt

	<u>Year 2015</u>	<u>Year 2014</u>	<u>Year 2013</u>
<u>Issued</u>			
General:			
Bonds and Notes	\$ 2,450,000.00	\$ 1,900,000.00	\$ 2,050,000.00
Water/Sewer Utility:			
Bonds and Notes	2,050,000.00	300,000.00	450,000.00
Sewer Assessment:			
Bonds and Notes	-	-	-
Total Issued	4,500,000.00	2,200,000.00	2,500,000.00
<u>Less</u>			
Funds Temporarily Held to Pay			
Bonds and Notes:			
Reserve for Payment of			
Debt Service	55,622.30	55,622.30	55,622.30
Total Deductions	55,622.30	55,622.30	55,622.30
Net Debt Issued	4,444,377.70	2,144,377.70	2,444,377.70
<u>Authorized but not Issued</u>			
General:			
Bonds and Notes	1,808,550.00	2,242,050.00	942,050.00
Water/Sewer Utility:			
Bonds and Notes	4,598,700.00	6,448,700.00	6,448,700.00
Total Authorized but Not Issued	6,407,250.00	8,690,750.00	7,390,750.00
Net Bonds and Notes Issued and			
Authorized but not Issued	\$ 10,851,627.70	\$ 10,835,127.70	\$ 9,835,127.70

BOROUGH OF RIVERDALE

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015  
(CONTINUED)

Note II: Detailed Disclosures Regarding Liabilities and Expenses/Expenditures (Continued)

F. Debt (Continued)

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 0.493 %.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ -	\$ -	\$ -
Water/Sewer Utility Debt	6,648,700.00	6,648,700.00	-
General Debt	<u>4,258,550.00</u>	<u>55,622.30</u>	<u>4,202,927.70</u>
	<u>\$ 10,907,250.00</u>	<u>\$ 6,704,322.30</u>	<u>\$ 4,202,927.70</u>

Net Debt \$4,202,927.70 divided by Equalized Valuation Basis  
per N.J.S.A. 40A:2-2 as amended, \$ 852,387,890.33 = 0.493%

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 29,833,576.16
Net Debt	<u>4,202,927.70</u>
Remaining Borrowing Power	<u>\$ 25,630,648.46</u>

BOROUGH OF RIVERDALE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015  
(CONTINUED)

Note II: Detailed Disclosures Regarding Liabilities and Expenses/Expenditures (Continued)

F. Debt (Continued)

Calculation of " Self Liquidating Purpose", Water/Sewer Utility Per N.J.S.A. 40A:2-45

Cash Receipts from Fees, Rents or Other Charges for Year		\$ 2,617,457.00
Deductions:		
Operating and Maintenance Cost	\$ 1,919,360.00	
Debt Service per Water/Sewer Utility Account	<u>125,000.00</u>	
		<u>2,044,360.00</u>
 Excess in Revenue-Self Liquidating		 <u>\$ 573,097.00</u>

Footnote:

If there is an "excess in revenue", all such utility debt is deductible.

The foregoing debt information is not in agreement with the annual debt statement filed by the Chief Financial Officer.

BOROUGH OF RIVERDALE

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015  
(CONTINUED)

Note II: Detailed Disclosures Regarding Liabilities and Expenses/Expenditures (Continued)

F. Debt (Continued)

1. Bond Anticipation Notes

Bond Anticipation notes outstanding as of December 31, 2015 consists of the following:

<u>Description</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Amount Outstanding</u>
General Capital:				
Ord. 11-04 & 2-06 Various Improvements	0.630%	9/16/2015	9/16/2016	560,000.00
Ord. 9-15 Acquisition of Fire Truck	0.630%	9/16/2015	9/16/2016	650,000.00
Ord. 5-13 & 12-13 Various Improvements	0.630%	9/16/2015	9/16/2016	<u>1,240,000.00</u>
				2,450,000.00
Water/Sewer Utility Capital:				
Ord. 11-04 & 2-06 Various Improvements	0.630%	9/16/2015	9/16/2016	75,000.00
Ord. 11-04 & 2-06 Various Improvements	0.630%	9/16/2015	9/16/2016	50,000.00
Ord. 11-04 & 2-06, 4-10 Various Improvements	0.630%	9/16/2015	9/16/2016	75,000.00
Ord. 3-06 Purchase of Sewer Allocation	0.630%	9/16/2015	9/16/2016	<u>1,850,000.00</u>
				2,050,000.00
				<u>\$ 4,500,000.00</u>

2. Bonds Authorized but not Issued

As of December 31, 2015 the Borough of Riverdale had authorized but not issued bonds as follows:

General Capital Fund	\$ 1,808,550.00
Water/Sewer Utility Capital Fund	4,598,700.00

Changes in Short-Term Debt

	Balance December 31, <u>2014</u>	<u>Additions</u>	<u>Reductions</u>	Balance December 31, <u>2015</u>
General Capital Fund	\$ 1,900,000.00	\$ 2,450,000.00	\$ 1,900,000.00	\$ 2,450,000.00
Water/Sewer Utility Fund	<u>300,000.00</u>	<u>2,050,000.00</u>	<u>300,000.00</u>	<u>2,050,000.00</u>
	<u>\$ 2,200,000.00</u>	<u>\$ 4,500,000.00</u>	<u>\$ 2,200,000.00</u>	<u>\$ 4,500,000.00</u>

BOROUGH OF RIVERDALE

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015  
(CONTINUED)

Note II: Detailed Notes On All Funds (Continued)

G. Fund Balances Appropriated

Fund balances at December 31, 2015, which were appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2016 were as follows:

Current Fund	\$ 525,000.00
Water/Sewer Utility Operating Fund	716,190.00

Note III: Pension Plans

Description of Systems

Substantially all of the Borough's employees participate in one of the following contributory defined benefit public employee retirement systems which have been established by State statute: the Public Employees' Retirement System (PERS), or the Police and Firemen's Retirement System (PFRS). These systems are sponsored and administered by the New Jersey Division of Pensions and Benefits. The PERS and PFRS are considered cost sharing multiple-employer plans.

The Public Employees' Retirement System (PERS) was established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage including post-retirement health care to substantially all full time employees of the State or any county, municipality, school district or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits.

The Police and Firemen's Retirement System (PFRS) was established in July 1944, under the provisions of N.J.S.A. 43:16A to provide coverage to substantially all full time county and municipal police or firemen and State firemen appointed after June 30, 1944. Membership is mandatory for such employees with vesting occurring after 10 years of membership.

According to the state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement systems terminate. The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits issues a publicly available financial report that includes the financial statements and required supplementary information of each of the above systems. These reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey 08625-0295

**PERS**

Summary of Significant Accounting Policies-

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.

BOROUGH OF RIVERDALE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015  
(CONTINUED)

Note III: Pension Plans (Continued)

**PERS (Continued)**

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2015, the Borough reported a liability of \$3,183,884 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014, which was rolled forward to June 30, 2015. The total pension liability for the June 30, 2014 measurement date was determined by an actuarial valuation as of July 1, 2013. The Borough's proportion of the net pension liability is based on the ratio of the contributions as an individual employer to total contributions to the PERS during the years ended June 30, 2015 and 2014. At June 30, 2015, the Borough's proportion was 0.014183%, which was a decrease of 0.004881% from its proportion measured as of June 30, 2014.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

For the year ended December 31, 2015, the Borough recognized pension expense of \$48,517.00. At December 31, 2015, the Borough had deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$75,956.00	
Changes of Assumptions	341,924.00	
Net difference between Projected and Actual Earnings on Pension Plan Investments		\$51,191.00
Changes in proportion and differences between Borough Contributions and Proportionate Share of Contributions	10,656.00	775,281.00
Borough Contributions Subsequent to the Measurement Date	<u>121,939.00</u>	<u>0.00</u>
Total	<u>\$550,475.00</u>	<u>\$826,472.00</u>

\$121,939.00 shown as deferred outflows of resources related to pensions resulting from Borough contributions subsequent to the measurement date (i.e. for the fiscal year ending December 31, 2015, the plan measurement date is June 30, 2015) was recognized as a reduction of the net position liability measured as of June 30, 2015. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30</u>	<u>Amount</u>
2016	\$66,755.86
2017	66,755.86
2018	66,755.86
2019	106,319.42
2020	<u>60,102.00</u>
Total	<u>\$366,689.00</u>

BOROUGH OF RIVERDALE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015  
(CONTINUED)

Note III: Pension Plans (Continued)

**PERS (Continued)**

	<u>6/30/14</u>	<u>6/30/15</u>
Collective Deferred Outflows of Resources	\$952,194,675.00	\$ 3,578,755,666.00
Collective Deferred Inflows of Resources	1,479,224,662.00	993,410,455.00
Collective Net Pension Liability (Non-State-Local Group)	18,722,735,003.00	22,447,996,119.00
Borough's Portion of Net Pension Liability	3,569,328.00	3,183,884.00
Borough's Proportion %	0.019064%	0.014183%

Actuarial Assumptions

The collective total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation as of July 1, 2014, which was rolled forward to June 30, 2015. This actuarial valuation used the following actuarial assumptions:

Inflation	3.04%
Salary Increases:	
2012-2021	2.15%-4.40% based on age
Thereafter	3.15%-5.40% based on age
Investment Rate of Return	7.90%

Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for males and females) for service retirement and beneficiaries of former members with adjustments for mortality improvements from the base year of 2012 based on Projection Scale AA. The RP-2000 Disabled Mortality Tables (setback 3 years for males and setback 1 year for females) are used to value disabled retirees.

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011. It is unlikely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

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BOROUGH OF RIVERDALE

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015  
(CONTINUED)

Note III: Pension Plans (Continued)

**PERS (Continued)**

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.90% at June 30, 2015) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments 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 rate 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 weighing 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 PER's target asset allocation as of June 30, 2015 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	1.04%
U.S. Treasuries	1.75%	1.64%
Investment Grade Credit	10.00%	1.79%
Mortgages	2.10%	1.62%
High Yield Bonds	2.00%	4.03%
Inflation-Indexed Bonds	1.50%	3.25%
Broad US Equities	27.25%	8.52%
Developed Foreign Equities	12.00%	6.88%
Emerging Market Equities	6.40%	10.00%
Private Equity	9.25%	12.41%
Hedge Funds/Absolute Return	12.00%	4.72%
Real Estate (Property)	2.00%	6.83%
Commodities	1.00%	5.32%
Global Debt ex US	3.50%	-0.40%
REIT	4.25%	5.12%

Discount Rate

The discount rate used to measure the total pension liability was 4.90% as of June 30, 2015. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.90%, and a municipal bond rate of 3.80% as of June 30, 2015, based on 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. 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 will be made based on the average of the last five years of contributions made in relation to the last five years of actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2033. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

BOROUGH OF RIVERDALE

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015  
(CONTINUED)

Note III: Pension Plans (Continued)

**PERS (Continued)**

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, 2015, calculated using the discount rate of 4.90%, 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 (3.90%) or 1-percentage-point higher (5.90%) than the current rate:

	1% Decrease ( <u>3.90%</u> )	Current Discount Rate ( <u>4.90%</u> )	1% Increase ( <u>5.90%</u> )
Borough's proportionate share of the net pension liability	\$3,957,073	\$3,183,884	\$2,535,492

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 at <http://www.nj.gov/treasury/pensions/financial-rpts-home.shtml>.

During the year ended June 30, 2015, for PERS, which is a cost sharing multi-employer defined benefit pension plan, the annual pension cost differs from the annual required contribution due to the enactment of Chapter 114, P.L. 1997.

**PFRS**

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2015, the Borough reported a liability of \$7,231,565 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014, which was rolled forward to June 30, 2015. The total pension liability for the June 30, 2014 measurement date was determined by an actuarial valuation as of July 1, 2013. The Borough's proportion of the net pension liability is based on the ratio of the contributions as an individual employer to total contributions to the PFRS during the years ended June 30, 2015 and 2014. At June 30, 2015, the Borough's proportion was 0.043415%, which was an increase of 0.001409% from its proportion measured as of June 30, 2014.

