

BOROUGH OF RIVERDALE

**REPORT ON EXAMINATION OF FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011**

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

We have audited the accompanying balance sheets – regulatory basis of the various funds and account groups of the Borough of Riverdale as of December 31, 2011 and December 31, 2010, 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, 2011. These financial statements are the responsibility of the management of the Borough of Riverdale. Our responsibility is to express opinions on these financial statements based on our audits.

We conducted our audits 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinions.

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, that demonstrates compliance with the modified accrual basis, with certain exceptions, and the budget laws of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the statutory basis of accounting and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the 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, 2011 and December 31, 2010, or the results of its operations for the years then ended.

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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, 2011 and December 31, 2010, 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, 2011, on the basis of accounting described in Note I.

In accordance with Governmental Auditing Standards, we have also issued our report dated June 28, 2012 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, 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 conjunction with this report in considering the results of our audits.

Our audit was performed for the purpose of forming an opinion on the financial statements of the Borough of Riverdale, in the County of Morris, State of New Jersey, taken as a whole. The accompanying supplemental schedules presented in the Supplementary Data 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. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, such information is fairly stated in all material respects in relation to the financial statements taken as a whole.



Vincent M. Montanino
Registered Municipal Accountant
License No. CR 000375



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

June 28, 2012

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>2011</u>	<u>2010</u>
Cash - Treasurer	A-4	\$ 1,777,050.59	\$ 1,975,921.05
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	<u>2,031.72</u>	<u>-</u>
		<u>1,779,182.31</u>	<u>1,976,021.05</u>
Receivables and other Assets With Full Reserves :			
Delinquent Property Taxes	A-7	61,430.41	67,450.97
Tax Title Liens	A-8	51,552.25	36,427.94
Property Acquired for Taxes -			
At Assessed Valuation	A-9	235,100.00	235,100.00
Interfund Accounts Receivable	A-10	3,385.99	2,626.50
Revenue Accounts Receivable	A-11	<u>11,941.03</u>	<u>21,334.73</u>
		<u>363,409.68</u>	<u>362,940.14</u>
Deferred Charges:			
Special Emergency Authorization	A-12	<u>-</u>	<u>20,000.00</u>
		<u>2,142,591.99</u>	<u>2,358,961.19</u>
Federal and State Grants Fund :			
Federal and State Aid Receivable	A-27	1,026,042.41	1,029,661.32
Amount Due from Current Fund	A-28	<u>17,518.57</u>	<u>1,334.32</u>
		<u>1,043,560.98</u>	<u>1,030,995.64</u>
		<u>\$ 3,186,152.97</u>	<u>\$ 3,389,956.83</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>2011</u>	<u>2010</u>
Liabilities :			
Appropriation Reserves	A-3,13	\$ 217,223.03	\$ 263,171.18
Reserve for Encumbrances	A-14	47,377.42	126,040.08
Accounts Payable	A-15	53,214.10	49,741.54
Prepaid Taxes	A-16	99,767.95	62,729.90
Prepaid Licenses	A-17	-	3,390.00
Tax Overpayments	A-18	39,052.94	8,957.33
Interfund Accounts Payable	A-19	129.00	18,738.40
Amount Due to Federal and State Grants Fund	A-20	17,518.57	1,334.32
Reserve for Tax Sale Premium	A-21	6,000.00	6,000.00
Amount Due to Outside Lien Holders	A-22	23,625.54	23,625.54
Reserve for Funds - Appropriated	A-23	289,262.32	269,262.32
Amount Due to State of New Jersey -			
Senior Citizens' and Veterans' Deductions	A-6		2,144.32
Building Surcharge Fees	A-24	2,261.00	854.00
Marriage License Fees	A-25	75.00	125.00
		<u>795,506.87</u>	<u>836,113.93</u>
Reserve for Receivables and Other Assets		363,409.68	362,940.14
Fund Balance	A-1	<u>983,675.44</u>	<u>1,159,907.12</u>
		<u>2,142,591.99</u>	<u>2,358,961.19</u>
Federal and State Grants Fund :			
Unappropriated Reserves	A-29	14,231.15	17,469.23
Appropriated Reserves	A-30	460,750.68	909,703.86
Reserve for Encumbrances	A-31	568,579.15	103,822.55
		<u>1,043,560.98</u>	<u>1,030,995.64</u>
		<u>\$ 3,186,152.97</u>	<u>\$ 3,389,956.83</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 2011</u>	<u>Year 2010</u>
Fund Balance Utilized	A-2	\$ 800,000.00	\$ 1,325,000.00
Miscellaneous Revenue Anticipated	A-2	1,498,536.04	1,819,989.83
Receipts from Delinquent Taxes	A-2	45,108.41	126,569.78
Receipts from Current Taxes	A-2	13,443,181.79	13,139,080.05
Non - Budget Revenue	A-2	182,534.66	197,204.38
Other Credits to Income :			
Prior Year Voided Checks	A-4	520.69	-
Return of Interfund Advances	A-10	1,350.00	96.17
Unexpended Balance of Appropriation Reserves	A-13	154,540.75	207,058.06
Tax Overpayments Canceled	A-18	320.74	
Grant Appropriated Reserves Canceled	A-20	6,954.31	7,654.09
		<u>16,133,047.39</u>	<u>16,822,652.36</u>
<u>Expenditures</u>			
Budgetary and Emergency Appropriations :			
Appropriations Within "CAP"			
Operations:			
Salaries and Wages	A-3	2,835,290.00	3,093,115.00
Other Expenses	A-3	1,529,590.00	1,643,275.00
Deferred Charges and Statutory Expenditures	A-3	706,653.50	613,746.50
Appropriations Excluded from "CAP"			
Operations:			
Other Expenses	A-3	692,966.75	859,681.53
Capital Improvements	A-3	185,000.00	480,000.00
Debt Service	A-3	648,199.36	665,499.99
Deferred Charges	A-3	20,000.00	120,000.00
Refund of Prior Year Revenue	A-4	2,810.00	295.40
Interfund Advances	A-10	2,079.59	1,350.00
Cancel Prior Year Receivables	A-20	5,423.44	6,287.10
County Taxes	A-26	2,098,954.33	2,190,134.43
County Share of Added Taxes	A-26	4,839.80	12,068.05
Local District School Taxes	A-26	6,686,188.50	6,431,630.00
Local Open Space Taxes	A-26	91,074.95	90,183.77
Local Open Space Share of Added Taxes	A-26	208.85	494.87
Total Expenditures		<u>15,509,279.07</u>	<u>16,207,761.64</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 2011</u>	<u>Year 2010</u>
Excess in Revenue		\$ 623,768.32	\$ 614,890.72
Fund Balance January 1	A	<u>1,159,907.12</u>	<u>1,870,016.40</u>
		1,783,675.44	2,484,907.12
Decreased by :			
Utilization as Anticipated Revenue	A-2	<u>800,000.00</u>	<u>1,325,000.00</u>
Fund Balance December 31	A	<u>\$ 983,675.44</u>	<u>\$ 1,159,907.12</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)
		\$ 800,000.00	\$ -	\$ 800,000.00	\$ -
Fund Balance Anticipated	A-1				
Miscellaneous Revenues :					
Licenses :					
Alcohol Beverages	A-11	15,000.00		16,920.00	1,920.00
Other	A-2	5,000.00		4,445.00	(555.00)
Fees and Permits :					
Construction Code Official	A-11	85,000.00		151,485.00	66,485.00
Other	A-2	42,000.00		48,595.76	6,595.76
Fines and Costs					
Municipal Court	A-11	313,000.00		192,335.79	(120,664.21)
Interest and Costs on Taxes	A-11	20,000.00		16,554.34	(3,445.66)
Interest on Investments	A-11	1,000.00		142.07	(857.93)
Energy Receipts Tax (N.J.S.A. 54:30A-24.1 et seq.)	A-11	410,727.00		410,727.00	-
Consolidated Municipal Property Tax Relief Aid	A-11	28,788.00		28,788.00	-
Public and Private Programs Offset by Revenues :					
Recycling Tonnage Grant	A-20	9,695.34		9,695.34	-
Drunk Driving Enforcement Fund	A-20	4,027.13		4,027.13	-
Clean Communities Act	A-20		5,943.90	5,943.90	-
Alcohol Education & Rehabilitation Fund	A-20	854.64		854.64	-
Body Armor Fund	A-20	1,919.25		1,919.25	-
Walmart Police Grant	A-20	5,000.00		5,000.00	-
CDBG - Sewer Pump Station	A-20		80,000.00	80,000.00	-
N. J. Transportation Trust Fund Authority Act	A-20		180,000.00	180,000.00	-
Morris County - Open Space Grant	A-20		182,402.00	182,402.00	-
Other Special Items:					
Facility Usage Fee	A-11	8,000.00		12,776.00	4,776.00
Uniform Fire Safety Act	A-11	22,500.00		20,924.82	(1,575.18)
Reserve for Payment of Debt	A-11	25,000.00		25,000.00	-
Utility Operating Surplus of Prior Year	A-11	100,000.00		100,000.00	-
Total Miscellaneous Revenues	A-1	1,097,511.36	448,345.90	1,498,536.04	(47,321.22)
Receipts from Delinquent Taxes	A-17	70,000.00		45,108.41	(24,891.59)
Amount to be Raised by Taxes for Support of Municipal Budget :					
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes		4,414,761.11		4,774,833.48	360,072.37
Minimum Library Tax		293,222.49		293,222.49	-
Total Amount to be Raised by Taxes	A-2	4,707,983.60		5,068,055.97	360,072.37
Budget Totals		6,675,494.96	448,345.90	7,411,700.42	287,859.56
Non-Budget Revenues	A-12			182,534.66	182,534.66
	Ref.	\$ 6,675,494.96	\$ 448,345.90	\$ 7,594,235.08	\$ 470,394.22
		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 2010	A-7	\$ 62,729.90	
Collected in 2011	A-7	13,312,775.85	
State's Share of Senior Citizens' and Veterans' Deductions	A-7	<u>67,676.04</u>	
	A-1	13,443,181.79	
Allocated to Local School, Open Space and County Taxes	A-26	<u>8,881,266.43</u>	
		4,561,915.36	
Add : Appropriation :Reserve for Uncollected Taxes"	A-3	<u>506,140.61</u>	
Amount for Support of Municipal Budget Appropriations	A-2		<u>\$ 5,068,055.97</u>
Licenses - Other:			
Board of Health	A-11	\$ 340.00	
Clerk	A-11	715.00	
Prepaid Applied	A-17	<u>3,390.00</u>	
	A-2		<u>\$ 4,445.00</u>
Fees and Permits - Other :			
Clerk	A-11	\$ 428.75	
Board of Health	A-11	7,273.00	
Police Chief	A-11	2,885.93	
Tax Collector	A-11	6,141.70	
Road Opening	A-11	800.00	
Zoning/Planning	A-11	<u>31,066.38</u>	
	A-2		<u>\$ 48,595.76</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		\$ 1,276.50
Cable Franchise Fee		\$ 16,794.00	
Traffic Control		22,788.07	
Dental and Health Insurance Contributions		3,481.19	
Tire Disposal		18.00	
Newsletter		7,945.00	
Sale of Assets		2,153.55	
Motor Vehicle Inspection Program		11,867.01	
Other Refunds		33,243.75	
Rent of Municipal Owned Property		50,475.00	
Miscellaneous		4,221.20	
Recycling		2,419.00	
Bid Deposits		445.00	
Cat Licenses		280.00	
Copies		23.08	
FEMA		23,834.31	
Senior Citizens - 2% Administrative Fee		<u>1,270.00</u>	
	A-4		<u>181,258.16</u>
	A-2		<u>\$ 182,534.66</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		\$67,400.00	\$67,400.00	\$67,387.56	\$	12.44	\$ -
Other Expenses		49,000.00	49,000.00	47,839.94	1,160.06	-	-
Miscellaneous Other Expenses							
Mayor and Council		74,725.00	74,725.00	74,056.16	668.84	-	-
Salaries and Wages							
Borough Clerk		151,300.00	151,300.00	151,018.72	281.28	-	-
Salaries and Wages							
Financial Administration		33,365.00	33,365.00	33,360.00	5.00	-	-
Salaries and Wages		150.00	150.00	-	150.00	-	-
Other Expenses		17,500.00	17,500.00	-	17,500.00	-	-
Annual Audit							
Assessment of Taxes							
Salaries and Wages		34,800.00	34,800.00	34,381.34	418.66	-	-
Other Expenses		31,300.00	31,300.00	28,297.30	3,002.70	-	-
Revision of Tax Map							
Other Expenses		100.00	100.00	-	100.00	-	-
Revaluation							
Collection of Taxes							
Salaries and Wages		55,900.00	56,110.00	56,099.92	10.08	-	-
Other Expenses		4,100.00	3,890.00	3,839.36	50.64	-	-
Legal Services and Costs							
Contractual Expenses		25,000.00	25,000.00	25,000.00	-	-	-
Other Expenses		22,500.00	22,500.00	10,962.01	11,537.99	-	-
Municipal Prosecutor							
Salaries and Wages		17,200.00	17,200.00	17,124.96	75.04	-	-
Professional and Engineering Services and Costs							
Other Expenses		25,000.00	16,500.00	13,932.00	2,568.00	-	-
Insurance (N.J.S.A. 40A:4-45.3(00))							
General Liability		88,500.00	88,500.00	88,328.00	172.00	-	-
Workers Compensation		106,000.00	106,000.00	104,857.95	1,142.05	-	-
Employee Group Health		355,000.00	371,500.00	365,997.44	5,502.56	-	-
Public Buildings and Grounds							
Salaries and Wages		7,500.00	7,500.00	7,500.00	-	-	-
Other Expenses		23,200.00	23,200.00	20,604.39	2,595.61	-	-
Municipal Land Use Law (40:44D-1)							
Planning Board							
Salaries and Wages		3,825.00	3,825.00	3,823.00	2.00	-	-
Other Expenses		13,900.00	13,900.00	13,815.80	84.20	-	-
Zoning Official							
Salaries and Wages		18,450.00	18,450.00	18,450.00	-	-	-

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
OPERATIONS WITHIN "CAP"						
PUBLIC SAFETY FUNCTIONS:						
Fire						
Salaries and Wages		\$ 17,000.00	\$ 17,000.00	\$ 15,898.00	\$ 1,102.00	\$ -
Other Expenses		26,850.00	26,850.00	26,850.00	-	-
Fire Inspector						
Salaries and Wages		7,000.00	7,000.00	6,554.01	445.99	-
Other Expenses		600.00	600.00	566.00	34.00	-
Police						
Salaries and Wages		1,830,000.00	1,830,000.00	1,829,535.46	464.54	-
Other Expenses		57,600.00	52,100.00	51,632.56	467.44	-
Contribution to Pompton Lakes First Aid Squad		47,500.00	47,500.00	45,737.00	1,763.00	-
Emergency Management Services						
Salaries and Wages		14,325.00	14,325.00	14,318.88	6.12	-
Other Expenses		5,500.00	5,500.00	4,506.05	993.95	-
STREETS AND ROADS:						
Road Repairs and Maintenance (Including Snow Removal)						
Salaries and Wages		254,000.00	245,500.00	231,562.21	13,937.79	-
Other Expenses		58,000.00	55,000.00	49,117.42	5,882.58	-
Shade Tree						
Salaries and Wages		1,380.00	1,380.00	1,376.84	3.16	-
Other Expenses		2,625.00	2,625.00	1,121.43	1,503.57	-
Vehicle Maintenance						
Salaries and Wages		35,000.00	35,000.00	35,000.00	-	-
Other Expenses		47,600.00	47,600.00	44,386.07	3,213.93	-
HEALTH AND WELFARE:						
Board of Health						
Salaries and Wages		1,925.00	1,925.00	1,912.64	12.36	-
Other Expenses		39,000.00	39,000.00	35,990.10	3,009.90	-
Registrar						
Salaries and Wages		4,625.00	4,625.00	4,601.40	23.60	-
Other Expenses		100.00	100.00	-	100.00	-
Senior Citizen's Program						
Salaries and Wages		100.00	100.00	-	100.00	-
Other Expenses		25,000.00	25,200.00	25,118.77	81.23	-
Public Facilities						
Salaries and Wages		21,960.00	21,960.00	21,525.12	434.88	-
Other Expenses		100.00	100.00	30.01	69.99	-
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	-	-
RECREATION AND EDUCATION:						
Parks and Playgrounds						
Salaries and Wages		8,000.00	8,000.00	8,000.00	-	-
Other Expenses		2,500.00	2,300.00	803.16	1,496.84	-
Celebration of Public Events, Anniversary or Holiday						
Other Expenses		2,200.00	2,200.00	2,015.78	184.22	-

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		Expended		Unexpended Balance Canceled
		Budget	Budget After Modification	Paid or Charged	Reserved	
OPERATIONS WITHIN "CAP"						
Uniform Construction Code -						
State Uniform Construction Code (N.J.S.A. 52:27D-120 et seq.)						
Building Inspector						
Salaries and Wages		\$ 32,000.00	\$ 35,725.00	\$ 34,825.20	\$ 899.80	\$ -
Other Expenses		2,700.00	1,975.00	1,699.60	275.40	
Plumbing Inspector						
Salaries and Wages		13,800.00	13,800.00	13,800.00	-	
Other Expenses		100.00	100.00	-	100.00	
Electrical Inspector						
Salaries and Wages		13,800.00	13,800.00	13,775.04	24.96	
Fire Sub-Code Official						
Salaries and Wages		6,375.00	6,375.00	6,365.04	-	9.96
Municipal Court						
Salaries and Wages		114,100.00	114,100.00	111,583.45	2,516.55	
Other Expenses		11,900.00	11,900.00	9,609.29	2,290.71	
Public Defender						
Other Expenses		900.00	900.00	-	900.00	
UNCLASSIFIED:						
Utilities:						
Electricity		45,500.00	45,500.00	37,799.80	7,700.20	
Street Lighting		17,000.00	17,000.00	15,600.87	1,399.13	
Telephone and Telegraph		37,000.00	37,000.00	31,346.83	5,653.17	
Natural Gas		19,000.00	19,000.00	17,857.71	1,142.29	
Gasoline		75,000.00	83,000.00	77,330.60	5,669.40	
Garbage Removal		225,500.00	220,500.00	190,819.52	29,680.48	
Municipal Services Act		15,000.00	15,000.00	-	15,000.00	