BOROUGH OF RIVERDALE

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015  
 (CONTINUED)

Note III: Pension Plans (Continued)

**PFRS (Continued)**

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

For the year ended December 31, 2015, the Borough recognized pension expense of \$210,372.00. At December 31, 2015, the Borough had deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience		\$62,375.00
Changes of Assumptions	\$1,335,127.00	
Net difference between Projected and Actual Earnings on Pension Plan Investments		125,859.00
Changes in proportion and differences between Borough Contributions and Proportionate Share of Contributions	154,661.00	225,213.00
Borough Contributions Subsequent to the Measurement Date	<u>352,906.00</u>	<u>0.00</u>
Total	<u>\$1,842,694.00</u>	<u>\$413,447.00</u>

\$352,906.00 shown as deferred outflows of resources related to pensions resulting from Borough contributions subsequent to the measurement date (i.e. for the fiscal year ending December 31, 2015, the plan measurement date is June 30, 2015) was recognized as a reduction of the net position liability measured as of June 30, 2015. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30</u>	<u>Amount</u>
2016	\$217,815.88
2017	217,815.88
2018	217,815.88
2019	357,142.96
2020	<u>136,302.40</u>
Total	<u>\$1,146,893.00</u>

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BOROUGH OF RIVERDALE

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015  
(CONTINUED)

Note III: Pension Plans (Continued)

**PFRS (Continued)**

	<u>6/30/14</u>	<u>6/30/15</u>
Collective Deferred Outflows of Resources	\$472,261,128.00	\$ 3,075,206,294.00
Collective Deferred Inflows of Resources	1,283,652,103.00	433,559,708.00
Collective Net Pension Liability (Non-State-Local Group)	13,933,627,178.00	18,117,234,618.00
Borough's Portion of Net Pension Liability	5,283,947.00	7,231,565.00
Borough's Proportion %	0.042006%	0.043415%

Actuarial Assumptions

The collective total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation as of July 1, 2014, which was rolled forward to June 30, 2015. This actuarial valuation used the following actuarial assumptions:

Inflation	3.04%
Salary Increases:	
2012-2021	2.60%-9.48% based on age
Thereafter	3.60%-10.48% based on age
Investment Rate of Return	7.90%

Mortality rates were based on the RP-2000 Combined Healthy Mortality Tables projected one year using Projection Scale AA and one year using Projection Scale BB for male service retirements with adjustments for mortality improvements from the base year based on Projection Scale BB. Mortality rates were based on the RP-2000 Combined Healthy Mortality Tables projected fourteen years using Projection Scale BB for female service retirements and beneficiaries with adjustments for mortality improvements from the base year of 2014 based on Projection Scale BB.

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2010 to June 30, 2013.

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BOROUGH OF RIVERDALE

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015  
(CONTINUED)

Note III: Pension Plans (Continued)

**PFRS (Continued)**

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.90% at June 30, 2015) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments 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 rate 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 weighing 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 PFR's target asset allocation as of June 30, 2015 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	1.04%
U.S. Treasuries	1.75%	1.64%
Investment Grade Credit	10.00%	1.79%
Mortgages	2.10%	1.62%
High Yield Bonds	2.00%	4.03%
Inflation-Indexed Bonds	1.50%	3.25%
Broad US Equities	27.25%	8.52%
Developed Foreign Equities	12.00%	6.88%
Emerging Market Equities	6.40%	10.00%
Private Equity	9.25%	12.41%
Hedge Funds/Absolute Return	12.00%	4.72%
Real Estate (Property)	2.00%	6.83%
Commodities	1.00%	5.32%
Global Debt ex US	3.50%	-0.40%
REIT	4.25%	5.12%

Discount Rate

The discount rate used to measure the total pension liability was 5.79% as of June 30, 2015. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.90%, and a municipal bond rate of 3.80% as of June 30, 2015, based on 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. 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 will be made based on the average of the last five years of contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2045. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2045, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

BOROUGH OF RIVERDALE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015  
(CONTINUED)

Note III: Pension Plans (Continued)

**PFRS (Continued)**

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, 2015, calculated using the discount rate of 5.79%, 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 (4.79%) or 1-percentage-point higher (6.79%) than the current rate:

	1% Decrease <u>(4.79%)</u>	Current Discount Rate <u>(5.79%)</u>	1% Increase <u>(6.79%)</u>
Borough's proportionate share of the net pension liability	\$10,369,355	\$7,231,565	\$5,824,007

Contribution Requirements

A special funding situation exists for the Local employers of the Police and Fire Retirement System of New Jersey. The State of New Jersey, as a nonemployer is required to pay the additional costs incurred by Local employers under 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 June 30, 2015 State special funding situation net pension liability amount of \$1,460,720,421 is the accumulated difference between the annual actuarially determined State obligation under the special funding situation and the actual State contribution through the valuation date. The fiscal year ending June 30, 2015 State special funding situation pension expense of \$182,203,735 is the actuarially determined contribution amount that the State owes for the fiscal year ending June 30, 2015. The pension expense is deemed to be a State administrative expense due to the special funding situation.

The contribution policy for PFRS is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. For fiscal year 2015, the State contributed an amount less than the actuarially determined amount.

The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

BOROUGH OF RIVERDALE

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015  
(CONTINUED)

Note III: Pension Plans (Continued)

Contribution Requirements (Continued)

The contribution policy is set by New Jersey State Statutes and, in most retirement systems, contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The various pension funds provide for employee contributions based on percentages ranging from 7.06 percent for PERS to 10.00 percent for PFRS of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in all Funds. The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits in the PFRS and PERS.

For PFRS and PERS, the annual pension cost differs from the annual required contribution due to the enactment of Chapter 114, P.L. 1997.

The Borough's total payroll for the year ended December 31, 2014 was \$3,040,987.41 and covered payroll was \$1,061,891.00 for PERS and \$1,397,719.00 for PFRS. Total payroll for the year ended December 31, 2015 was \$3,104,136.61 and covered payroll was \$1,101,606.00 for PERS and \$1,488,480.00 for PFRS. Contributions to the PERS and the PFRS for the last three years made by the employees and Borough of Riverdale were as follows:

		<u>PERS</u>	Percent of Covered <u>Payroll</u>	<u>PFRS</u>	Percent of Covered <u>Payroll</u>
Employees					
	12/31/13	90,174.12	6.85%	142,131.00	10.03%
	12/31/14	75,171.31	7.08%	141,172.10	10.10%
	12/31/15	80,287.87	7.29%	151,692.60	10.19%
Borough of Riverdale					
	12/31/13	159,747.00	12.13%	320,659.00	22.63%
	12/31/14	143,035.00	13.47%	324,753.00	23.23%
	12/31/15	157,162.00	14.27%	322,634.00	21.68%

Note IV: Post Retirement Medical Benefits

P.L. 1997, C.330 provides State paid post-retirement health benefits to qualified retirees of the Police and Firemen's Retirement System and the Consolidated Police and Fireman's Pension Fund and to dependents of qualified retirees. The State is responsible for 80% of the premium for the category of coverage elected by the retiree under the State managed care plan or a health maintenance organization participating in the program, whichever provides the lower charge.

PERS employees do not receive post-retirement medical benefits.

BOROUGH OF RIVERDALE

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015  
(CONTINUED)

Note V: Risk Management

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

The Borough of Riverdale is also a member of the New Jersey Intergovernmental Insurance Fund ("NJIF). NJIF is an insurance purchasing pool, in which the participants seek to lower insurance costs through their combined joint purchasing power. Each participant receives their own insurance policies. Risk transfers through the pool to the insurance company from which the policies are purchased.

<u>SCHEDULE OF COVERAGES</u>	<u>LIMITS</u>	<u>DEDUCTIBLES</u>
Public Entity Property	Scheduled	\$5,000
Public Entity General Liability	\$15,000,000.00	None
Law Enforcement Liability	15,000,000.00	None
Public Entity Auto Liability	15,000,000.00	1,000
Auto Mobile Physical Damage	15,000,000.00	1,000
Public Entity Inland Marine	200,000,000.00	5,000
Public Entity Crime	Scheduled	10,000
Public Entity Employee Benefit Liability	15,000,000.00	None
Excess Public Official Liability	15,000,000.00	5,000
Boiler and Machinery	100,000,000.00	5,000

The Fund can declare and return Fund Equity to members upon approval of the State of New Jersey Department of Insurance. These distributions would be divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body. In accordance with Statement No. 10 of the Government Accounting Standards Board, these distributions may be used to reduce the amount recorded for membership expense in the year in which the distribution was declared.

The Borough of Riverdale continues to carry commercial insurance coverage for employee health insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

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BOROUGH OF RIVERDALE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015  
(CONTINUED)

Note VI: Segment Information – Utility/Enterprise Funds

The Borough of Riverdale maintains a combined water/sewer utility fund which provide water and sewer services. Segment information for the year ended December 31, 2014 and 2015 were as follows:

	<u>2014</u>	<u>2015</u>
Operating Revenues	\$ 1,813,365.38	\$ 1,933,016.49
Operating Expenses	1,840,610.00	1,799,093.84
Operating Income or (Loss)	(27,244.62)	133,922.65
Operating Transfers in or (Out)	0.00	0.00
Net Income or (Loss)	539,705.00	764,777.39
Fixed Assets:		
Additions	0.00	0.00
Deletions	0.00	0.00
Net Working Capital	820,023.78	1,056,094.31
Total Operating Assets	1,055,430.60	1,257,085.29
Operating Fund Balance	717,823.56	798,240.95
Long Term Debt	0.00	0.00
Short Term Debt	300,000.00	2,050,000.00

Note VII: Accrued Sick and Vacation Benefits

The Borough of Riverdale permits employees to accrue a limited amount of unused vacation and sick pay, which may be taken as time off or paid upon retirement or separation at an agreed-upon rate.

It is estimated that the current cost of such unpaid compensation would approximate \$33,741.00 at December 31, 2015 and was \$24,053.75 at December 31, 2014. These amounts were not reported either as an expenditure or a liability. It is expected that the cost of such unpaid compensation would be included in the Borough of Riverdale's budget operating expenditures in the year in which it is used.

Note VIII: Related Party Transactions

Mr. William Budesheim, Mayor of the Borough of Riverdale is also Trustee of the Free Public Library. Exhibit A-3 reflects that \$232,295.12 has been paid to the Free Public Library and \$53,231.09 has been reserved.

Note IX: Subsequent Event

The Borough of Riverdale management has informed us that there were no matters that need to be disclosed after the balance sheet date and date of the Audit.

Note X: Contingent Liabilities

The Borough of Riverdale is a defendant in a few lawsuits, none of which is unusual for a municipality of its size. Additional liabilities, if not covered by insurance, should not be material in amount.

The Attorney has noted certain Tax Appeals with The State Tax Court. The Borough has reserved \$609,513.34 for any refunds that may result if the appeals are successful.

**SUPPLEMENTARY DATA**

COMPARATIVE STATEMENT OF OPERATIONS AND  
CHANGE IN FUND BALANCE - CURRENT FUND

	<u>Year 2015</u>		<u>Year 2014</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
<u>Revenue and Other Income Realized</u>				
Fund Balance Utilized	\$ 450,000.00	2.73%	\$ 475,000.00	2.83%
Miscellaneous-From Other than				
Local Property Tax Levies	1,612,343.35	9.76%	1,808,278.10	10.75%
Collection of Delinquent Taxes				
and Tax Title Liens	88,641.09	0.54%	155,744.54	0.93%
Collection of Current Tax Levy	<u>14,362,033.79</u>	<u>86.97%</u>	<u>14,372,065.04</u>	<u>85.49%</u>
Total Income	<u>16,513,018.23</u>	<u>100.00%</u>	<u>16,811,087.68</u>	<u>100.00%</u>
 <u>Expenditures</u>				
Budget Expenditures:				
Municipal Purposes	6,540,271.03	40.77%	6,710,248.47	41.51%
County Taxes	2,140,576.91	13.34%	2,207,819.91	13.65%
Local School Taxes	7,212,486.00	44.96%	7,049,156.00	43.60%
Local Open Space Taxes	79,622.00	0.50%	79,974.43	0.49%
Other Expenditures	<u>68,955.02</u>	<u>0.43%</u>	<u>121,470.03</u>	<u>0.75%</u>
Total Expenditures	<u>16,041,910.96</u>	<u>100.00%</u>	<u>16,168,668.84</u>	<u>100.01%</u>
Excess in Revenue	471,107.27		642,418.84	
Fund Balance January 1	<u>1,185,283.65</u>		<u>1,017,864.81</u>	
	1,656,390.92		1,660,283.65	
Less:				
Utilization as Anticipated Revenue	<u>450,000.00</u>		<u>475,000.00</u>	
Fund Balance December 31	<u>\$ 1,206,390.92</u>		<u>\$ 1,185,283.65</u>	