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
OPERATIONS WITHIN "CAP"							
TOTAL OPERATIONS WITHIN "CAPS"		\$4,366,880.00	\$4,363,880.00	\$4,208,247.71	\$155,632.29	\$ -	\$ -
CONTINGENT		1,000.00	1,000.00	999.48	0.52	-	-
TOTAL OPERATIONS INCLUDING CONTINGENT WITHIN "CAPS"		4,367,880.00	4,364,880.00	4,209,247.19	155,632.81	-	-
DETAIL :							
Salaries and Wages	A-1	2,839,855.00	2,835,290.00	2,813,834.95	21,455.05	-	-
Other Expenses	A-1	1,528,025.00	1,529,590.00	1,395,412.24	134,177.76	-	-
		4,367,880.00	4,364,880.00	4,209,247.19	155,632.81	-	-
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAP"							
DEFERRED CHARGES:							
Prior Year Bills:							
State of New Jersey- DOT (Property Rental)		24.00	24.00	24.00	-	-	-
STATUTORY EXPENDITURES :							
Contribution to :							
Public Employees' Retirement System		138,250.50	138,250.50	138,250.50	-	-	-
Social Security System (O.A.S.I.)		230,000.00	233,000.00	228,966.17	4,033.83	-	-
Police and Fireman's Retirement System of N.J.		319,879.00	319,879.00	319,879.00	-	-	-
Defined Contribution Retirement System		500.00	500.00	-	500.00	-	-
Unemployment Compensation Fund		15,000.00	15,000.00	15,000.00	-	-	-
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAP"	A-1	703,653.50	706,653.50	702,119.67	4,533.83	-	-
		5,071,533.50	5,071,533.50	4,911,366.86	160,166.64	-	-
OPERATIONS EXCLUDED FROM "CAP"							
Reserve for Pending Tax Appeals		20,000.00	20,000.00	20,000.00	-	-	-
Maintenance of Free Public Library		293,222.49	293,222.49	286,874.16	6,348.33	-	-
BPP Adjustment for School Agreements		27,402.00	27,402.00	27,402.00	-	-	-
LOSAP Contribution		47,500.00	47,500.00	-	47,500.00	-	-
Recycling Tax		6,500.00	6,500.00	3,791.94	2,708.06	-	-
Interlocal Municipal Service Agreements:							
Police Dispatch Service - County of Morris		8,500.00	8,500.00	8,000.00	500.00	-	-
Other Expenses							
Public and Private Programs Offset by Revenues:							
Recycling Tonnage Grant		9,695.34	9,695.34	9,695.34	-	-	-
Drunk Driving Enforcement Fund		4,027.13	4,027.13	4,027.13	-	-	-
Clean Community Grant (Added by N.J.S.A. 40A:4-87)		5,943.90	5,943.90	5,943.90	-	-	-
Body Armor Fund		1,919.25	1,919.25	1,919.25	-	-	-
Alcohol Education & Rehabilitation Fund		854.64	854.64	854.64	-	-	-
Donation- Police (Walmart)		5,000.00	5,000.00	5,000.00	-	-	-
Morris County- Open Space (Added by N.J.S.A. 40A:4-87)		182,402.00	182,402.00	182,402.00	-	-	-
U.S. Dept. of Housing-CDBG (Sewer Pump Station) (Added by N.J.S.A. 40A:4-87)		80,000.00	80,000.00	80,000.00	-	-	-
TOTAL OPERATIONS EXCLUDED FROM "CAP"		424,620.85	692,966.75	635,910.36	57,056.39	-	-
DETAIL :							
Salaries and Wages	A-1	-	-	-	-	-	-
Other Expenses	A-1	424,620.85	692,966.75	635,910.36	57,056.39	-	-
		424,620.85	692,966.75	635,910.36	57,056.39	-	-

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
CAPITAL IMPROVEMENTS EXCLUDED FROM "CAP"						
Capital Improvement Fund		\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ -	\$ -
Public and Private Programs Offset by Revenues: N.J. Transportation Trust Fund Authority Act NJDOT - Matthew Ave. (Added by N.J.S.A. 40A:4-87)		-	180,000.00	180,000.00		
TOTAL CAPITAL IMPROVEMENTS EXCLUDED FROM "CAP"	A-1	5,000.00	185,000.00	185,000.00		
MUNICIPAL DEBT SERVICE EXCLUDED FROM "CAP"						
Payment of Bond Anticipation Notes and Capital Notes Interest on Notes		600,000.00 48,200.00	600,000.00 48,200.00	600,000.00 48,199.36		0.64
TOTAL MUNICIPAL DEBT SERVICE EXCLUDED FROM "CAP"	A-1	648,200.00	648,200.00	648,199.36		0.64
DEFERRED CHARGES:						
Special Emergency Authorizations		20,000.00	20,000.00	20,000.00		
TOTAL DEFERRED CHARGES	A-1	20,000.00	20,000.00	20,000.00		
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES - EXCLUDED FROM "CAP"		1,097,820.85	1,546,166.75	1,489,109.72	57,056.39	0.64
SUBTOTAL GENERAL APPROPRIATIONS RESERVE FOR UNCOLLECTED TAXES		6,169,354.35 506,140.61	6,617,700.25 506,140.61	6,400,476.58 506,140.61	217,223.03	0.64
TOTAL GENERAL APPROPRIATIONS	Ref. A-2 A-2	\$6,675,494.96	\$7,123,840.86	\$6,906,617.19	\$217,223.03	\$ 0.64
Adopted Appropriated by N.J.S.A. 40A:4-87			\$6,675,494.96 448,345.90			A
Cash Disbursed Amount Due from Federal and State Grants Fund	A-4			\$5,843,256.90		
Special Emergency Authorization Reserve for Encumbrances Reserve for Funds - Appropriated Reserve for Uncollected Taxes	A-20 A-12 A-14 A-23 A-2			469,842.26 20,000.00 47,377.42 20,000.00 506,140.61		
				\$6,906,617.19		

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>2011</u>	<u>2010</u>
Animal Control Fund :			
Cash - Treasurer	B-1	\$ 5,078.80	\$ 5,016.10
Amount Due from Current Fund	B-4	<u>129.00</u>	<u>-</u>
		<u>5,207.80</u>	<u>5,016.10</u>
Other Trust Funds :			
Cash - Treasurer	B-1	1,793,488.65	1,903,045.99
Amount Due from Current Fund	B-4	<u>-</u>	<u>18,342.38</u>
		<u>1,793,488.65</u>	<u>1,921,388.37</u>
		<u>\$ 1,798,696.45</u>	<u>\$ 1,926,404.47</u>
 <u>Liabilities, Reserves and Fund Balance</u>			
Animal Control Fund:			
Reserve for Animal Control Fund Expenditures	B-3	\$ 3,872.60	\$ 3,739.60
Amount Due to State of New Jersey	B-2	28.80	-
Amount Due to Current Fund	B-6	<u>1,306.40</u>	<u>1,276.50</u>
		<u>5,207.80</u>	<u>5,016.10</u>
Other Funds:			
Reserve for Special Funds	B-5	1,791,409.08	1,920,038.37
Amount Due to Current Fund	B-6	<u>2,079.57</u>	<u>1,350.00</u>
		<u>1,793,488.65</u>	<u>1,921,388.37</u>
		<u>\$ 1,798,696.45</u>	<u>\$ 1,926,404.47</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>2011</u>	<u>2010</u>
Cash - Treasurer	C-2	\$ 278,744.01	\$ 342,432.84
Deferred Charges to Future Taxation: Unfunded	C-4	<u>2,949,513.46</u>	<u>3,549,513.46</u>
		<u>\$ 3,228,257.47</u>	<u>\$ 3,891,946.30</u>
 <u>Liabilities, Reserves and Fund Balance</u>			
Bond Anticipation Notes	C-9	\$ 2,250,000.00	\$ 2,754,250.00
Improvement Authorizations :			
Funded	C-5	16,635.21	16,635.21
Unfunded	C-5	697,273.00	803,037.52
Capital Improvement Fund	C-6	48,788.10	43,788.10
Reserve for Payment of Debt Service	C-7	80,622.30	105,622.30
Encumbrances Payable	C-8	66,294.41	104,403.19
Fund Balance	C-1	<u>68,644.45</u>	<u>64,209.98</u>
		<u>\$ 3,228,257.47</u>	<u>\$ 3,891,946.30</u>

There were Bonds and Notes Authorized but not Issued at December 31, 2011 in the amount of \$700,050.00. (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, 2010	C	\$ 64,209.98
Increased by:		
Premium on Sale of Notes	C-2	<u>4,434.47</u>
Balance December 31, 2011	C	<u>\$ 68,644.45</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>2011</u>	<u>2010</u>
Operating Fund:			
Cash - Treasurer	D-6	\$ 1,308,960.00	\$ 1,395,992.96
Change Fund	D-7	50.00	50.00
Consumers' Accounts Receivable	D-9	47,177.32	58,062.02
Interfund Accounts Receivable	D-10	-	395.98
Total Operating Fund		<u>1,356,187.32</u>	<u>1,454,500.96</u>
Assessment Fund			
Cash - Treasurer	D-6	87,963.81	68,843.54
Assessment Receivable	D-11	<u>20,091.29</u>	<u>39,211.56</u>
Total Sewer Assessment Fund		<u>108,055.10</u>	<u>108,055.10</u>
Capital Fund:			
Cash - Treasurer	D-6	587,288.27	584,916.89
Fixed Capital	D-19	4,015,953.32	4,015,953.32
Fixed Capital Authorized and Uncompleted	D-20	<u>8,000,000.00</u>	<u>8,000,000.00</u>
Total Capital Fund		<u>12,603,241.59</u>	<u>12,600,870.21</u>
		<u>\$ 14,067,484.01</u>	<u>\$ 14,163,426.27</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

<u>Liabilities, Reserves and Fund Balance</u>	<u>Ref.</u>	<u>December 31,</u>	
		<u>2011</u>	<u>2010</u>
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-5,12	\$ 366,260.66	\$ 220,727.01
Interfund Accounts Payable	D-10	0.02	
Reserve for Encumbrances	D-13	1,813.22	10,168.60
Accounts Payable	D-14	6,905.00	-
Accrued Interest on Notes	D-15	1,895.83	2,320.11
Consumer Overpayments	D-16	1,851.97	1,923.47
Meter Deposits	D-17	4,375.00	4,375.00
		<u>383,101.70</u>	<u>239,514.19</u>
Reserve for Consumers' Accounts Receivable		47,177.32	58,062.02
Fund Balance	D-1	<u>925,908.30</u>	<u>1,156,924.75</u>
Total Operating Fund		<u>1,356,187.32</u>	<u>1,454,500.96</u>
Assessment Fund:			
Reserve for Assessments	D-18	20,091.29	39,211.56
Fund Balance	D-2	<u>87,963.81</u>	<u>68,843.54</u>
Total Sewer Assessment Fund		<u>108,055.10</u>	<u>108,055.10</u>
Capital Fund:			
Bond Anticipation Notes	D-27	600,000.00	745,750.00
Improvement Authorizations - Funded	D-21	313,950.00	313,950.00
Improvement Authorizations - Unfunded	D-21	6,601,117.85	6,601,537.07
Encumbrances Payable	D-22	74,495.17	77,137.10
Capital Improvement Fund	D-23	67,595.00	67,595.00
Reserve for Amortization	D-24	4,015,953.32	4,015,953.32
Deferred Reserve for Amortization	D-25	801,300.00	651,300.00
Reserve for Payment of Debt	D-26	100,000.00	100,000.00
Fund Balance	D-3	<u>28,830.25</u>	<u>27,647.72</u>
		<u>12,603,241.59</u>	<u>12,600,870.21</u>
		<u>\$ 14,067,484.01</u>	<u>\$ 14,163,426.27</u>

There were Bonds and Notes Authorized but not Issued at December 31, 2011 in the amount of \$6,598,700.00. See Exhibit D-28 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 2011</u>	<u>Year 2010</u>
Fund Balance Utilized	D-1.4	\$ 817,312.50	\$ 859,750.00
Rents	D-4	1,451,141.05	1,341,375.76
Miscellaneous	D-4	13,244.55	258,614.29
Other Credits to Income :			
Prior Year Refunds		-	37,092.39
Unexpended Balance of Appropriation Reserve	D-12	174,536.80	69,411.99
Accrued Interest on Notes Canceled	D-15	<u>22,373.65</u>	<u>19,500.00</u>
Total Income		<u>2,478,608.55</u>	<u>2,585,744.43</u>
 <u>Expenditures</u> 			
Budgetary Appropriations:			
Operating	D-5	1,575,000.00	1,500,000.00
Capital Improvements		-	50,000.00
Debt Service	D-5	185,000.00	289,750.00
Statutory Expenditures	D-5	32,312.50	25,000.00
Surplus to General Budget	D-5	<u>100,000.00</u>	<u>-</u>
		<u>1,892,312.50</u>	<u>1,864,750.00</u>
Excess in Revenue		586,296.05	720,994.43
Fund Balance January 1	D	<u>1,156,924.75</u>	<u>1,295,680.32</u>
		1,743,220.80	2,016,674.75
Decreased by :			
Utilization as Sewer Operating Budget	D-1	<u>817,312.50</u>	<u>859,750.00</u>
Fund Balance December 31	D	<u>\$ 925,908.30</u>	<u>\$ 1,156,924.75</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, 2010	D	\$ 68,843.54
Increased by:		
Collection of Unpledged Assessments	D-18	<u>19,120.27</u>
Balance December 31, 2011	D	<u>\$ 87,963.81</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, 2010	D	\$ 27,647.72
Increased by:		
Premium on Sale of Notes	D-6	\$ 1,182.53
Funded Improvement Authorizations Canceled	D-21	<u>-</u>
		<u>1,182.53</u>
Balance December 31, 2011	D	<u>\$ 28,830.25</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	\$ 817,312.50	\$ 817,312.50	\$ -
Rents	D-1,9	1,025,000.00	1,451,141.05	426,141.05
Miscellaneous	D-1,4	<u>50,000.00</u>	<u>13,244.55</u>	<u>(36,755.45)</u>
	D-5	<u>\$ 1,892,312.50</u>	<u>\$ 2,281,698.10</u>	<u>\$ 389,385.60</u>

Analysis of Realized Revenues

	<u>Ref.</u>	
Miscellaneous:		
Interest on Assessments		\$ 2,869.89
Interest on Investments		2,885.58
Meters		1,189.08
Hydrants		3,300.00
Water Connection Fees		<u>3,000.00</u>
	D-4,6	<u>\$ 13,244.55</u>

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 Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>
Operating :					
Salaries and Wages		\$ 175,000.00	\$ 175,000.00	\$ 175,000.00	\$ -
Other Expenses		<u>1,400,000.00</u>	<u>1,400,000.00</u>	<u>1,033,851.84</u>	<u>366,148.16</u>
	D-1	<u>1,575,000.00</u>	<u>1,575,000.00</u>	<u>1,208,851.84</u>	<u>366,148.16</u>
Debt Service:					
Payment Bond Anticipation Notes		150,000.00	150,000.00	150,000.00	
Interest on Notes		<u>35,000.00</u>	<u>35,000.00</u>	<u>35,000.00</u>	
	D-1	<u>185,000.00</u>	<u>185,000.00</u>	<u>185,000.00</u>	
Statutory Expenditures :					
Contribution to:					
Public Employees' Retirement System		13,812.50	13,812.50	13,812.50	-
Social Security System (O.A.S.I.)		13,500.00	13,500.00	13,387.50	112.50
Unemployment Compensation Insurance		<u>5,000.00</u>	<u>5,000.00</u>	<u>5,000.00</u>	<u>-</u>
	D-1	<u>32,312.50</u>	<u>32,312.50</u>	<u>32,200.00</u>	<u>112.50</u>
Surplus to General Budget	D-1	<u>100,000.00</u>	<u>100,000.00</u>	<u>100,000.00</u>	<u>-</u>
		<u>\$ 1,892,312.50</u>	<u>\$ 1,892,312.50</u>	<u>\$ 1,526,051.84</u>	<u>\$ 366,260.66</u>
	Ref.	D-4	D-4		D
			<u>Ref.</u>		
Disbursed			D-6	\$ 1,489,238.62	
Reserve for Encumbrances			D-13	1,813.22	
Accrued Interest on Notes			D-15	<u>35,000.00</u>	
				<u>\$ 1,526,051.84</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>2011</u>	<u>2010</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>2011</u>	<u>2010</u>
General Fixed Assets:		
Land	\$ 645,200.00	\$ 645,200.00
Buildings	1,754,900.00	1,754,900.00
Machinery and Equipment	<u>3,914,941.62</u>	<u>3,914,941.62</u>
	<u>\$ 6,315,041.62</u>	<u>\$ 6,315,041.62</u>
 Investments in General Fixed Assets	 <u>\$ 6,315,041.62</u>	 <u>\$ 6,315,041.62</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, 2011

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 of America:

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, 2011
(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 Township, other than those accounted for in the Sewer Utility funds. 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 accounting principles generally accepted in the United States of America (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, 2011
(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 2011 statutory budget included a reserve for uncollected taxes in the amount of \$506,140.61. To balance the budget, the municipality is permitted to utilize fund balance. The amounts of fund balance utilized to balance the 2011 statutory budgets were as follows:

Current Fund	\$800,000.00
Water/Sewer Utility Operating Fund	817,312.50

BOROUGH OF RIVERDALE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011
(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 2011 calendar year.

<u>Budget Category</u>	<u>Amount</u>
Professional And Engineering Services:	
Other Expenses	\$ (8,500.00)
Employee Group Health	16,500.00
Gasoline	8,000.00
Garbage Removal	(5,000.00)

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 2011 calendar year.

<u>Budget Category</u>	<u>Amount</u>
Morris County Open Space Grant	\$182,402.00
Clean Community Program	5,943.90
NJDOT –	180,000.00
CDBG – Sewer Pump Station	80,000.00

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 were no emergency appropriations approved during the 2011 calendar year.

BOROUGH OF RIVERDALE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011
(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, 2011
(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 N.J.A.C. 5:30-5.6, 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, 2011
(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, 2011 the Borough of Riverdale's cash and cash equivalent's amounted to \$5,973,503.02. Of this amount, \$250,000.00 was covered by federal depository insurance (F.D.I.C.) and \$5,410,208.64 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 \$313,294.38 included in Developers Escrow deposits is covered.

At December 31, 2011 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, 2011
(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, 2011, \$313,294.38 of the Borough of Riverdale's cash and cash equivalents of \$5,973,503.02 was exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	\$313,294.38
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BOROUGH OF RIVERDALE

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011
(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, 2011.

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BOROUGH OF RIVERDALE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011
(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, 2011 are composed of the following:

<u>Year of Levy</u>	<u>Amount</u>
2011	<u>\$61,430.41</u>

C. Interfund Receivables and Payables

As of December 31, 2011 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	\$ 3,385.99	\$17,647.57
Federal and State Grants Fund	17,518.57	
Trust Funds:		
Animal Control Fund	129.00	1,306.40
Other Trust Fund		2,079.57
Water/Sewer Utility Fund:		
Operating Fund		0.02
Payroll Agency	<u>0.00</u>	<u>0.00</u>
	<u>\$21,033.56</u>	<u>\$21,033.56</u>

The above interfunds were created either by using the Current Fund to pay bills for the other funds or due to interest, deposit errors or revenues that should have been paid over to their respective operating funds

D. Deferred Charges to be Raised in Succeeding Budgets

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2010 and 2011, the following deferred charges are shown on the balance sheets of the various funds:

	<u>Balance Dec. 31, 2010</u>	<u>2011 Budget Appropriation</u>	<u>Balance to Succeeding Years</u>
Current Fund:			
Special Emergency Authorization (40A:4-53)	\$20,000.00	\$20,000.00	\$0.00

The appropriation in the 2011 Budget was the final amount needed to fund the Special Emergency.

BOROUGH OF RIVERDALE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011
(CONTINUED)

Note II: Detailed Notes On All Funds (Continued)

E. Leases

The Borough of Riverdale has not entered into any long-term agreements except for equipment which is being capitalized as installment purchases of fixed assets in accordance with Technical Accounting Directive No. 85-2.