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN  
FUND BALANCE - WATER/SEWER UTILITY OPERATING FUND

	<u>Year 2015</u>		<u>Year 2014</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
<u>Revenue and Other Income Realized</u>				
Fund Balance Utilized	\$ 684,360.00	24.36%	\$ 615,610.00	24.08%
Collection of Water Rents	1,928,371.71	68.65%	1,801,404.23	70.48%
Miscellaneous-From Other Than Water Rents	<u>196,405.68</u>	<u>6.99%</u>	<u>139,044.28</u>	<u>5.44%</u>
Total Income	<u>2,809,137.39</u>	<u>100.00%</u>	<u>2,556,058.51</u>	<u>100.00%</u>
<u>Expenditures</u>				
Budget Expenditures:				
Operating	1,875,000.00	91.72%	1,800,000.00	89.27%
Debt Service	125,000.00	6.11%	175,000.00	8.68%
Statutory Expenditures	44,360.00	2.17%	40,610.00	2.01%
Refund of Prior Year Revenue	<u>-</u>	<u>0.00%</u>	<u>743.51</u>	<u>0.04%</u>
Total Expenditures	<u>2,044,360.00</u>	<u>100.00%</u>	<u>2,016,353.51</u>	<u>100.00%</u>
Excess in Revenue	764,777.39		539,705.00	
Fund Balance January 1	<u>717,823.56</u>		<u>793,728.56</u>	
	1,482,600.95		1,333,433.56	
Less:				
Utilization as Anticipated Revenue	<u>684,360.00</u>		<u>615,610.00</u>	
Fund Balance December 31	<u>\$ 798,240.95</u>		<u>\$ 717,823.56</u>	

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<u>Tax Rate</u>	<u>\$1.857</u>	<u>\$1.843</u>	<u>\$1.814</u>	<u>\$1.517</u>	<u>\$1.492</u>	<u>\$1.467</u>	<u>\$ 1.442</u>	<u>\$1.438</u>	<u>\$ 1.420</u>	<u>\$1.300</u>

Apportionment of Tax Rate

Municipal	0.648	0.649	0.637	0.508	0.494	0.510	0.488	0.489	0.474	0.353
Library	0.035	0.036	0.036	0.031	0.032	0.000	0.000	0.000	0.000	0.000
County	0.27	0.277	0.277	0.229	0.232	0.244	0.239	0.247	0.250	0.240
Local School	0.904	0.881	0.864	0.749	0.734	0.713	0.715	0.702	0.696	0.707

Note: Prior to 2011 the Library Tax was part of the Municipal Tax Rate.

Assessed Valuation

2015	\$795,591,500.00
2014	\$799,674,100.00
2013	\$801,110,100.00
2012	\$910,988,207.00
2011	\$910,749,527.00
2010	\$901,837,736.00
2009	\$854,835,316.00
2008	\$841,435,797.00
2007	\$782,494,435.00
2006	\$692,435,299.00

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

A study of this tabulation could indicate a possible trend in future tax levies. A decrease in the percentage of current collection could be an indication of a probable increase in future tax levies.

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collection</u>	<u>Percentage of Collection</u>
2015	\$ 14,785,802.31	\$ 14,512,033.79	98.14%
2014	14,739,287.56	14,622,065.04	99.20%
2013	14,532,716.03	14,293,767.70	98.35%
2012	13,880,916.90	13,687,794.14	98.60%
2011	13,619,505.24	13,443,181.79	98.70%
2010	13,302,517.10	13,139,080.05	98.77%
2009	12,370,061.48	12,181,480.37	98.47%
2008	12,233,756.84	12,063,411.37	98.60%
2007	11,552,466.69	11,503,173.98	99.57%
2006	9,224,550.67	9,100,060.66	98.65%

DELINQUENT TAXES AND TAX TITLE LIENS

This tabulation includes a comparison, expressed in percentage, of the total of delinquent taxes and tax title liens, in relation to the tax levies of the last ten years.

<u>Dec. 31 Year</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2015	\$109,558.69	\$ 95,915.45	\$205,474.14	1.39%
2014	136,953.10	78,477.04	215,430.14	1.46%
2013	100,141.15	135,206.07	235,347.22	1.62%
2012	61,491.11	71,057.33	132,548.44	0.95%
2011	51,552.25	61,430.41	112,982.66	0.82%
2010	36,427.94	67,450.97	103,878.91	0.78%
2009	26,012.00	135,327.36	161,339.36	1.30%
2008	26,662.00	97,870.30	124,532.30	1.01%
2007	19,104.45	80,933.75	100,038.20	0.86%
2006	18,624.49	71,071.47	89,695.96	0.97%

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

No properties have been acquired in 2015 by foreclosure or deed, as a result of liquidation of tax title liens.

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

<u>Year</u>	<u>Amount</u>
2015	\$235,100.00
2014	235,100.00
2013	235,100.00
2012	235,100.00
2011	235,100.00
2010	235,100.00
2009	235,100.00
2008	235,100.00
2007	235,100.00
2006	235,100.00

COMPARISON OF WATER UTILITY LEVIES

<u>Year</u>	<u>Levy</u>	<u>Cash Collection</u>
2008	\$ 644,006.74	\$ 683,612.82
2007	633,816.82	589,980.52
2006	958,279.28	967,578.72
2005	537,215.86	536,611.64

COMPARISON OF SEWER UTILITY LEVIES

<u>Year</u>	<u>Levy</u>	<u>Cash Collection</u>
2008	\$ 648,835.63	\$ 689,940.33
2007	541,977.05	487,264.69
2006	520,079.24	524,810.59
2005	527,279.12	523,620.34

COMPARISON OF WATER/SEWER UTILITY LEVIES

<u>Year</u>	<u>Levy</u>	<u>Cash Collection</u>
2015	\$2,084,024.86	\$1,928,371.71
2014	1,826,705.65	1,801,404.23
2013	1,528,184.81	1,522,564.16
2012	1,514,995.49	1,490,897.66
2011	1,440,256.35	1,451,141.05
2010	1,366,666.60	1,341,375.76
2009	1,366,038.91	1,356,405.52

COMPARATIVE SCHEDULE OF FUND BALANCES

	<u>Year</u>	<u>Balance Dec. 31</u>	<u>Utilized In Budget of Succeeding Year</u>
Current Fund	2015	\$ 1,206,390.92	\$ 525,000.00
	2014	1,185,283.65	450,000.00
	2013	1,017,864.81	475,000.00
	2012	931,044.69	572,500.00
	2011	983,675.44	575,000.00
	2010	1,159,907.12	800,000.00
	2009	1,870,016.40	1,325,000.00
	2008	2,278,086.70	1,500,000.00
	2007	2,174,515.86	1,500,000.00
	2006	2,175,839.60	1,150,000.00
Water Utility Operating Fund	2008	\$ 1,401,043.36	See Note 1
	2007	1,014,116.41	\$ 391,000.00
	2006	904,370.10	316,000.00
Sewer Utility Operating Fund	2008	\$ 202,945.85	See Note 1
	2007	94,602.75	\$ 92,150.00
	2006	247,782.28	212,000.00
Water/Sewer Utility Operating Fund	2015	\$ 798,240.95	\$ 716,190.00
	2014	717,823.56	684,360.00
	2013	793,728.56	615,610.00
	2012	1,155,709.20	938,117.50
	2011	925,908.30	697,425.00
	2010	1,156,924.75	817,312.50
	2009	1,295,680.32	859,750.00

Note 1: As of January 1, 2009, the Water Utility Fund and the Sewer Utility Fund were combined to form the Water/Sewer Utility Fund. Operating fund balance anticipated in 2009 was \$675,000.00.

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office during the period under audit:

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>
William Budesheim	Mayor	
Garrett Astarita	Councilman	
Stephen Revis	Councilman	
Paul Carelli	Councilman	
Bradley Clinton	Councilman	
Gary Mastrangelo	Councilman	
Vincent Pellegrini	Councilman	
Cora M. Ashley	Tax Collector	\$ 1,000,000.00
	Tax Searcher	
	Water Collector	1,000,000.00
	Sewer Collector	
Abubakar Tejan Jalloh	Clerk	
Linda Forbes	Deputy Clerk	
Kenneth Sesholtz	Chief Financial Officer	
Robert Oostdyk	Attorney	
Thomas Melani	Police Prosecutor	
John Paparazzo	Magistrate	1,000,000.00
Graziella Viera-Goncalves	Court Administrator	1,000,000.00
Ryan Bancroft	Deputy Court Administrator	
Bernadette Scarr	Violations Clerk	
Paul Darmofalski	Engineer	
Kevin Smith	Police Chief	
Jeffrey A. Brusco	Construction Official	
Shawn Hopkins	Assessor	
Ralph Porrino	Fire Sub-Code Official	
William Ryden	Water and Sewer Engineer	
Steven Schotanus	D.P.W. Superintendent	

The Borough of Riverdale is a member of the New Jersey Intergovernmental Insurance Fund

There was a Blanket Bond in the amount of \$1,000,000.00 per employee covering all employees not individually bonded.

Coverage includes all employees that handle money and securities, also includes coverage for the Treasurer Treasurer and Tax Collectors per law P.L. 2006, c.50 (S1071). This new law allows local government judges and municipal court administrators to be covered by a blanket bond policy obtained by the local government unit or through a joint insurance fund of which the local government unit is a member.

All of the bonds were examined and were properly signed and in accordance with the Local Finance Board Promulgated Schedules.

BOROUGH OF RIVERDALE  
CURRENT FUND  
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>		
Balance December 31, 2014	A		\$ 2,671,554.99
Increased by Receipts:			
Prior Year Voided Checks	A-1	\$ 3,475.12	
Miscellaneous Revenue Not Anticipated	A-2	226,518.46	
Change Funds and Petty Cash	A-5	275.00	
Amount Due from State of New Jersey for Senior Citizens' and Veterans' Deductions	A-6	51,582.88	
Taxes Receivable	A-7	14,458,238.53	
Interfund Accounts Receivable	A-10	290.84	
Revenue Accounts Receivable	A-11	972,050.30	
Accounts Payable	A-15	10,000.00	
Prepaid Taxes	A-16	205,140.81	
Tax Overpayments	A-17	214,206.05	
Interfund Accounts Payable	A-18	1,166.48	
Amount Due from Federal and State Grants Fund	A-19	204,586.66	
Reserve for Tax Sale Premium	A-20	31,900.00	
Amount Due to Outside Lien Holders	A-21	17,372.06	
Building Surcharge Fees	A-23	4,157.00	
Marriage License Fees	A-24	<u>800.00</u>	
			<u>16,401,760.19</u>
			19,073,315.18
Decreased by Disbursements :			
2015 Budget Appropriation	A-3	5,914,732.60	
Change Funds and Petty Cash	A-5	275.00	
2014 Appropriation Reserves	A-13	547,364.72	
Accounts Payable	A-15	2,891.85	
Tax Overpayments Refunded	A-17	35,408.02	
Interfund Accounts Payable	A-18	1,166.48	
Amount Due from Federal and State Grants Fund	A-19	264,429.20	
Reserve for Tax Sale Premium	A-20	4,800.00	
Amount Due to Outside Lien Holders	A-21	3,340.10	
Reserve for Funds - Appropriated	A-22	197,987.70	
Building Surcharge Fees	A-23	4,913.00	
Marriage License Fees	A-24	950.00	
County and Local School Taxes	A-25	<u>9,432,684.91</u>	
			<u>16,410,943.58</u>
Balance December 31, 2015	A		<u>\$ 2,662,371.60</u>

BOROUGH OF RIVERDALE

CURRENT FUND  
SCHEDULE OF CHANGE FUNDS AND PETTY CASH

	Ref.	
Balance December 31, 2014	A	\$100.00
Increased by:		
Advanced in 2015	A-4	<u>275.00</u>
		375.00
Decreased by:		
Returned in 2015	A-4	<u>275.00</u>
Balance December 31, 2015	A	<u>\$ 100.00</u>
<u>Analysis of Balance December 31, 2015</u>		
Tax Collector Change Fund		<u>\$100.00</u>

CURRENT FUND  
 SCHEDULE OF AMOUNT DUE (FROM)/TO STATE OF NEW JERSEY  
FOR SENIOR CITIZENS' AND VETERANS' DEDUCTIONS

	<u>Ref.</u>		
Balance December 31, 2014	A		\$ (41.96)
Increased by :			
Received from State of New Jersey	A-4	\$ 51,582.88	
Senior Citizens' Deductions Disallowed by by Tax Collector - 2015 Taxes	A-6	500.00	
Senior Citizens' Deductions Disallowed by by Tax Collector - 2014 Taxes	A-1	<u>3,417.12</u>	
			<u>55,500.00</u>
			55,458.04
Decreased by :			
Senior Citizens' Deductions per Tax Billings	A-6	14,000.00	
Veterans' Deductions per Tax Billings	A-6	39,500.00	
Veterans'/Senior Citizens' Deductions Allowed by Tax Collector - 2014 Taxes	A-6	750.00	
Senior Citizens'/Veterans' Deductions Allowed by Tax Collector - 2015 Taxes	A-6	<u>1,000.00</u>	
			<u>55,250.00</u>
Balance December 31, 2015	A		<u>\$ 208.04</u>