The Borough of Riverdale has commitments to lease copying and postage equipment under operating leases which expire in 2014. Total operating lease payments made during the year ended December 31, 2010 were \$8,530.80 and for the year ended December 31, 2011 were \$8,530.80. Future minimum lease payments are as follows:

<u>Year</u>	<u>Amount</u>
2012	\$ 5,508.00
2013	5,508.00
2014	<u>918.00</u>
Total Minimum Lease Payments	<u>\$11,934.00</u>

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BOROUGH OF RIVERDALE

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011
(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 2011</u>	<u>Year 2010</u>	<u>Year 2009</u>
<u>Issued</u>			
General:			
Bonds and Notes	\$ 2,250,000.00	\$ 2,754,250.00	\$ 3,275,000.00
Water/Sewer Utility:			
Bonds and Notes	600,000.00	745,750.00	945,000.00
Sewer Assessment:			
Bonds and Notes	-	-	30,000.00
Total Issued	<u>2,850,000.00</u>	<u>3,500,000.00</u>	<u>4,250,000.00</u>
<u>Less</u>			
Funds Temporarily Held to Pay			
Bonds and Notes:			
Reserve for Payment of			
Debt Service	<u>80,622.30</u>	<u>105,622.30</u>	<u>105,622.30</u>
Total Deductions	<u>80,622.30</u>	<u>105,622.30</u>	<u>105,622.30</u>
Net Debt Issued	<u>2,769,377.70</u>	<u>3,394,377.70</u>	<u>4,144,377.70</u>
<u>Authorized but not Issued</u>			
General:			
Bonds and Notes	700,050.00	795,800.00	1,029,300.00
Water/Sewer Utility:			
Bonds and Notes	<u>6,598,700.00</u>	<u>6,602,950.00</u>	<u>6,407,950.00</u>
Total Authorized but Not Issued	<u>7,298,750.00</u>	<u>7,398,750.00</u>	<u>7,437,250.00</u>
Net Bonds and Notes Issued and			
Authorized but not Issued	<u>\$ 10,068,127.70</u>	<u>\$ 10,793,127.70</u>	<u>\$ 11,581,627.70</u>

BOROUGH OF RIVERDALE

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011
(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 0.33 %.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ 621,000.00	\$ 621,000.00	\$ -
Water/Sewer Utility Debt	7,198,700.00	7,198,700.00	-
General Debt	<u>2,950,050.00</u>	<u>80,622.30</u>	<u>2,869,427.70</u>
	<u>\$ 10,769,750.00</u>	<u>\$ 7,900,322.30</u>	<u>\$ 2,869,427.70</u>

Net Debt \$2,869,427.70 divided by Equalized Valuation Basis
per N.J.S.A. 40A:2-2 as amended, \$ 870,032,545.00 = 0.33%

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 30,451,139.08
Net Debt	<u>2,869,427.70</u>
Remaining Borrowing Power	<u>\$ 27,581,711.38</u>

BOROUGH OF RIVERDALE

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011
(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		\$ 2,282,189.22
Deductions:		
Operating and Maintenance Cost	\$ 1,707,312.50	
Debt Service per Water/Sewer Utility Account	<u>185,000.00</u>	
		<u>1,892,312.50</u>
Excess in Revenue-Self Liquidating		<u>\$ 389,876.72</u>

Footnote:

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

The foregoing debt information is in agreement with the annual debt statement filed by the Chief Financial Officer.

BOROUGH OF RIVERDALE

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011
(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, 2011 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. 11-03 Acquisition of Fire Pumper	1.75%	10/27/2011	10/26/2012	\$ 130,000.00
Ord. 11-04 & 2-06 Various Improvements	1.75%	10/27/2011	10/26/2012	1,834,000.00
Ord. 1-06 Acquisition and Renovation of Property	1.75%	10/27/2011	10/26/2012	183,500.00
Ord. 6-07 Acquisition and Renovation of Property	1.75%	10/27/2011	10/26/2012	102,500.00
				<u>2,250,000.00</u>
Water/Sewer Utility Capital:				
Ord. 11-04 & 2-06 Various Improvements	1.75%	10/27/2011	10/26/2012	200,000.00
Ord. 11-04 & 2-06 Various Improvements	1.75%	10/27/2011	10/26/2012	400,000.00
				<u>600,000.00</u>
				<u>\$ 2,850,000.00</u>

2. Bonds Authorized but not Issued

As of December 31, 2011 the Borough of Riverdale had authorized but not issued bonds as follows:

General Capital Fund	\$ 700,050.00
Water/Sewer Utility Capital Fund	6,598,700.00

Changes in Short-Term Debt

	<u>Balance December 31, 2010</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance December 31, 2011</u>
General Capital Fund	\$ 2,754,250.00	\$ 2,250,000.00	\$ 2,754,250.00	\$ 2,250,000.00
Sewer Utility No. 1	<u>745,750.00</u>	<u>600,000.00</u>	<u>745,750.00</u>	<u>600,000.00</u>
	<u>\$ 3,500,000.00</u>	<u>\$ 2,850,000.00</u>	<u>\$ 3,500,000.00</u>	<u>\$ 2,850,000.00</u>

BOROUGH OF RIVERDALE

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011
(CONTINUED)

Note II: Detailed Notes On All Funds (Continued)

G. Fund Balances Appropriated

Fund balances at December 31, 2011, which were appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2012 were as follows:

Current Fund	\$ 575,000.00
Water/Sewer Utility Operating Fund	697,425.00

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

Retirement Benefits

For PERS employees, the benefits will be 1/55 of the average of the three highest years compensation for each year of service. However, for PERS who are veterans of the U.S. armed forces, the benefits will be 1/55 of final compensation for each year of service.

For PFRS employees, the benefits will be various percentages of final compensation depending upon the numbers of years of service.

BOROUGH OF RIVERDALE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011
(CONTINUED)

Note III: Pension Plans (Continued)

Significant Legislation

Chapter 89, P.L. 2008, effective November 1, 2008, increased the PERS retirement age. If a person becomes a member on or after November 1, 2008 that person must be at least 62 years of age in order to retire without a reduction in their retirement allowance.

Chapter 78, P.L. 2011, effective June 28, 2011 implements changes to the PERS. PERS employee pension contribution rates will increase from 5.5% to 6.5% of salary

The second phase of the contribution rate increase from 6.5% to 7.5% is to be phased in equally over a 7 year period beginning July 2012. The contribution rate will increase by 0.14% each year with the first payroll of July until the 7.5% contribution rate is reached in July 2018.

The increase in the PERS employee contribution rate will also increase the minimum repayment amount for pension loans or the cost for a purchase of service credit if certified after the employee's increased contribution becomes effective.

Under a provision of Chapter 78, P.L. 2011, Cost of Living Adjustments (COLA) are suspended for all current and future retirees of all retirement systems. There is no reduction to any COLA increases that were already added to retiree benefits prior to the effective date of the law.

Contribution Requirements

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 PERS pension fund provides for employee contribution rates to increase from 5.50 percent of employees' annual compensation to 6.5%, effective with the first payroll amount to be paid on or after October 1, 2011. The percentage for PFRS is 8.50 percent 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.

During the year ended June 30, 2011, 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, 2010 was \$3,474,408.99 and covered payroll was \$1,413,803.00 for PERS and \$1,624,102.00 for PFRS. Total payroll for the year ended December 31, 2011 was \$3,258,342.16 and covered payroll was \$1,388,539.00 for PERS and \$1,397,521.00 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:

BOROUGH OF RIVERDALE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011
(CONTINUED)

Note III: Pension Plans (Continued)

Contribution Requirements (Continued)

		<u>PERS</u>	Percent of Covered <u>Payroll</u>	<u>PFRS</u>	Percent of Covered <u>Payroll</u>
Employees	12/31/09	77,867.24	5.65%	126,372.49	8.50%
	12/31/10	80,194.03	5.67%	138,048.86	8.50%
	12/31/11	80,053.10	5.77%	123,658.91	8.85%
Borough of Riverdale	12/31/09	117,177.97	8.50%	231,273.00	15.56%
	12/31/10	118,379.00	8.37%	253,261.00	15.59%
	12/31/11	152,063.00	10.95%	319,879.00	22.89%

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.

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BOROUGH OF RIVERDALE

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011
(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, 2011
(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 years ended December 31, 2010 and 2011 were as follows:

	<u>2010</u>	<u>2011</u>
Operating Revenues	\$ 1,595,122.64	\$ 1,461,500.02
Operating Expenses	1,525,000.00	1,607,312.50
Operating Income or (Loss)	70,122.64	(145,815.48)
Operating Transfers in or (Out)	0.00	(100,000.00)
Net Income or (Loss)	720,994.43	586,296.05
Fixed Assets:		
Additions	0.00	0.00
Deletions	0.00	0.00
Net Working Capital	1,214,986.77	973,085.62
Total Operating Assets	1,454,500.96	1,356,187.32
Operating Fund Balance	1,156,924.75	925,908.30
Long Term Debt	0.00	0.00
Short Term Debt	745,750.00	600,000.00

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 \$158,102.96. This amount is 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: Subsequent Event

The Borough of Riverdale management has informed us that there are no significant events that need to be disclosed after the balance sheet date through the date of audit.