Calculation of State's of Senior Citizens' and Veterans' Deductions

Senior Citizens' Deductions per Tax Billings	A-6	\$ 14,000.00	
Veterans' Deductions per Tax Billings	A-6	39,500.00	
Veterans' Deductions Allowed by Tax Collector	A-6	750.00	
Senior Citizens' Deductions Allowed by Tax Collector	A-6	<u>1,000.00</u>	
			\$ 55,250.00
Decreased by:			
Senior Citizens' Deductions Disallowed by Tax Collector	A-6	500.00	
Veterans' Deductions Disallowed by Tax Collector	A-6	<u>-</u>	
			<u>500.00</u>
	A-7		<u>\$ 54,750.00</u>

BOROUGH OF RIVERDALE

A-7

CURRENT FUND  
 SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF 2015 PROPERTY TAX LEVY

Year	Balance Dec. 31, 2014	Added Taxes	2015 Levy	2014 Collections	2015 Collections	State Share of Senior Citizens and Veterans' Deductions	Tax Overpayment Applied	Canceled	Transferred to Tax Title Liens	Balance Dec. 31, 2015
2013	\$ 6.07	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6.07	\$ -	\$ -
2014	78,470.97	22,238.76	-	1,269.11	87,371.98	-	-	5,665.13	6,403.51	-
2015	-	-	14,785,802.31	86,417.24	14,370,866.55	54,750.00	-	162,933.75	14,919.32	95,915.45
	<u>\$ 78,477.04</u>	<u>\$ 22,238.76</u>	<u>\$ 14,785,802.31</u>	<u>\$ 87,686.35</u>	<u>\$ 14,458,238.53</u>	<u>\$ 54,750.00</u>	<u>\$ -</u>	<u>\$ 168,604.95</u>	<u>\$ 21,322.83</u>	<u>\$ 95,915.45</u>
Ref.	A			A-2,16	A-2,4	A-2,6	A-2,17		A-8	A

Analysis of 2015 Property Tax Levy

Tax Yield :

General Purpose Tax  
 Added Taxes (54:4-63.1 et seq.)

\$ 14,774,134.19  
11,668.12  
 \$ 14,785,802.31

Tax Levy :

County Taxes (Abstract)  
 Amount Due to County for Added  
 Taxes (54:4-63.1 et seq.)  
 Local District School Tax (Abstract)  
 Local Open Space Tax  
 Added Taxes for Open Space Tax  
 Municipal Library Tax  
 Local Tax for Municipal Purposes (Abstract)  
 Add : Additional Tax Levied

\$ 2,138,880.37  
1,696.54  
 \$ 2,140,576.91  
 7,212,486.00  
 \$ 79,559.15  
 62.85  
 285,526.21  
 5,082,965.59  
(15,374.40)  
 5,432,739.40  
\$ 14,785,802.31

BOROUGH OF RIVERDALE  
 CURRENT FUND  
SCHEDULE OF TAX TITLE LIENS

	<u>Ref.</u>	
Balance December 31, 2014	A	\$ 136,953.10
Increased by :		
Interest and Costs from 2015 Tax Sale		\$ 2,146.26
Transferred from Taxes Receivable	A-7	<u>21,322.83</u>
		<u>23,469.09</u>
		160,422.19
Decreased by :		
Prior Year Adjustment		<u>50,863.50</u>
		<u>50,863.50</u>
Balance December 31, 2015	A	<u>\$ 109,558.69</u>

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES - ASSESSED VALUATION

	<u>Ref.</u>	
Balance December 31, 2014	A	<u>\$ 235,100.00</u>
Balance December 31, 2015	A	<u>\$ 235,100.00</u>

CURRENT FUND  
SCHEDULE OF INTERFUND ACCOUNTS RECEIVABLE

	<u>Ref.</u>	<u>Total</u>	<u>Animal Control Fund</u>	<u>Other Trust Fund</u>
Balance December 31, 2014	A	\$ 290.84	\$ 225.20	\$ 65.64
Increased by :				
Statutory Excess	B-3	2,222.80	2,222.80	
Accrued in 2015	A-1,2	<u>67.80</u>	<u>-</u>	<u>67.80</u>
		<u>2,290.60</u>	<u>2,222.80</u>	<u>67.80</u>
		<u>2,581.44</u>	<u>2,448.00</u>	<u>133.44</u>
Decreased by :				
Advance Returned in 2015	A-1	65.64		65.64
Miscellaneous Revenue -				
Prior Year Statutory Excess	A-2	<u>225.20</u>	<u>225.20</u>	<u>-</u>
	A-4	<u>290.84</u>	<u>225.20</u>	<u>65.64</u>
Balance December 31, 2015	A	<u>\$ 2,290.60</u>	<u>\$ 2,222.80</u>	<u>\$ 67.80</u>

BOROUGH OF RIVERDALE

CURRENT FUND  
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Ref.	Balance Dec. 31, 2014	Accrued in 2015	Collected by Treasurer	Balance Dec. 31, 2015
Clerk :					
Licenses - Alcoholic Beverages	A-2	\$ -	\$ 16,920.00	\$ 16,920.00	\$ -
Licenses - Other	A-2	-	390.00	390.00	-
Board of Health:					
Licenses - Other	A-2	-	9,030.00	9,030.00	-
Fees and Permits	A-2	-	5,118.00	5,118.00	-
Construction Code Official:					
Fees and Permits	A-2	-	54,517.00	54,517.00	-
Municipal Court:					
Fees and Permits	A-2	16,806.44	260,265.80	258,717.35	18,354.89
Police Chief:					
Fees and Permits	A-2	-	2,136.80	2,136.80	-
Tax Collector:					
Fees and Permits	A-2	-	10.00	10.00	-
Zoning/Planning Board :					
Fees and Permits	A-2	-	36,963.77	36,963.77	-
Road Opening :					
Fees and Permits	A-2	-	1,200.00	1,200.00	-
Interest and Costs on Taxes	A-2	-	21,671.60	21,671.60	-
Energy Receipts Tax	A-2	-	439,515.00	439,515.00	-
Facility Use Charges	A-2	-	60,500.00	60,500.00	-
Uniform Fire Safety Act Fees	A-2	-	23,589.78	23,589.78	-
Donation - Newsletter	A-2	-	16,771.00	16,771.00	-
General Capital Fund Balance	A-2	-	25,000.00	25,000.00	-
		<u>\$ 16,806.44</u>	<u>\$ 973,598.75</u>	<u>\$ 972,050.30</u>	<u>\$ 18,354.89</u>
Ref.		A		A-4	A

## BOROUGH OF RIVERDALE

## CURRENT FUND

SCHEDULE OF DEFERRED CHARGES-SPECIAL EMERGENCY AUTHORIZATION

<u>Date</u>	<u>Purpose</u>	<u>Amount Authorized</u>	<u>1/5 of Amount Authorized</u>	<u>Balance Dec. 31, 2014</u>	<u>Raised in 2015</u>	<u>Balance Dec. 31, 2015</u>
1/16/12	Reassessment of Real Property	\$80,000.00	\$ 16,000.00	<u>\$48,000.00</u>	<u>\$16,000.00</u>	<u>\$32,000.00</u>
			Ref.	A	A-3	A

BOROUGH OF RIVERDALE

CURRENT FUND  
SCHEDULE OF APPROPRIATION RESERVES

	Balance Dec. 31, 2014	Transfers	Transferred From Reserve for Encumbrances	Balance After Transfers	Paid or Charged	Lapsed
<b>OPERATIONS WITHIN "CAP"</b>						
Salaries and Wages :						
Administrative and Executive	\$ 146.44	\$ -	\$ -	\$ 146.44	\$ 32.64	\$ 113.80
Mayor and Council	1,749.96	-	-	1,749.96	-	1,749.96
Borough Clerk	865.35	-	-	865.35	518.59	346.76
Financial Administration	2,743.48	-	-	2,743.48	-	2,743.48
Assessment of Taxes	1,622.86	(1,000.00)	-	622.86	-	622.86
Municipal Prosecutor	5.04	-	-	5.04	-	5.04
Fire	333.06	-	-	333.06	-	333.06
Fire Inspector	5.58	-	-	5.58	-	5.58
Emergency Management Services	0.04	-	-	0.04	-	0.04
Police	15,495.11	(8,000.00)	-	7,495.11	-	7,495.11
Road Repairs and Maintenance (Including Snow Removal)	12,572.96	-	-	12,572.96	7,500.00	5,072.96
Parks and Playgrounds	1,000.00	-	-	1,000.00	-	1,000.00
Registrar	242.69	-	-	242.69	19.13	223.56
Senior Citizens	100.00	-	-	100.00	-	100.00
Public Facilities	1,431.33	-	-	1,431.33	-	1,431.33
Uniform Construction Code :						
Building Inspector	8.34	-	-	8.34	-	8.34
Plumbing Inspector	8.34	-	-	8.34	-	8.34
Electrical Inspector	8.34	-	-	8.34	-	8.34
Fire Sub-Code Official	8.34	-	-	8.34	-	8.34
Municipal Court	520.95	-	-	520.95	-	520.95
Other Expenses :						
Administrative and Executive:						
Miscellaneous Other Expenses	422.19	-	9,183.93	9,606.12	1,824.40	7,781.72
Financial Administration	150.00	-	-	150.00	-	150.00
Annual Audit	18,000.00	-	-	18,000.00	17,650.00	350.00
Assessment of Taxes	2,245.76	1,000.00	4,038.13	7,283.89	4,668.13	2,615.76
Revision of Tax Map	100.00	-	-	100.00	-	100.00
Collection of Taxes	295.00	-	-	295.00	-	295.00
Legal Services and Costs						
Contractual Expenses	0.37	-	-	0.37	-	0.37
Other Expenses	14,539.50	(3,000.00)	30.00	11,569.50	8,090.80	3,478.70
Professional and Engineering Services and Costs	5,743.50	(2,000.00)	-	3,743.50	740.00	3,003.50
Public Buildings and Grounds	1,817.35	2,000.00	3,287.58	7,104.93	3,511.01	3,593.92
Municipal Land Use Law (N.J.S.A. 40:55D-1):						
Planning Board	2,389.69	-	-	2,389.69	1,000.00	1,389.69
Insurance:						
General Liability	240.20	-	-	240.20	-	240.20
Workers Compensation Fund	2,825.00	-	-	2,825.00	-	2,825.00
Employee Group Health	28,100.96	-	-	28,100.96	-	28,100.96
Fire	718.07	(3,000.00)	19,591.13	17,309.20	15,626.04	1,683.16
Fire Inspector	405.00	-	-	405.00	-	405.00
Police	4,926.58	4,000.00	5,746.41	14,672.99	12,943.54	1,729.45
Emergency Management Services	372.00	-	-	372.00	-	372.00
Contribution to Pompton Lakes First Aid Squad	9,485.00	-	-	9,485.00	6,740.00	2,745.00
Road Repairs and Maintenance (Including Snow Removal)	1,542.77	5,000.00	12,563.16	19,105.93	14,103.22	5,002.71



BOROUGH OF RIVERDALE  
CURRENT FUND  
SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>Ref.</u>	
Balance December 31, 2014	A	\$ 343,180.78
Increased by :		
2015 Budget Charges	A-3	<u>38,780.63</u>
		381,961.41
Decreased by :		
Transferred to 2014 Appropriation Reserves	A-13	<u>343,180.78</u>
Balance December 31, 2015	A	<u>\$ 38,780.63</u>

A-15

SCHEDULE OF ACCOUNTS PAYABLE

	<u>Ref.</u>	
Balance December 31, 2014	A	\$ 40,396.41
Increased by :		
Received in 2015	A-4	\$ 10,000.00
Transferred from 2014 Appropriation Reserves	A-13	<u>8,004.05</u>
		18,004.05
		58,400.46
Decreased by :		
Paid in 2015	A-4	2,891.85
Canceled in 2015	A-1	<u>7,298.10</u>
		10,189.95
Balance December 31, 2015	A	<u>\$ 48,210.51</u>

Analysis of Balance December 31, 2015

Municipal Services Act - Prior Years	\$ 36,852.66
Robert Michaels and Associates	587.50
Weiner Lesniak	2,766.30
Cross Match Technologies	875.00
Atlantic Tactical Inc.	296.35
Rejuvenation	154.95
Kunzman Construction	292.75
Fire and Safety Services	<u>6,385.00</u>
	<u>\$ 48,210.51</u>

BOROUGH OF RIVERDALE  
CURRENT FUND  
SCHEDULE OF PREPAID TAXES

	<u>Ref.</u>	
Balance December 31, 2014	A	\$ 87,686.35
Increased by :		
2016 Taxes Prepaid	A-4	<u>205,140.81</u>
		292,827.16
Decreased by :		
Applied to Taxes Receivable	A-7	<u>87,686.35</u>
Balance December 31, 2015	A	<u>\$ 205,140.81</u>

BOROUGH OF RIVERDALE  
CURRENT FUND  
SCHEDULE OF TAX OVERPAYMENTS

	<u>Ref.</u>	
Balance December 31, 2014	A	\$ 5,747.78
Increased by :		
Taxes Overpaid in 2015	A-4	<u>214,206.05</u>
		219,953.83
Decreased by :		
Refunded in 2015	A-4	<u>35,408.02</u>
Balance December 31, 2015	A	<u>\$ 184,545.81</u>

BOROUGH OF RIVERDALE  
CURRENT FUND  
SCHEDULE OF INTERFUND ACCOUNTS PAYABLE

	<u>Ref.</u>	<u>Total</u>	<u>Payroll Agency Account</u>	<u>Payroll Account</u>
Increased by :				
Received in 2015	A-4	<u>\$ 1,166.48</u>	<u>\$ 169.18</u>	<u>\$997.30</u>
Decreased by:				
Paid in 2015	A-4	<u>\$ 1,166.48</u>	<u>\$ 169.18</u>	<u>\$997.30</u>

BOROUGH OF RIVERDALE  
 CURRENT FUND  
SCHEDULE OF AMOUNT DUE FROM FEDERAL AND STATE GRANTS FUND

	<u>Ref.</u>		
Balance December 31, 2014	A		\$ 117,991.03
Increased by :			
Canceled in 2015	A-1	5,627.54	
2015 Budget Revenue	A-2	227,525.88	
Expended in Current Fund	A-4	<u>264,429.20</u>	
			<u>497,582.62</u>
			615,573.65
Decreased by :			
State Aid Receivable Canceled in 2015	A-1	\$ 1,000.00	
Received in Current Fund	A-4	204,586.66	
2015 Budget Appropriations	A-3	<u>227,525.88</u>	
			<u>433,112.54</u>
Balance December 31, 2015	A		<u>\$ 182,461.11</u>

BOROUGH OF RIVERDALE  
CURRENT FUND  
SCHEDULE OF RESERVE FOR TAX SALE PREMIUM

	<u>Ref.</u>	
Balance December 31, 2014	A	\$ 9,300.00
Increased by :		
Received in 2015	A-4	<u>31,900.00</u>
		41,200.00
Decreased by :		
Paid in 2015	A-4	<u>4,800.00</u>
Balance December 31, 2015	A	<u>\$ 36,400.00</u>

A-21

SCHEDULE OF AMOUNT DUE TO OUTSIDE LIEN HOLDERS

	<u>Ref.</u>	
Balance December 31, 2014	A	\$ 26,930.97
Increased by:		
Received in 2015	A-4	<u>17,372.06</u>
		44,303.03
Decreased by:		
Refunded in 2015	A-4	<u>\$ 3,340.10</u>
		<u>3,340.10</u>
Balance December 31, 2015	A	<u>\$ 40,962.93</u>

Analysis of Balance December 31, 2015

<u>Block</u>	<u>Lot</u>	
11	11	\$ 15,360.81
19	13.01	11,570.16
38	7.01	11,410.65
11	5.3016	<u>2,621.31</u>
		<u>\$ 40,962.93</u>

BOROUGH OF RIVERDALE

CURRENT FUND  
SCHEDULE OF RESERVE FOR FUNDS - APPROPRIATED

	<u>Ref.</u>	<u>Totals</u>	<u>Master Plan</u>	<u>Reassessment</u>	<u>Tax Appeals</u>
Balance December 31, 2014	A	\$ 637,970.73	\$ 5,154.94	\$ 314.75	\$ 632,501.04
Increased by :					
Contested Amount of 2015 Taxes Collected Which are Pending State Appeal	A-2	150,000.00	-	-	150,000.00
Transferred from Budget Appropriations	A-3	<u>25,000.00</u>	<u>-</u>	<u>-</u>	<u>25,000.00</u>
		812,970.73	5,154.94	314.75	807,501.04
Decreased by :					
Disbursed in 2015	A-4	<u>197,987.70</u>	<u>-</u>	<u>-</u>	<u>197,987.70</u>
		<u>197,987.70</u>	<u>-</u>	<u>-</u>	<u>197,987.70</u>
Balance December 31, 2015	A	<u>\$ 614,983.03</u>	<u>\$ 5,154.94</u>	<u>\$ 314.75</u>	<u>\$ 609,513.34</u>

BOROUGH OF RIVERDALE  
 CURRENT FUND  
SCHEDULE OF AMOUNT DUE TO STATE OF NEW JERSEY -  
BUILDING SURCHARGE FEES

	<u>Ref.</u>	
Balance December 31, 2014	A	\$ 1,298.00
Increased by :		
Surchage Fees Collected in 2015	A-4	<u>4,157.00</u>
		5,455.00
Decreased by :		
Paid in 2015	A-4	<u>4,913.00</u>
Balance December 31, 2015	A	<u>\$ 542.00</u>

SCHEDULE OF AMOUNT DUE TO STATE OF NEW JERSEY -  
MARRIAGE LICENSE FEES

	<u>Ref.</u>	
Balance December 31, 2014	A	\$ 225.00
Increased by:		
Received in 2015	A-4	<u>800.00</u>
		1,025.00
Decreased by:		
Paid in 2015	A-4	<u>950.00</u>
Balance December 31, 2015	A	<u>\$ 75.00</u>

BOROUGH OF RIVERDALE  
 CURRENT FUND  
SCHEDULE OF LOCAL DISTRICT SCHOOL AND COUNTY TAXES PAYABLE

	Ref.	Balance <u>Dec. 31, 2014</u>	2015 <u>Levy</u>	Paid <u>in 2015</u>	Balance <u>Dec. 31, 2015</u>
Net County Taxes	A-2	\$ -	\$ 2,138,880.37	\$ 2,138,880.37	\$ -
Amount Due County for Added Taxes -					
2015	A-2	-	1,696.54	1,696.54	-
Local Open Space Tax	A-2		79,559.15	79,559.15	-
Amount Due Local Open Space for Added Taxes -					
2015	A-2		62.85	62.85	
Local District School Tax	A-2	<u>-</u>	<u>7,212,486.00</u>	<u>7,212,486.00</u>	<u>-</u>
		<u>\$ -</u>	<u>\$ 9,432,684.91</u>	<u>\$ 9,432,684.91</u>	<u>\$ -</u>
	Ref.	A	A-1	A-4	A

BOROUGH OF RIVERDALE

CURRENT FUND  
SCHEDULE OF FEDERAL AND STATE AID RECEIVABLE

	Balance Dec. 31, 2014	2015 Budget Revenue Realized	Received in 2015	Canceled	Balance Dec. 31, 2015
State Programs:					
Department of Transportation -					
Highland/Hillside/Wilson/Carper	\$ 53,750.00	-	-	-	\$ 53,750.00
Federal Place/Halsey Avenue	-	185,000.00			185,000.00
Green Communities Grant	1,000.00			1,000.00	-
Highlands Council - Initial/Plan Conformance	31,369.13				31,369.13
Federal Programs:					
FEMA - Assistance to Firefighters Grant	179,622.00		179,622.00		-
Private Programs:					
Morris County Open Space	252,206.00				252,206.00
Donation:					
Police	-	4,932.50	4,932.50	-	-
	<u>\$ 517,947.13</u>	<u>\$ 189,932.50</u>	<u>\$ 184,554.50</u>	<u>\$ 1,000.00</u>	<u>\$ 522,325.13</u>
Re:	A	A-27	A-27	A-27	A

BOROUGH OF RIVERDALE  
 CURRENT FUND  
SCHEDULE OF AMOUNT DUE TO CURRENT FUND  
TO FEDERAL AND STATE GRANTS FUND

	<u>Ref.</u>		
Balance December 31, 2014	A		\$ 117,991.03
Increased by:			
2015 Budget Revenue -			
State Aid Receivable	A-26	189,932.50	
Unappropriated Reserves	A-28	37,593.38	
Canceled in 2015	A-29	5,627.54	
Expended in Current Fund -			
Appropriated Reserves	A-29	221,193.81	
Reserve for Encumbrances	A-30	<u>43,235.39</u>	
			<u>497,582.62</u>
			615,573.65
Decreased by:			
Received in Current Fund -			
State Aid Receivable	A-26	\$ 184,554.50	
State Aid Receivable Canceled in 2015	A-26	1,000.00	
Unappropriated Reserves	A-28	20,032.16	
2015 Budget Appropriations	A-29	<u>227,525.88</u>	
			<u>433,112.54</u>
Balance December 31, 2015	A		<u>\$ 182,461.11</u>

## BOROUGH OF RIVERDALE

## CURRENT FUND

SCHEDULE OF UNAPPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS FUND

	Ref.	Total	State Programs				
			Body Armor Fund	Alcohol Education Rehabilitation	Clean Communities Grant	Drunk Driving Enforcement	Recycling Tonnage Grant
Balance December 31, 2014	A	\$29,587.48	\$ 1,849.62	\$ 295.40	\$ 6,586.35	\$ 4,280.40	\$ 16,575.71
Increased by :							
Received in 2015	A-27	<u>20,032.16</u>	<u>1,847.11</u>	<u>2,593.06</u>	<u>8,005.90</u>	<u>7,586.09</u>	<u>-</u>
		<u>49,619.64</u>	<u>3,696.73</u>	<u>2,888.46</u>	<u>14,592.25</u>	<u>11,866.49</u>	<u>16,575.71</u>
Decreased by :							
Anticipated as Miscellaneous Revenue in 2015 Budget	A-27	<u>37,593.38</u>	<u>1,849.62</u>	<u>295.40</u>	<u>14,592.25</u>	<u>4,280.40</u>	<u>16,575.71</u>
Balance December 31, 2015	A	<u>\$12,026.26</u>	<u>\$1,847.11</u>	<u>\$2,593.06</u>	<u>\$ -</u>	<u>\$ 7,586.09</u>	<u>\$ -</u>

BOROUGH OF RIVERDALE

CURRENT FUND  
SCHEDULE OF APPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS FUND

	<u>Balance</u> Dec. 31, 2014	<u>Transferred</u> from 2015 <u>Budget</u>	<u>Paid or</u> <u>Charged</u>	<u>Canceled</u>	<u>Balance</u> Dec. 31, 2015
State Programs:					
Department of Transportation -					
Highland/Hillside/Wilson/Carper	\$ 215,000.00	-	\$ 215,000.00	-	\$ -
Federal Place/Halsey Avenue	-	185,000.00	185,000.00		-
Drunk Driving Enforcement Fund	23,637.83	4,280.40	1,697.10		26,221.13
Clean Communities Act	-	14,592.25	6,907.20		7,685.05
Green Communities Grant	1,000.00			1,000.00	-
Recycling Tonnage Grant	29,527.85	16,575.71	31,027.85		15,075.71
Body Armor Fund	6,455.34	1,849.62	2,504.55		5,800.41
Alcohol Education & Rehabilitation Fund	5,083.24	295.40	1,815.00		3,563.64
Federal Programs:					
FEMA - Assistance to Firefighters Grant	2,325.88			2,325.88	-
Volunteer Fire Assistance Grant	2,301.66			2,301.66	-
Private Programs:					
Morris County Open Space	34,940.40				34,940.40
Donations:					
Walmart - Police/Recreation	6,861.03				6,861.03
PBA - Police	-	4,932.50	4,932.50	-	-
	<u>\$ 327,133.23</u>	<u>\$ 227,525.88</u>	<u>\$ 448,884.20</u>	<u>\$ 5,627.54</u>	<u>\$ 100,147.37</u>
	Ref. A	A-27		A-27	A
Cash Disbursed			\$ 221,193.81		
Reserve for Encumbrances			<u>227,690.39</u>		
			<u>\$ 448,884.20</u>		

BOROUGH OF RIVERDALE  
 CURRENT FUND  
SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>Ref.</u>	
Balance December 31, 2014	A	\$ 43,235.39
Increased by:		
Charges to Appropriated Reserves	A-29	<u>227,690.39</u>
		270,925.78
Decreased by:		
Paid in 2015	A-27	<u>43,235.39</u>
Balance December 31, 2015	A	<u>\$ 227,690.39</u>