Note IX: 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 \$284,107.38 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 2011</u>		<u>Year 2010</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
<u>Revenue and Other Income Realized</u>				
Fund Balance Utilized	\$ 800,000.00	4.96%	\$ 1,325,000.00	7.88%
Miscellaneous-From Other than				
Local Property Tax Levies	1,844,757.19	11.43%	2,232,002.53	13.27%
Collection of Delinquent Taxes				
and Tax Title Liens	45,108.41	0.28%	126,569.78	0.75%
Collection of Current Tax Levy	<u>13,443,181.79</u>	<u>83.33%</u>	<u>13,139,080.05</u>	<u>78.10%</u>
Total Income	<u>16,133,047.39</u>	<u>100.00%</u>	<u>16,822,652.36</u>	<u>100.00%</u>
 <u>Expenditures</u>				
Budget Expenditures:				
Municipal Purposes	6,617,699.61	42.67%	7,475,318.02	46.13%
County Taxes	2,103,794.13	13.56%	2,202,202.48	13.59%
Local School Taxes	6,686,188.50	43.10%	6,431,630.00	39.67%
Local Open Space Taxes	91,283.80	0.59%	90,678.64	0.56%
Other Expenditures	<u>10,313.03</u>	<u>0.07%</u>	<u>7,932.50</u>	<u>0.05%</u>
Total Expenditures	<u>15,509,279.07</u>	<u>100.00%</u>	<u>16,207,761.64</u>	<u>100.00%</u>
Excess in Revenue	623,768.32		614,890.72	
Fund Balance January 1	<u>1,159,907.12</u>		<u>1,870,016.40</u>	
	1,783,675.44		2,484,907.12	
Less:				
Utilization as Anticipated Revenue	<u>800,000.00</u>		<u>1,325,000.00</u>	
Fund Balance December 31	<u>\$ 983,675.44</u>		<u>\$ 1,159,907.12</u>	

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

	<u>Year 2011</u>		<u>Year 2010</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
<u>Revenue and Other Income Realized</u>				
Fund Balance Utilized	\$ 817,312.50	32.97%	\$ 859,750.00	33.25%
Collection of Water Rents	1,451,141.05	58.55%	1,341,375.76	51.88%
Miscellaneous-From Other Than Water Rents	<u>210,155.00</u>	<u>8.48%</u>	<u>384,618.67</u>	<u>14.87%</u>
Total Income	<u>2,478,608.55</u>	<u>100.00%</u>	<u>2,585,744.43</u>	<u>100.00%</u>
<u>Expenditures</u>				
Budget Expenditures:				
Operating	1,575,000.00	83.23%	1,500,000.00	80.44%
Capital Improvements	-	0.00%	50,000.00	2.68%
Debt Service	185,000.00	9.78%	289,750.00	15.54%
Deferred Charges and Statutory Expenditures	32,312.50	1.71%	25,000.00	1.34%
Surplus to General Budget	<u>100,000.00</u>	<u>5.28%</u>	<u>-</u>	<u>0.00%</u>
Total Expenditures	<u>1,892,312.50</u>	<u>100.00%</u>	<u>1,864,750.00</u>	<u>100.00%</u>
Excess in Revenue	586,296.05		720,994.43	
Fund Balance January 1	<u>1,156,924.75</u>		<u>1,295,680.32</u>	
	1,743,220.80		2,016,674.75	
Less:				
Utilization as Anticipated Revenue	<u>817,312.50</u>		<u>859,750.00</u>	
Fund Balance December 31	<u>\$ 925,908.30</u>		<u>\$ 1,156,924.75</u>	

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
<u>Tax Rate</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>	<u>\$ 1.260</u>	<u>\$2.420</u>	<u>\$2.310</u>	<u>\$2.040</u>

Apportionment of Tax Rate

Municipal	\$0.494	\$0.510	\$0.488	\$0.489	\$0.474	\$0.353	\$0.353	\$0.673	\$0.580	\$0.538
Library	0.032	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
County	0.232	0.244	0.239	0.247	0.250	0.240	0.215	0.409	0.374	0.338
Local School	0.734	0.713	0.715	0.702	0.696	0.707	0.692	1.338	1.356	1.164

Assessed Valuation

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
2005	\$663,440,749.00
2004	\$336,569,158.00
2003	\$317,919,778.00
2002	\$316,456,567.00

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>
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%
2005	8,427,967.62	8,326,261.25	98.79%
2004	8,225,822.70	7,969,944.93	96.88%
2003	7,442,216.91	7,218,778.32	96.99%
2002	6,558,386.40	6,416,869.20	97.84%

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>
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%
2005	63,412.25	95,473.87	158,886.12	1.88%
2004	63,011.57	91,169.72	154,181.29	1.87%
2003	57,946.39	174,442.97	232,389.36	3.12%
2002	64,817.88	111,050.00	175,867.88	2.68%

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

No properties have been acquired in 2011 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>
2011	\$235,100.00
2010	235,100.00
2009	235,100.00
2008	235,100.00
2007	235,100.00
2006	235,100.00
2005	235,100.00
2004	235,100.00
2003	235,100.00
2002	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
2004	367,386.34	402,882.99
2003	345,218.77	335,578.65
2002	365,410.05	331,682.55

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
2003	1,799,349.83	1,814,850.24
2002	515,534.79	582,511.14

COMPARISON OF WATER/SEWER UTILITY LEVIES

<u>Year</u>	<u>Levy</u>	<u>Cash Collection</u>
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	2010	\$ 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
	2005	2,501,172.42	1,400,000.00
	2004	2,217,115.73	1,400,000.00
	2003	2,085,225.77	875,000.00
	2002	2,463,022.11	1,125,000.00
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
	2005	484,285.12	266,000.00
	2004	207,509.34	114,000.00
	2003	157,270.04	112,369.07
	2002	196,578.48	142,500.00
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
	2005	540,212.14	448,500.00
	2004	866,730.80	578,500.00
	2003	1,633,177.79	1,022,750.00
	2002	404,394.41	223,584.58
Water/Sewer Utility Operating Fund	2010	\$ 925,908.30	\$ 697,425.00
	2010	1,156,924.75	827,312.50
	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 is \$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	
Joseph Falkoski	Councilman	
Paul Carelli	Councilman	
Elaine Wetzel	Councilwoman	
Steven Loesner	Councilman	
Theodore Guis	Councilman	
Maryann Murphy	Tax Collector	\$ 1,000,000.00
	Tax Searcher	
Samuel Dedio	Water Collector	1,000,000.00
	Sewer Collector	
Carol Talerico	Treasurer	1,000,000.00
	Water Treasurer	
	Clerk	
	Improvement Searcher	
	Sub-Division Searcher	
	Registrar	
	Qualified Purchasing Agent	
Linda Forbes	Deputy Clerk	
Kenneth Sesholtz	Chief Financial Officer	
Robert Oostdyk	Attorney	
Thomas Brunt	Police Prosecutor	
John Paparazzo	Magistrate	1,000,000.00
Kathleen Latta	Court Administrator	1,000,000.00
Ryan Bancroft	Deputy Court Administrator	
Bernadette Scarr	Violations Clerk	
Paul Darmofalski	Engineer	
Kevin Smith	Acting Police Chief (From 6/1/12 - 12/31/12)	
Thomas Soules	Police Chief (To 6/1/12)	
Robert Cellini	Building Inspector	
Joseph Montemarano	PT Sub-Code Official	
John Scialla	Building/Plumbing Inspector	
Joseph De Stefano	Assessor	
Ralph Porrino	Fire Sub-Code Official	
William Ryden	Water and Sewer Engineer	
Walter Mahon	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 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 gov 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, 2010	A		\$ 1,975,921.05
Increased by Receipts:			
Prior Year Voided Checks	A-1	\$ 520.69	
Miscellaneous Revenue Not Anticipated	A-2	181,258.16	
Change Funds and Petty Cash	A-5	325.00	
Amount Due from State of New Jersey for Senior Citizens' and Veterans' Deductions	A-6	63,500.00	
Taxes Receivable	A-7	13,357,884.26	
Interfund Accounts Receivable	A-10	2,626.50	
Revenue Accounts Receivable	A-11	1,025,303.78	
Prepaid Taxes	A-16	99,767.95	
Tax Overpayments	A-18	66,470.22	
Interfund Accounts Payable	A-19	129.00	
Amount Due from Federal and State Grants Fund	A-20	464,799.65	
Building Surcharge Fees	A-24	11,597.00	
Marriage License Fees	A-25	<u>900.00</u>	
			<u>15,275,082.21</u>
			17,251,003.26
Decreased by Disbursements :			
Refund of Prior Year Revenue	A-1	2,810.00	
2011 Budget Appropriation	A-3	5,843,256.90	
Change Funds and Petty Cash	A-5	325.00	
Interfund Accounts Receivable	A-10	2,079.59	
2010 Appropriation Reserves	A-13	228,827.95	
Tax Overpayments Refunded	A-18	36,053.87	
Interfund Accounts Payable	A-19	18,738.40	
Amount Due from Federal and State Grants Fund	A-20	447,084.53	
Building Surcharge Fees	A-24	10,190.00	
Marriage License Fees	A-25	950.00	
Local School, Open Space and County Taxes	A-26	<u>8,881,266.43</u>	
			<u>15,473,952.67</u>
Balance December 31, 2011	A		<u>\$ 1,777,050.59</u>

BOROUGH OF RIVERDALE

A-5

CURRENT FUND
SCHEDULE OF CHANGE FUNDS AND PETTY CASH

	Ref.	
Balance December 31, 2010	A	\$100.00
Increased by:		
Advanced in 2011	A-4	<u>325.00</u>
		425.00
Decreased by:		
Returned in 2011	A-4	<u>325.00</u>
Balance December 31, 2011	A	<u>\$ 100.00</u>
<u>Analysis of Balance December 31, 2011</u>		
Tax Collector Change Fund		<u>\$100.00</u>

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

	<u>Ref.</u>		
Balance December 31, 2010	A		\$ 2,144.32
Increased by :			
Received from State of New Jersey	A-4	\$ 63,500.00	
Senior Citizens' Deductions Disallowed by by Tax Collector - 2011 Taxes	A-6	1,257.39	
Veterans' Deductions Disallowed by by Tax Collector - 2011 Taxes	A-6	<u>250.00</u>	
			<u>65,007.39</u>
			67,151.71
Decreased by :			
Senior Citizens' Deductions per Tax Billings	A-6	15,000.00	
Veterans' Deductions per Tax Billings	A-6	46,500.00	
Senior Citizens'/Veterans' Deductions Allowed by Tax Collector - 2011 Taxes	A-6	<u>7,683.43</u>	
			<u>69,183.43</u>
Balance December 31, 2011	A		<u>\$ (2,031.72)</u>

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

Senior Citizens' Deductions per Tax Billings	A-6	\$ 15,000.00	
Veterans' Deductions per Tax Billings	A-6	46,500.00	
Senior Citizens' Deductions Allowed by Tax Collector	A-6	<u>7,683.43</u>	
			\$ 69,183.43
Decreased by:			
Senior Citizens' Deductions Disallowed by Tax Collector	A-6	1,257.39	
Veterans' Deductions Disallowed by Tax Collector	A-6	<u>250.00</u>	
			<u>1,507.39</u>
	A-7		<u>\$ 67,676.04</u>

CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF 2011 PROPERTY TAX LEVY

Year	Balance Dec. 31, 2010	Added Taxes	2011 Levy	2010 Collections	2011 Collections	State Share of Senior Citizens and Veterans' Deductions	Canceled	Transferred to Tax Title Liens	Balance Dec. 31, 2011
2010	\$ 67,450.97	\$ 635.73	-	-	\$ 45,108.41	-	\$ 20,733.78	\$ 2,244.51	\$ (0.00)
2011	67,450.97	635.73	13,619,505.24	62,729.90	45,108.41 13,312,775.85	67,676.04	20,733.78 105,909.99	2,244.51 8,983.05	(0.00) 61,430.41
	\$ 67,450.97	\$ 635.73	\$ 13,619,505.24	\$ 62,729.90	\$ 13,357,884.26	\$ 67,676.04	\$ 126,643.77	\$ 11,227.56	\$ 61,430.41
Ref. A				A-2,16	A-2,4	A-2,6		A-8	A

Analysis of 2011 Property Tax Levy

Tax Yield :	
General Purpose Tax	\$ 13,477,517.89
Business Personality Tax	110,865.70
Added Taxes (54:4-63.1 et seq.)	<u>31,121.65</u>
	<u>\$ 13,619,505.24</u>
Tax Levy :	
County Taxes (Abstract)	\$ 2,098,954.33
Amount Due to County for Added Taxes (54:4-63.1 et seq.)	<u>4,839.80</u>
	\$ 2,103,794.13
Local District School Tax (Abstract)	6,686,188.50
Local Open Space Tax	\$ 91,074.95
Added Taxes for Open Space Tax	208.85
Municipal Library Tax	293,222.49
Local Tax for Municipal Purposes (Abstract)	4,414,761.11
Add : Additional Tax Levied	<u>30,255.21</u>
	<u>4,829,522.61</u>
	<u>\$ 13,619,505.24</u>

BOROUGH OF RIVERDALE
 CURRENT FUND
SCHEDULE OF TAX TITLE LIENS

	<u>Ref.</u>	
Balance December 31, 2010	A	\$ 36,427.94
Increased by :		
Prior Year Adjustment		\$ 3,896.75
Transferred from Taxes Receivable	A-7	<u>\$ 11,227.56</u>
		<u>15,124.31</u>
Balance December 31, 2011	A	<u>\$ 51,552.25</u>

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES - ASSESSED VALUATION

	<u>Ref.</u>	
Balance December 31, 2010	A	<u>\$ 235,100.00</u>
Balance December 31, 2011	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>	<u>Water/Sewer Operating Fund</u>
Balance December 31, 2010	A	\$ 2,626.50	\$ 1,276.50	\$ 1,350.00	\$ -
Increased by :					
Statutory Excess	B-3	1,306.40	1,306.40		
Paid in 2011	A-1,4	<u>2,079.59</u>	<u>-</u>	<u>2,079.57</u>	<u>0.02</u>
		<u>3,385.99</u>	<u>1,306.40</u>	<u>2,079.57</u>	<u>0.02</u>
		<u>6,012.49</u>	<u>2,582.90</u>	<u>3,429.57</u>	<u>0.02</u>
Decreased by :					
Advance Returned in 2011	A-1	1,350.00	-	1,350.00	
Miscellaneous Revenue -					
Prior Year Statutory Excess	A-2	<u>1,276.50</u>	<u>1,276.50</u>	<u>-</u>	<u>-</u>
	A-4	<u>2,626.50</u>	<u>1,276.50</u>	<u>1,350.00</u>	<u>-</u>
Balance December 31, 2011	A	<u>\$ 3,385.99</u>	<u>\$ 1,306.40</u>	<u>\$ 2,079.57</u>	<u>\$ 0.02</u>

BOROUGH OF RIVERDALE

CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Ref.	Balance Dec. 31, 2010	Accrued in 2011	Collected by Treasurer	Balance Dec. 31, 2011
Clerk :					
Licenses - Alcoholic Beverages	A-2	\$ -	\$ 16,920.00	\$ 16,920.00	\$ -
Licenses - Other	A-2		715.00	715.00	-
Fees and Permits	A-2		428.75	428.75	-
Board of Health:					
Licenses - Other	A-2		340.00	340.00	-
Fees and Permits	A-2		7,273.00	7,273.00	-
Construction Code Official:					
Fees and Permits	A-2		151,485.00	151,485.00	-
Municipal Court:					
Fees and Permits	A-2	21,334.73	182,942.09	192,335.79	11,941.03
Police Chief:					
Fees and Permits	A-2		2,885.93	2,885.93	-
Tax Collector:					
Fees and Permits	A-2		6,141.70	6,141.70	-
Zoning/Planning Board :					
Fees and Permits	A-2		31,066.38	31,066.38	-
Road Opening :					
Fees and Permits	A-2		800.00	800.00	-
Interest and Costs on Taxes	A-2		16,554.34	16,554.34	-
Energy Receipts Tax	A-2		410,727.00	410,727.00	-
Consolidated Municipal Property Tax Relief Aid	A-2		28,788.00	28,788.00	-
Interest on Investments	A-2		142.07	142.07	-
Facility Usage Fee	A-2		12,776.00	12,776.00	-
Uniform Fire Safety Act Fees	A-2		20,924.82	20,924.82	-
Reserve to Pay Debt Service	A-2		25,000.00	25,000.00	-
Utility Operating Surplus of Prior Year	A-2		100,000.00	100,000.00	-
		<u>\$ 21,334.73</u>	<u>\$ 1,015,910.08</u>	<u>\$ 1,025,303.78</u>	<u>\$ 11,941.03</u>
Ref.		A		A-4	A

BOROUGH OF RIVERDALE

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES

	Balance Dec. 31, 2010	Transfers	Transferred From Reserve for Encumbrances	Balance After Transfers	Paid or Charged	Lapsed
OPERATIONS WITHIN "CAP"						
Salaries and Wages :	\$ 1,333.26	\$ -	\$ -	\$ 1,333.26	\$ -	\$ 1,333.26
Administrative and Executive	3,193.80			3,193.80		3,193.80
Mayor and Council	5,086.08			5,086.08	1,524.20	3,561.88
Borough Clerk	739.92			739.92		739.92
Financial Administration	1,120.89			1,120.89		1,120.89
Assessment of Taxes	1,000.08			1,000.08		1,000.08
Collection of Taxes	375.04			375.04		375.04
Municipal Prosecutor	75.13			75.13		75.13
Planning Board	358.19			358.19		358.19
Zoning Official	3,282.00			3,282.00	100.00	3,182.00
Fire	345.96			345.96		345.96
Fire Inspector	306.16			306.16		306.16
Emergency Management Services	10,701.11	(5,000.00)		5,701.11	1,000.00	4,701.11
Police	8,356.56	(5,000.00)		3,356.56		3,356.56
Road Repairs and Maintenance (Including Snow Removal)	37.50			37.50		37.50
Shade Tree	61.42			61.42		61.42
Board of Health	97.30			97.30		97.30
Registrar	1,000.00			1,000.00		1,000.00
Senior Citizens	6,000.00			6,000.00		6,000.00
Community Center	12.97			12.97		12.97
Parks and Playgrounds	1,578.62			1,578.62		1,578.62
Uniform Construction Code :	274.96			274.96		274.96
Building Inspector	274.96			274.96		274.96
Plumbing Inspector	274.96			274.96		274.96
Electrical Inspector	134.96			134.96		134.96
Fire Sub-Code Official	537.34	(100.00)		437.34		437.34
Municipal Court						
Other Expenses :						
Administrative and Executive:						
Miscellaneous Other Expenses	4,472.87		1,158.48	5,631.35	2,423.34	3,208.01
Financial Administration	1,210.04		139.96	1,350.00	139.96	1,210.04
Annual Audit	17,500.00			17,500.00	8,050.00	9,450.00
Assessment of Taxes	1,264.45		215.85	1,480.30	269.88	1,210.42
Collection of Taxes	545.48		16.00	561.48	16.00	545.48
Legal Services and Costs						
Other Expenses	15,419.53	(5,000.00)		10,419.53	3,867.29	6,552.24
Professional and Engineering Services and Costs	1,612.00		46,300.00	47,912.00	46,300.00	1,612.00
Public Buildings and Grounds	2,732.40		2,311.18	5,043.58	1,886.18	3,157.40
Municipal Land Use Law (N.J.S.A. 40:55D-1):						
Planning Board	1,212.19		1,000.00	2,212.19	1,031.69	1,180.50
Insurance:						
General Liability	1,309.20			1,309.20		1,309.20
Workers Compensation Fund	3,175.05			3,175.05		3,175.05
Fire	137.41		7,016.20	7,153.61	7,081.20	72.41
Fire Inspector	195.00			195.00		195.00
Police	8,248.84	(2,500.00)	4,471.32	10,220.16	5,046.65	5,173.51
Emergency Management Services	5.28			5.28		5.28
Contribution to Pompton Lakes First Aid Squad	8,473.95			8,473.95	500.00	7,973.95
Road Repairs and Maintenance (Including Snow Removal)	8,494.97	20,000.00	5,639.74	34,134.71	30,851.96	3,482.75

BOROUGH OF RIVERDALE
CURRENT FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>Ref.</u>	
Balance December 31, 2010	A	\$ 126,040.08
Increased by :		
2011 Budget Charges	A-3	<u>47,377.42</u>
		173,417.50
Decreased by :		
Transferred to 2010 Appropriation Reserves	A-13	<u>126,040.08</u>
Balance December 31, 2011	A	<u>\$ 47,377.42</u>