## BOROUGH OF RIVERDALE

B-1

TRUST FUND  
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	Animal Control Fund	Other Trust Fund
Balance December 31, 2014	B	<u>\$ 10,559.60</u>	<u>\$ 1,119,745.35</u>
Increased by Receipts:			
State Registration Fees	B-2	585.00	
Animal Control Licenses Collections	B-3	7,400.10	
Reserve for Special Funds	B-4		255,665.63
Amount Due to Current Fund	B-5	-	67.80
		<u>7,985.10</u>	<u>255,733.43</u>
		<u>18,544.70</u>	<u>1,375,478.78</u>
Decreased by Disbursements :			
State Registration Fees	B-2	583.80	
Reserve for Animal Control Expenditures	B-3	2,381.10	
Reserve for Special Funds	B-4		234,632.29
Amount Due to Current Fund	B-5	225.20	65.64
		<u>3,190.10</u>	<u>234,697.93</u>
Balance December 31, 2015	B	<u>\$ 15,354.60</u>	<u>\$ 1,140,780.85</u>

BOROUGH OF RIVERDALE  
 TRUST FUND  
SCHEDULE OF AMOUNT DUE TO STATE OF NEW JERSEY -  
REGISTRATION FEES

	<u>Ref.</u>	
Balance December 31, 2014	B	\$ 4.80
Increased by :		
State Registration Fees		\$ 395.00
Pilot Clinic Fee		79.00
Animal Population Control Fees		<u>111.00</u>
	B-1	<u>585.00</u>
		589.80
Decreased by :		
Paid in 2015	B-1	<u>583.80</u>
Balance December 31, 2015	B	<u>\$ 6.00</u>

TRUST FUND  
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	<u>Ref.</u>	
Balance December 31, 2014	B	\$ 10,329.60
Increased by :		
Dog Licenses Collections	B-1	\$ 5,525.00
Cat License Collections	B-1	1,095.00
Late Fees	B-1	580.00
Miscellaneous	B-1	<u>200.10</u>
		<u>7,400.10</u>
		17,729.70
Decreased by :		
Reserve for Animal Control Expenditures	B-1	2,381.10
Statutory Excess Due to Current Fund	B-5	<u>2,222.80</u>
		<u>4,603.90</u>
Balance December 31, 2015	B	<u>\$ 13,125.80</u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2013	\$ 6,816.20
2014	<u>6,309.60</u>
	<u>\$ 13,125.80</u>

BOROUGH OF RIVERDALE

B-4

TRUST FUND  
SCHEDULE OF RESERVE FOR SPECIAL FUNDS

Ref.	Total	State Unemployment Insurance	Special Deposits	Law Enforcement Funds	Parking Offenses Adjudication Act	Public Defender	Snow Removal	Library/ Civic Center	Recreation Programs	Recreation Fields	Open Space	Historical/ Open Space	Celebration Public Events	Affordable Housing	Food Pantry	Police Outside Duty
B	\$ 1,119,679.71	\$ 83,138.30	\$ 328,410.52	\$ 4,006.28	\$ 402.00	\$ 1,801.50	\$ 19,912.15	\$ 35,000.00	\$ 8,469.60	\$ -	\$ 118,766.11	\$ 315.18	\$ 2,355.79	\$ 453,099.01	\$ 6,299.84	\$ 57,701.43
B-1	255,665.63	38,070.78	13,458.01	734.30	80.00	12,667.50	17,500.00	-	37,787.50	5,300.00	79,622.00	-	3,477.35	-	3,785.00	43,183.19
	1,375,345.34	121,209.08	341,868.53	4,742.58	482.00	14,469.00	37,412.15	35,000.00	46,257.10	5,300.00	198,388.11	315.18	5,833.14	453,099.01	10,084.84	100,884.62
B-1	234,632.29	16,360.92	13,697.50	-	-	9,390.00	13,341.10	-	38,572.45	4,847.75	63,502.16	-	3,671.84	7,710.00	1,788.91	61,749.66
B	\$ 1,140,713.05	\$ 104,848.16	\$ 328,171.03	\$ 4,742.58	\$ 482.00	\$ 5,079.00	\$ 24,071.05	\$ 35,000.00	\$ 7,684.65	\$ 452.25	\$ 134,885.95	\$ 315.18	\$ 2,161.30	\$ 445,389.01	\$ 8,295.93	\$ 39,134.96

Balance December 31, 2014  
 Increased by :  
 Received in 2015  
 Decreased by :  
 Disbursed in 2015  
 Balance December 31, 2015

BOROUGH OF RIVERDALE  
 TRUST FUND  
SCHEDULE OF AMOUNT DUE TO CURRENT FUND

	<u>Ref.</u>	<u>Total</u>	<u>Animal Control Fund</u>	<u>Other Trust Fund</u>
Balance December 31, 2014	B	\$ 290.84	\$ 225.20	\$ 65.64
Increased by :				
Received in 2015	B-1	67.80	-	67.80
Accrued in 2015	B-3	<u>2,222.80</u>	<u>2,222.80</u>	<u>-</u>
		2,581.44	2,448.00	133.44
Decreased by :				
Paid in 2015	B-1	<u>290.84</u>	<u>225.20</u>	<u>65.64</u>
Balance December 31, 2015	B	<u>\$ 2,290.60</u>	<u>\$ 2,222.80</u>	<u>\$ 67.80</u>

BOROUGH OF RIVERDALE  
 GENERAL CAPITAL FUND  
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>		
Balance December 31, 2014	C		\$ 525,415.15
Increased by Receipts:			
Capital Improvement Fund	C-6	\$ 25,000.00	
Bond Anticipation Notes	C-9	<u>2,450,000.00</u>	
			<u>2,475,000.00</u>
			3,000,415.15
Decreased by Disbursements :			
Capital Surplus	C-1	25,000.00	
Improvement Authorizations	C-5	207,346.19	
Encumbrance Payable	C-8	54,664.41	
Bond Anticipation Notes	C-9	<u>1,350,000.00</u>	
			<u>1,637,010.60</u>
Balance December 31, 2015	C		<u>\$ 1,363,404.55</u>

BOROUGH OF RIVERDALE

GENERAL CAPITAL FUND  
ANALYSIS OF CASH

	Balance or (Deficit) Dec. 31, 2014	Receipts		Disbursements		Transfers From	Balance or (Deficit) Dec. 31, 2015
		Bond Anticipation Notes	Miscellaneous	Bond Anticipation Notes	Miscellaneous		
Fund Balance	\$ 72,011.45	\$ -	\$ 25,000.00	\$ -	\$ 536.54	\$ -	\$ 47,547.99
Capital Improvement Fund	35,788.10					33,500.00	27,288.10
Encumbrances Payable	54,664.41						1,009,354.12
Improvement Authorizations :							
8-03 Purchase and Installation of of HVAC System	16,635.21						16,635.21
11-04/2-06/4-10/8-12/ 5-13/12-13	336,573.73	1,800,000.00		1,350,000.00		348,330.67	231,296.87
01-14 Purchase of Real Property	(46,416.59)						(46,416.59)
09-15 Purchase of Fire Truck	-	650,000.00		400.00	33,500.00	661,023.45	22,076.55
Reserve for Payment of Debt Service	55,622.30						55,622.30
Excess Proceeds	536.54					536.54	-
	<u>\$ 525,415.15</u>	<u>\$ 2,450,000.00</u>	<u>\$ 25,000.00</u>	<u>\$ 1,350,000.00</u>	<u>\$ 1,043,390.66</u>	<u>\$ 1,043,390.66</u>	<u>\$ 1,363,404.55</u>

BOROUGH OF RIVERDALE

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Ord. No.	Improvement Description	Balance Dec. 31, 2014	2015 Authorizations	Note Paid by Budget Appropriation	Canceled	Balance Dec. 31, 2015	Analysis of Balance December 31, 2015		
							Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorization
9-99/5-00	Acquisition of Property	\$ (231.72)	\$ -	\$ -	\$ 231.72	\$ -	\$ -	\$ -	\$ -
11-04/2-06/4-10/8-12/5-13/12-13	Various Improvements	2,277,050.00		385,000.00		1,892,050.00	1,800,000.00	-	231,296.87
1-06		114,908.23		115,000.00	91.77	(0.00)		(0.00)	-
6-07	Purchase of Property	49,786.95	-	50,000.00	213.05	(0.00)		(0.00)	-
01-14	Purchase of Real Property	1,700,000.00				1,700,000.00		46,416.59	1,653,583.41
09-15	Purchase of Fire Truck	-	666,500.00	-	-	666,500.00	650,000.00	-	16,500.00
		<u>\$4,141,513.46</u>	<u>\$ 666,500.00</u>	<u>\$550,000.00</u>	<u>\$536.54</u>	<u>\$4,258,550.00</u>	<u>\$2,450,000.00</u>	<u>\$ 46,416.59</u>	<u>\$ 1,901,380.28</u>

Ref. C C-5 C-9 C-1 C

Improvement Authorizations - Unfunded \$2,015,506.83  
 Less: Unexpended Proceeds of Notes Issued  
 Ordinance No. 11-04,2-06,4-10,8-12,5-13 92,050.00  
 Ordinance No. 09-15 22,076.55

\$ 1,901,380.28



BOROUGH OF RIVERDALE  
GENERAL CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2014	C	\$ 35,788.10
Increased by:		
2015 Budget Appropriation	C-2	<u>25,000.00</u>
		60,788.10
Decreased by:		
Appropriated to Finance Improvement Authorizations	C-5	<u>33,500.00</u>
Balance December 31, 2015	C	<u>\$ 27,288.10</u>

BOROUGH OF RIVERDALE  
GENERAL CAPITAL FUND  
SCHEDULE OF RESERVE FOR PAYMENT OF DEBT SERVICE

	<u>Ref.</u>	
Balance December 31, 2014	C	<u>\$ 55,622.30</u>
Balance December 31, 2015	C	<u>\$ 55,622.30</u>

BOROUGH OF RIVERDALE  
GENERAL CAPITAL FUND  
SCHEDULE OF ENCUMBRANCES PAYABLE

	<u>Ref.</u>	
Balance December 31, 2014	C	\$ 54,664.41
Increased by :		
2015 Improvement Authorization Charges	C-5	<u>1,009,354.12</u>
		1,064,018.53
Decreased by :		
Paid In 2015	C-2	<u>54,664.41</u>
Balance December 31, 2015	C	<u>\$1,009,354.12</u>

BOROUGH OF RIVERDALE

GENERAL CAPITAL FUND  
SCHEDULE OF BOND ANTICIPATION NOTES

Ord.	Improvement Description	Date of Issue	Original Issue Amount Issued	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2014	Increased	Decreased	Balance Dec. 31, 2015
11-04,2-06	Various Improvements	11/2/2006	1,675,000.00	09/17/14 09/16/15	09/17/15 09/16/16	0.900% 0.630%	\$ 473,250.00	\$ 225,000.00	\$ 473,250.00	\$ - 225,000.00
11-04,2-06	Various Improvements	10/29/2009	50,000.00	09/17/14 09/16/15	09/17/15 09/16/16	0.900% 0.630%	31,000.00	25,000.00	31,000.00	- 25,000.00
11-04,2-06	Various Improvements	10/28/2010	50,000.00	09/17/14 09/16/15	09/17/15 09/16/16	0.900% 0.630%	40,000.00	33,000.00	40,000.00	- 33,000.00
11-04,2-06	Various Improvements	10/27/2011	95,750.00	09/17/14 09/16/15	09/17/15 09/16/16	0.900% 0.630%	90,750.00	77,000.00	90,750.00	- 77,000.00
11-04,2-06	Various Improvements	9/28/2012	250,000.00	09/17/14 09/16/15	09/17/15 09/16/16	0.900% 0.630%	250,000.00	200,000.00	250,000.00	- 200,000.00
5-13,12-13	Various Improvements	9/19/2013	450,000.00	09/17/14 09/16/15	09/17/15 09/16/16	0.900% 0.630%	450,000.00	400,000.00	450,000.00	- 400,000.00
5-13,12-13	Various Improvements	9/17/2014	400,000.00	09/17/14 09/16/15	09/17/15 09/16/16	0.900% 0.630%	400,000.00	390,000.00	400,000.00	- 390,000.00
5-13,12-13	Various Improvements	9/16/2015	450,000.00	09/16/15	09/16/16	0.630%		450,000.00		450,000.00
1-06	Acquisition and Renovation of Property	10/30/2008	200,000.00	09/17/14	09/17/15	0.900%	115,000.00		115,000.00	-
6-07	Acquisition of Property	10/30/2008	100,000.00	09/17/14	09/17/15	0.900%	50,000.00		50,000.00	-
9-15	Purchase of Fire Truck	9/16/2015	650,000.00	09/16/15	09/16/16	0.630%		650,000.00		650,000.00
							<u>\$ 1,900,000.00</u>	<u>\$ 2,450,000.00</u>	<u>\$ 1,900,000.00</u>	<u>\$ 2,450,000.00</u>

C

C

Ref.

Issued for Cash	Ref. C-2	\$ 1,350,000.00
Paid by Budget Appropriation	C-4	550,000.00
		<u>\$ 1,900,000.00</u>

\$ 2,450,000.00

## BOROUGH OF RIVERDALE

GENERAL CAPITAL FUND  
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2014</u>	<u>2015 Authorizations</u>	<u>Notes Issued in 2015</u>	<u>Balance Dec. 31, 2015</u>
11-04/2-06/4-10/8-12/ 5-13/12-13	Various Improvements	\$ 542,050.00	\$ -	\$ 450,000.00	\$ 92,050.00
01-14	Purchase of Real Property	1,700,000.00			1,700,000.00
9-15	Purchase of Fire Truck	-	<u>666,500.00</u>	<u>650,000.00</u>	<u>16,500.00</u>
		<u>\$ 2,242,050.00</u>	<u>\$ 666,500.00</u>	<u>\$ 1,100,000.00</u>	<u>\$ 1,808,550.00</u>

BOROUGH OF RIVERDALE  
 WATER/SEWER UTILITY FUND  
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Operating Fund</u>	<u>Sewer Assessment Fund</u>	<u>Sewer Capital Fund</u>
Balance December 31, 2014	D	\$ <u>953,180.38</u>	\$ <u>106,778.10</u>	\$ <u>562,297.38</u>
Increased by :				
Miscellaneous Revenue	D-4	4,725.29		
Consumers' Accounts Receivable	D-9	1,928,371.71		
Interfund Accounts Payable	D-15	10,000.00		
Consumer Overpayments	D-17	647.12		
Bond Anticipation Notes	D-28	<u>-</u>	<u>-</u>	<u>2,050,000.00</u>
		<u>1,943,744.12</u>	<u>-</u>	<u>2,050,000.00</u>
		<u>2,896,924.50</u>	<u>106,778.10</u>	<u>2,612,297.38</u>
Decreased by Disbursements :				
2015 Budget Appropriations	D-5	1,830,684.59		
2014 Appropriation Reserves	D-11	41,744.69		
Reserve for Encumbrances	D-13	9,042.66		
Interfund Accounts Payable	D-15	10,000.00		
Accrued Interest on Notes	D-16	2,700.00		
Consumer Overpayments	D-17	3,570.63		
Improvement Authorizations	D-22			2,093,000.00
Bond Anticipation Notes	D-28	<u>-</u>	<u>-</u>	<u>200,000.00</u>
		<u>1,897,742.57</u>	<u>-</u>	<u>2,293,000.00</u>
Balance December 31, 2015	D	\$ <u>999,181.93</u>	\$ <u>106,778.10</u>	\$ <u>319,297.38</u>

BOROUGH OF RIVERDALE  
WATER/SEWER UTILITY FUND  
SCHEDULE OF CHANGE FUND

	<u>Ref.</u>	
Balance December 31, 2014	D	<u>\$ 50.00</u>
Balance December 31, 2015	D	<u>\$ 50.00</u>

BOROUGH OF RIVERDALE

WATER/SEWER UTILITY FUND  
ANALYSIS OF CAPITAL CASH

	Balance or (Deficit) Dec. 31, 2014	Receipts Bond Anticipation Notes	Improvement Authorizations	Disbursements Improvement Anticipation Notes	Transfers	Balance or (Deficit) Dec. 31, 2015
Fund Balance	\$ 29,523.25	\$ -	\$ -	\$ -	\$ -	\$ 29,523.25
Capital Improvement Fund	67,595.00					67,595.00
Reserve for Payment of Debt	100,000.00					100,000.00
Reserve for Encumbrances	76,065.17				(76,065.17)	-
Improvement Authorizations :						
11-04,2-06 Improvement to Sanitary Sewer System	(7,026.71)	75,000.00		75,000.00	6,745.35	(281.36)
11-04/2-06 Various Water Improvements	(3,309.33)	125,000.00		125,000.00	69,319.82	66,010.49
3-06 Purchase of Sewer Allocation	299,450.00	1,850,000.00	2,093,000.00	-	-	56,450.00
	<u>\$ 562,297.38</u>	<u>\$ 2,050,000.00</u>	<u>\$ 2,093,000.00</u>	<u>\$ 200,000.00</u>	<u>\$ -</u>	<u>\$ 319,297.38</u>

BOROUGH OF RIVERDALE  
 WATER/SEWER UTILITY FUND  
SCHEDULE OF CONSUMERS' ACCOUNTS RECEIVABLE

	<u>Ref.</u>	
Balance December 31, 2014	D	\$ 77,612.39
Increased by :		
2015 Billings		\$ 1,592,889.69
Prior Year Billing Adjustments		<u>491,135.16</u>
		<u>2,084,024.85</u>
		2,161,637.24
Decreased by :		
2015 Collections	D-4,6	<u>1,928,371.71</u>
		-
Balance December 31, 2015	D	<u>\$ 233,265.53</u>

SCHEDULE OF WATER/SEWER LIENS RECEIVABLE

	<u>Ref.</u>	
Balance December 31, 2014	D	\$ 24,587.83
Balance December 31, 2015	D	<u>\$ 24,587.83</u>

BOROUGH OF RIVERDALE  
 WATER/SEWER UTILITY FUND  
SCHEDULE OF APPROPRIATION RESERVES - 2014

	<u>Balance Dec. 31, 2014</u>	<u>Paid or Charged</u>	<u>Lapsed</u>
Operating :			
Other Expenses	\$ 203,882.58	\$ 41,744.69	\$ 162,137.89
Statutory Expenditures:			
Contribution to:			
Social Security System (O.A.S.I.)	<u>25.00</u>	<u>-</u>	<u>25.00</u>
	<u>\$ 203,907.58</u>	<u>\$ 41,744.69</u>	<u>\$ 162,162.89</u>
Ref.	D	D-6	D-1

BOROUGH OF RIVERDALE  
WATER/SEWER UTILITY FUND  
SCHEDULE OF RESERVE FOR PREMIUM

	<u>Ref.</u>	
Balance December 31, 2014	D	<u>\$2,000.00</u>
Balance December 31, 2015	D	<u>\$ 2,000.00</u>

BOROUGH OF RIVERDALE  
 WATER/SEWER UTILITY FUND  
SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>Ref.</u>	
Balance December 31, 2014	D	\$ 9,042.66
Increased by:		
Charges to 2015 Budget	D-5	<u>68,409.25</u>
		77,451.91
Decreased by:		
Paid in 2015	D-6	<u>9,042.66</u>
Balance December 31, 2015	D	<u>\$ 68,409.25</u>

D-14

SCHEDULE OF ACCOUNTS PAYABLE

	<u>Ref.</u>	
Balance December 31, 2014	D	\$ 11,723.45
Decreased by:		
Canceled in 2015	D-1	<u>10,232.75</u>
Balance December 31, 2015	D	<u>\$ 1,490.70</u>

D-15

SCHEDULE OF INTERFUND ACCOUNTS PAYABLE

	<u>Ref.</u>	
Increased by :		
Received in 2015	D-6	<u>\$ 10,000.00</u>
Decreased by :		
Paid in 2015	D-6	<u>\$ 10,000.00</u>

BOROUGH OF RIVERDALE  
 WATER/SEWER UTILITY FUND  
SCHEDULE OF ACCRUED INTEREST ON NOTES

	<u>Ref.</u>	
Balance December 31, 2014	D	\$ 787.50
Increased by:		
2015 Budget Appropriation	D-5	<u>25,000.00</u>
		25,787.50
Decreased by :		
Canceled	D-1	\$ 19,284.75
Note Interest Paid in 2015	D-6	<u>2,700.00</u>
		<u>21,984.75</u>
Balance December 31, 2015	D	<u>\$ 3,802.75</u>

D-17

SCHEDULE OF CONSUMER OVERPAYMENTS

	<u>Ref.</u>	
Balance December 31, 2014	D	\$ 3,570.63
Increased by:		
Received in 2015	D-6	<u>647.12</u>
		4,217.75
Decreased by :		
Paid in 2015	D-6	<u>3,570.63</u>
Balance December 31, 2015	D	<u>\$ 647.12</u>

BOROUGH OF RIVERDALE  
WATER/SEWER UTILITY FUND  
SCHEDULE OF METER DEPOSITS

	<u>Ref.</u>	
Balance December 31, 2014	D	<u>\$ 4,375.00</u>
Balance December 31, 2015	D	<u>\$ 4,375.00</u>

SCHEDULE OF OVERPAID ASSESSMENTS

	<u>Ref.</u>	
Balance December 31, 2014	D	<u>\$ 30.25</u>
Balance December 31, 2015	D	<u>\$ 30.25</u>

BOROUGH OF RIVERDALE  
 WATER/SEWER UTILITY FUND  
SCHEDULE OF FIXED CAPITAL

	Balance <u>Dec. 31, 2014</u>	Balance <u>Dec. 31, 2015</u>
Distribution Mains and Accessories	\$ 218,912.68	\$ 218,912.68
Utility System Improvements	1,880,103.50	1,880,103.50
Acquisition of Sewage Treatment Capacity	1,426,584.58	1,426,584.58
Service Pipes and Stops	10,975.42	10,975.42
Meter, Meter Boxes and Vaults	42,774.04	42,774.04
Fire Hydrants	13,204.76	13,204.76
Office Building and Equipment:		
Water Department Share of Municipal Building	71,288.50	71,288.50
Easement	1,687.79	1,687.79
Pumping Station	79,558.94	79,558.94
Storage Tank	121,061.87	121,061.87
Wells	67,991.89	67,991.89
Truck	20,108.23	20,108.23
General Equipment and Trucks	16,069.22	16,069.22
Chlorine Systems Improvements	8,850.00	8,850.00
Miscellaneous	7,247.62	7,247.62
Dump Truck	<u>29,534.28</u>	<u>29,534.28</u>
	<u>\$ 4,015,953.32</u>	<u>\$ 4,015,953.32</u>
	D	D

BOROUGH OF RIVERDALE  
 WATER/SEWER UTILITY FUND  
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Ordinance Number	Balance Dec. 31, 2014	Balance Dec. 31, 2015
11-04,2-06,4-10 Improvements to Sanitary Sewer System	\$ 1,200,000.00	\$ 1,200,000.00
11-04/2-06 Various Water Improvements	500,000.00	500,000.00
3-06 Purchase of Sewer Allocation	<u>6,300,000.00</u>	<u>6,300,000.00</u>
	<u>\$ 8,000,000.00</u>	<u>\$ 8,000,000.00</u>
Ref. D		D

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ordinance Number	Balance December 31, 2014 Funded	Unfunded	Paid or Charged	Encumbrances Cancelled	Balance December 31, 2015 Funded	Unfunded
11-04,2-06,4-10 Improvements to Sanitary Sewer System	\$ -	\$ 245,844.17	\$ -	\$ 6,745.35	\$ -	\$ 252,589.52
11-04/2-06 Various Water Improvements		192,519.79		69,319.82		261,839.61
3-06 Purchase of Sewer Allocation	<u>299,450.00</u>	<u>6,000,000.00</u>	<u>2,093,000.00</u>	<u>-</u>	<u>-</u>	<u>4,206,450.00</u>
	<u>\$ 299,450.00</u>	<u>\$ 6,438,363.96</u>	<u>\$ 2,093,000.00</u>	<u>\$ 76,065.17</u>	<u>\$ -</u>	<u>\$ 4,720,879.13</u>
Ref. D		D	D-6	D-23	D	D

BOROUGH OF RIVERDALE  
WATER/SEWER UTILITY FUND  
SCHEDULE OF ENCUMBRANCES PAYABLE - WATER/SEWER CAPITAL FUND

	<u>Ref.</u>	
Balance December 31, 2014	D	\$ 76,065.17
Decreased by :		
Cancelled	D-22	<u>76,065.17</u>
Balance December 31, 2015	D	<u>\$ -</u>

BOROUGH OF RIVERDALE  
 WATER/SEWER UTILITY FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2014	D	\$ <u>67,595.00</u>
Balance December 31, 2015	D	\$ <u>67,595.00</u>

SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>Ref.</u>	
Balance December 31, 2014	D	\$ <u>4,015,953.32</u>
Balance December 31, 2015	D	\$ <u>4,015,953.32</u>

BOROUGH OF RIVERDALE  
 WATER/SEWER UTILITY FUND  
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

	<u>Ref.</u>	
Balance December 31, 2014	D	\$ 1,251,300.00
Increased by :		
Notes Paid by Operating Fund	D-28	<u>\$ 100,000.00</u>
		<u>100,000.00</u>
Balance December 31, 2015	D	<u>\$ 1,351,300.00</u>
<u>Analysis of Balance December 31, 2015</u>		
Ord. 11-04,2-06		\$ 961,300.00
Ord. 3-06		300,000.00
Ord. 4-10		<u>90,000.00</u>
		<u>\$ 1,351,300.00</u>

D-27

SCHEDULE OF RESERVE FOR PAYMENT OF DEBT

	<u>Ref.</u>	
Balance December 31, 2014	D	<u>\$ 100,000.00</u>
Balance December 31, 2015	D	<u>\$ 100,000.00</u>



BOROUGH OF RIVERDALE  
 WATER/SEWER UTILITY FUND  
SCHEDULE OF BOND AND NOTES AUTHORIZED BUT NOT ISSUED

<u>Ord.</u> <u>No.</u>	<u>Description</u>	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Notes</u> <u>Issued</u>	<u>Balance</u> <u>Dec. 31, 2015</u>
11-04,2-06,4-10	Improvements to Sanitary Sewer System	\$ 257,350.00	\$ -	\$ 257,350.00
11-04,2-06	Various Water System Improvements	191,350.00	-	191,350.00
3-06	Purchase of Sewer Allocation	<u>6,000,000.00</u>	<u>1,850,000.00</u>	<u>4,150,000.00</u>
		<u>\$ 6,448,700.00</u>	<u>\$ 1,850,000.00</u>	<u>\$ 4,598,700.00</u>

BOROUGH OF RIVERDALE  
PUBLIC ASSISTANCE FUND  
SCHEDULE OF PUBLIC ASSISTANCE CASH - TREASURER

	<u>Ref.</u>	<u>P.A.T.F. 1</u>	<u>Total</u>
Balance December 31, 2014	E	<u>\$2,738.34</u>	<u>\$2,738.34</u>
Balance December 31, 2015	E	<u>\$2,738.34</u>	<u>\$2,738.34</u>

BOROUGH OF RIVERDALE  
PUBLIC ASSISTANCE FUND  
SCHEDULE OF RESERVE FOR PUBLIC ASSISTANCE

	<u>Ref.</u>	<u>P.A.T.F. 1</u>	<u>Total</u>
Balance December 31, 2014	E	<u>\$2,738.34</u>	<u>\$ 2,738.34</u>
Balance December 31, 2015	E	<u>\$ 2,738.34</u>	<u>\$ 2,738.34</u>

BOROUGH OF RIVERDALE  
PUBLIC ASSISTANCE FUND  
SCHEDULE OF PUBLIC ASSISTANCE EXPENDITURES - 2015

NOT APPLICABLE

**REPORTS PURSUANT TO GOVERNMENT AUDITING STANDARDS**



# VM ASSOCIATES, INC.

Vincent M. Montanino, RMA, PSA  
Michael S. Zambito, CPA, RMA  
Antonia Russo, Associate

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH "GOVERNMENT AUDITING STANDARDS"

The Honorable Mayor and  
Members of the Borough Council  
Borough of Riverdale  
County of Morris, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements – *regulatory basis* - of the various funds and account group of the Borough of Riverdale as of and for the years ended December 31, 2015 and December 31, 2014, and the related notes to the financial statements and have issued our report thereon dated June 29, 2016, which report expressed an adverse opinion in accordance with accounting principles generally accepted in the United States of America and an unmodified opinion on the *regulatory basis* of accounting. These financial statements have been prepared in accordance with accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey to demonstrate compliance with the Division's regulatory basis of accounting, and the budget laws of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United State of America.

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

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or 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.

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Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

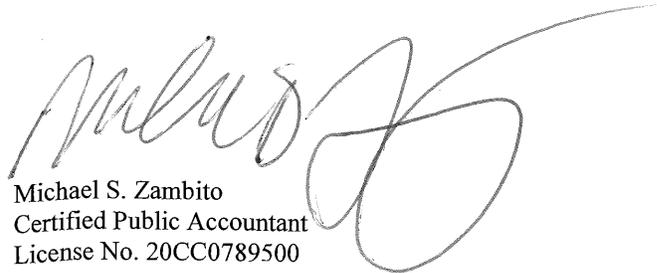
As part of obtaining reasonable assurance about whether the Borough of Riverdale’s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances on noncompliance or other matters that are required to be reported under Government Auditing Standards, however we did note a few instances of non compliance that are reported in the general comments section of the Audit.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Borough’s internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Borough’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



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Registered Municipal Accountant  
License No. CR000375



Michael S. Zambito  
Certified Public Accountant  
License No. 20CC0789500

June 29, 2016

**BOROUGH OF RIVERDALE**

**PART II**

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**GENERAL COMMENTS AND RECOMMENDATIONS  
YEAR ENDED DECEMBER 31, 2015**

## GENERAL COMMENTS

### CONTRACTS AND AGREEMENTS REQUIRED TO BE ADVERTISED FOR BIDS

Effective April 17, 2000 N.J.S.A. 40A:11 (Local Public Contracts Law) is revised by P.L. 1999, c.440 (originally known as Assembly bill No. 3519) The Division of Local Government Services in the Department of Community Affairs, after consultation with the Commissioner of Education, shall prescribe rules and procedures to implement the requirements of the law.

Effective July 1, 2015 the bid threshold in accordance with N.J.S.A. 40A:11-3 (as amended) is \$29,000.00, however effective January 1, 2011 the bid threshold for entities without a qualified purchasing agent was rolled back to \$17,500.00.

It is pointed out that the governing body of the Borough of Riverdale has the responsibility of determining whether commitments and expenditures are in compliance with the statutes and, where question arises as to whether any contract or agreement might result in violation of these statutes the Borough Attorney's opinion should be sought before commitment is made.

Inasmuch as the system of records is not required to provide and therefore did not provide for an accumulation of payments by categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear cut violations existed. None were disclosed.

The results of our examination indicated that no individual payments, contracts or agreements were made "for the provision or performance of any goods or services" in excess of the statutory limit where there had been no advertising for bids in accordance with the provision of N.J.S.A. 40A:11-4.

The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S.A. 40A:11-5 for Auditor, Attorney, Engineers, Bond Counsel, Special Counsels, Land Surveying and Planning Board Attorney.

The minutes indicate that bids were requested by public advertising for the following items:

Federal and Halsey Avenues Improvements, Solid Waste and Recyclable Collection.

The system of records is not required to provide and therefore did not provide for an accumulation of purchases for which the Borough used contracts entered in to by the State Department of Purchase and Property pursuant to Ch. 114, P.L. 1977, therefore, the extent of such purchases could not reasonably be ascertained. Our examination revealed the following purchases made through the use of State contracts: Police Equipment and Weapons, DPW Tires and Police Vehicle.

An ordinance was adopted which authorized the Borough to enter into cooperative purchasing program with the County of Morris: Police Car, DPW Pick-Up Truck and Sewer Study.

It was noted that a contract for Solid Waste and Recyclable Collection was awarded to Bella Cleaning and Carting which was subsequently challenged by the second lowest responsible bidder – Blue Diamond Disposal, Inc. The Borough did not officially cancel or rescind the contract with Bella Cleaning and Carting nor did it ever officially award the contract to Blue Diamond Disposal, Inc. to which payments were made starting in February of 2015.

COLLECTION OF INTEREST ON DELINQUENT TAXES

The statutes provide the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The governing body on January 7, 2015, adopted the following resolution authorizing interest to be charged on delinquent taxes and assessments:

WHEREAS NJSA 54:4-66 provides that taxes are payable in quarterly installments on February 1, May 1, August 1, and November 1 in each year with installments become delinquent if not paid on or before these dates.

NOW THEREFORE BE IT RESOLVED by the Governing Body of the Borough of Riverdale that the interest to be charged a delinquent taxpayer for the nonpayment of real property taxes or assessments shall be in the sum of 8% per annum on the first \$1,500.00 or delinquency and 18% per annum on any payment in excess of \$1,500.00, for the year 2012.

BE IT FURTHER RESOLVED that the Governing Body shall provide a grace period of ten (10) days within an installment of taxes may be received without an additional charge of interest from the due date.

BE IT FURTHER RESOLVED that this delinquency is to be calculated on a sum of all taxes from year to year and not to be calculated on an individual yearly basis.

It appears from an examination of the Collector’s records that interest was collected in accordance with the foregoing resolution.

We were unable to ascertain if the annual tax collector report as required by N.J.R.S. 54:4-91 was filed with the CFO and with the governing body for the year ended 2015. This matter has been discussed with the Tax Collector for compliance in the future.

DELINQUENT TAXES AND TAX TITLE LIENS

The delinquent taxes at December 31, 2015 include taxes for the year 2015.

The last tax sale was held on November 20, 2015 and was complete.

Inspection of tax sale certificates on file revealed that all tax sale certificates were available for audit.

The following comparison is made of the number of tax title liens receivable on December 31, of the last three years:

<u>Year</u>	<u>Number of Liens</u>
2015	24
2014	24
2013	24

It is essential to good management that all means provided by statute be utilized to liquidate tax title liens in order to get such properties back on a tax-paying basis.

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VERIFICATION OF DELINQUENT TAXES AND OTHER CHARGES

A test verification of delinquent charges and current payments was made in accordance with the regulations of the Division of Local Government Services, including the mailing of verification notices as follows:

<u>Type</u>	<u>Number Mailed</u>
Payments of 2016 Taxes	25
Payments of 2015 Taxes	25
Delinquent Taxes	25
Payment of Water/Sewer Utility Charges	25
Delinquent Water/Sewer Utility Charges	25

The result of the test, which was made as of December 31, 2015, is not yet fully known, however the items that were returned were checked and in agreement with the Borough's records and for items not returned either a second request was made or the open items were traced to subsequent collection. If any irregularities are discovered as a result of our second request a separate report will be issued.

OTHER COMMENTS

FINANCE

A review of the expenditures indicated transfers were required to provide sufficient appropriation balances for Police, Vehicle Maintenance and Municipal Court - Other Expenses and Electricity expenses where costs were not exactly known until bills or other evidence were presented.

MUNICIPAL COURT

The report required by statute covering the accounts of the Municipal Court has been filed under separate cover with the Magistrate, Clerk, and Division of Local Government Services. Comments regarding the financial records maintained by the Court Administrator are covered in this report.

TECHNICAL ACCOUNTING DIRECTIVES

The Division of Local Government Services has established three systems which are required by all local units. They are as follows:

1. Maintenance of an encumbrance accounting system (N.J.A.C. 5:30-5.2).
2. Fixed asset accounting and reporting system (N.J.A.C. 5:30-5.6).
3. General ledger accounting and record system (N.J.A.C. 5:30-5.7).

The Borough has complied by implementing all of the above directives, however the Borough has not had an independent outside appraisal done of its fixed assets for a number of years and has not been accounting for any deletions to its fixed assets.

CHANGE ORDERS IN EXCESS OF 20%

The Borough Clerk has certified that no change orders were issued that would cause an originally awarded contract price to be exceeded by more than 20 percent (N.J.A.C. 5:30-11.1 et seq.).

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RECOMMENDATIONS

That an independent outside appraisal be undertaken by the Borough to obtain an up to date accounting of its fixed assets.

That proper procedures be followed for the awarding/rescinding of all contracts.

Status of Prior Years' Audit Findings

Not Applicable

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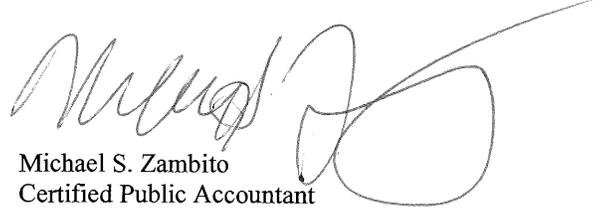
Should any questions arise as to our comments or should you desire any assistance please do not hesitate to call us.

APPRECIATION

We wish to express our appreciation of the assistance and courtesies rendered by the Borough officials during the course of the audit.



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License No. CR000375



Michael S. Zambito  
Certified Public Accountant  
License No. 20CC00789500

June 29, 2016