SCHEDULE OF ACCOUNTS PAYABLE

	<u>Ref.</u>		
Balance December 31, 2010	A		\$ 49,741.54
Increased by :			
Transferred from 2010 Appropriation Reserves	A-13		<u>5,842.56</u>
			55,584.10
Decreased by :			
Paid in 2011	A-4	2,370.00	
Canceled in 2011	A-1	<u>-</u>	
			<u>2,370.00</u>
Balance December 31, 2011	A		<u>\$ 53,214.10</u>

BOROUGH OF RIVERDALE
 CURRENT FUND
SCHEDULE OF PREPAID TAXES

	<u>Ref.</u>	
Balance December 31, 2010	A	\$ 62,729.90
Increased by :		
2012 Taxes Prepaid	A-4	<u>99,767.95</u>
		162,497.85
Decreased by :		
Applied to Taxes Receivable	A-7	<u>62,729.90</u>
Balance December 31, 2011	A	<u>\$ 99,767.95</u>

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SCHEDULE OF PREPAID LICENSES

	<u>Ref.</u>	
Balance December 31, 2010	A	\$ 3,390.00
Decreased by :		
Applied to Revenue Receivable	A-2	<u>3,390.00</u>
Balance December 31, 2011	A	<u>\$ -</u>

CURRENT FUND
SCHEDULE OF TAX OVERPAYMENTS

	<u>Ref.</u>	
Balance December 31, 2010	A	\$ 8,957.33
Increased by :		
Taxes Overpaid in 2011	A-4	<u>66,470.22</u>
		75,427.55
Decreased by :		
Canceled in 2011	A-1	\$ 320.74
Refunded in 2011	A-4	<u>36,053.87</u>
		<u>36,374.61</u>
Balance December 31, 2011	A	<u>\$ 39,052.94</u>

CURRENT FUND
SCHEDULE OF INTERFUND ACCOUNTS PAYABLE

	<u>Ref.</u>	<u>Total</u>	<u>Animal Control Fund</u>	<u>Water/ Sewer Utility Fund</u>	<u>Snow Removal Trust Fund</u>	<u>Payroll Agency Fund</u>
Balance December 31, 2010	A	\$18,738.40	\$ -	\$395.98	\$18,342.38	\$ 0.04
Increased by :						
Received in 2011	A-4	<u>129.00</u>	<u>129.00</u>		<u>-</u>	
		<u>18,867.40</u>	<u>129.00</u>	<u>395.98</u>	<u>18,342.38</u>	<u>0.04</u>
Decreased by:						
Paid in 2011	A-4	<u>18,738.40</u>	<u>-</u>	<u>395.98</u>	<u>18,342.38</u>	<u>0.04</u>
Balance December 31, 2011	A	<u>\$ 129.00</u>	<u>\$129.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	<u>Ref.</u>		
Balance December 31, 2010	A		\$ 1,334.32
Increased by :			
State Aid Receivable Canceled in 2011	A-1	\$ 5,423.44	
Received in Current Fund	A-4	464,799.65	
2011 Budget Appropriations	A-3	<u>469,842.26</u>	
			<u>940,065.35</u>
			941,399.67
Decreased by :			
Canceled in 2011	A-1	6,954.31	
2011 Budget Revenue	A-2	469,842.26	
Expended in Current Fund	A-4	<u>447,084.53</u>	
			<u>923,881.10</u>
Balance December 31, 2011	A		<u>\$ 17,518.57</u>

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

	<u>Ref.</u>	
Balance December 31, 2010	A	<u>\$ 6,000.00</u>
Balance December 31, 2011	A	<u>\$ 6,000.00</u>

SCHEDULE OF AMOUNT DUE TO OUTSIDE LIEN HOLDERS

	<u>Ref.</u>	
Balance December 31, 2010	A	<u>\$ 23,625.54</u>
Balance December 31, 2011	A	<u>\$ 23,625.54</u>

CURRENT FUND
SCHEDULE OF RESERVE FOR FUNDS - APPROPRIATED

	<u>Ref.</u>	<u>Totals</u>	<u>Master Plan</u>	<u>Tax Appeals</u>
Balance December 31, 2010	A	\$ 269,262.32	\$ 5,154.94	\$ 264,107.38
Increased by :				
Transferred from Budget Appropriations	A-3	<u>20,000.00</u>	<u>-</u>	<u>20,000.00</u>
Balance December 31, 2011	A	<u>\$ 289,262.32</u>	<u>\$ 5,154.94</u>	<u>\$ 284,107.38</u>

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

	<u>Ref.</u>	
Balance December 31, 2010	A	\$ 854.00
Increased by :		
Surcharge Fees Collected in 2011	A-4	<u>11,597.00</u>
		12,451.00
Decreased by :		
Paid in 2011	A-4	<u>10,190.00</u>
Balance December 31, 2011	A	<u>\$ 2,261.00</u>

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

	<u>Ref.</u>	
Balance December 31, 2010	A	\$ 125.00
Increased by:		
Received in 2011	A-4	<u>900.00</u>
		1,025.00
Decreased by:		
Paid in 2011	A-4	<u>950.00</u>
Balance December 31, 2011	A	<u>\$ 75.00</u>

BOROUGH OF RIVERDALE

CURRENT FUND

SCHEDULE OF LOCAL DISTRICT SCHOOL, OPEN SPACE AND COUNTY TAXES PAYABLE

	<u>Ref.</u>	2011 <u>Levy</u>	Paid <u>in 2011</u>
Net County Taxes	A-2	\$ 2,098,954.33	\$ 2,098,954.33
Amount Due County for Added Taxes -			
2010	A-2	4,839.80	4,839.80
Local Open Space Tax	A-2	91,074.95	91,074.95
Amount Due Local Open Space for Added Taxes -			
2010	A-2	208.85	208.85
Local District School Tax	A-2	<u>6,686,188.50</u>	<u>6,686,188.50</u>
		<u>\$ 8,881,266.43</u>	<u>\$ 8,881,266.43</u>
		A-1	A-4

BOROUGH OF RIVERDALE

CURRENT FUND
SCHEDULE OF FEDERAL AND STATE AID RECEIVABLE

	Balance Dec. 31, 2010	2011 Budget Revenue Realized	Received in 2011	Canceled	Balance Dec. 31, 2011
State Programs:					
Department of Transportation - Mathews Avenue	\$ -	\$ 180,000.00	\$ -	\$ -	\$ 180,000.00
Newark Pompton Turnpike	127,632.53		58,785.35		68,847.18
Meade Avenue and Haycock Avenue	475,000.00		340,166.18		134,833.82
Municipal Alliance	5,836.38		412.94	5,423.44	-
Drunk Driving Enforcement Fund	-	4,027.13	4,027.13		-
Clean Communities Act	-	5,943.90	5,943.90		-
Highlands Council - Initial/Plan Conformance	31,369.13				31,369.13
Federal Programs:					
U.S. Department of Housing - CDBG (Community Center)	80,000.00				80,000.00
U.S. Department of Housing - CDBG (Sewer Pump Station)		80,000.00			80,000.00
U.S. Forest Service Shade Tree (Pass Through NJ):	7,000.00				7,000.00
FEMA - Assistance to Firefighters Grant	7,091.00		7,091.00		-
U.S. Department of Justice:					
Bullet Proof Vest Program	1,159.28				1,159.28
Private Programs:					
Morris County Open Space	294,573.00	182,402.00	34,142.00	-	442,833.00
	<u>\$ 1,029,661.32</u>	<u>\$ 452,373.03</u>	<u>\$ 450,568.50</u>	<u>\$ 5,423.44</u>	<u>\$ 1,026,042.41</u>

Ref. A A-28 A-28 A-28 A

BOROUGH OF RIVERDALE

CURRENT FUND
SCHEDULE OF AMOUNT DUE FROM CURRENT FUND
TO FEDERAL AND STATE GRANTS FUND

	<u>Ref.</u>		
Balance December 31, 2010	A		\$ 1,334.32
Increased by:			
Received in Current Fund -			
State Aid Receivable	A-27	\$ 450,568.50	
State Aid Receivable Canceled in 2011	A-27	5,423.44	
Unappropriated Reserves	A-29	14,231.15	
2011 Budget Appropriations	A-30	<u>469,842.26</u>	
			<u>940,065.35</u>
			941,399.67
Decreased by:			
2011 Budget Revenue -			
State Aid Receivable	A-27	452,373.03	
Unappropriated Reserves	A-29	17,469.23	
Canceled in 2011	A-30	6,954.31	
Expended in Current Fund -			
Appropriated Reserves	A-30	343,261.98	
Reserve for Encumbrances	A-31	<u>103,822.55</u>	
			<u>923,881.10</u>
Balance December 31, 2011	A		<u>\$ 17,518.57</u>

BOROUGH OF RIVERDALE

CURRENT FUND

SCHEDULE OF UNAPPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS FUND

	<u>Ref.</u>	<u>Total</u>	<u>Private Donation Walmart Police Grant</u>	<u>State Programs</u>	<u>Body Armor Fund</u>	<u>Alcohol Education Rehabilitation</u>	<u>Recycling Tonnage Grant</u>
Balance December 31, 2010	A	\$17,469.23	\$ 5,000.00	\$ 1,919.25	\$ 854.64	\$ 9,695.34	
Increased by :							
Received in 2011	A-28	<u>14,231.15</u>	<u>-</u>	<u>1,778.11</u>	<u>916.89</u>	<u>11,536.15</u>	
		<u>31,700.38</u>	<u>5,000.00</u>	<u>3,697.36</u>	<u>1,771.53</u>	<u>21,231.49</u>	
Decreased by :							
Anticipated as Miscellaneous Revenue in 2011 Budget	A-28	<u>17,469.23</u>	<u>5,000.00</u>	<u>1,919.25</u>	<u>854.64</u>	<u>9,695.34</u>	
Balance December 31, 2011	A	<u>\$14,231.15</u>	<u>\$ -</u>	<u>\$1,778.11</u>	<u>\$ 916.89</u>	<u>\$11,536.15</u>	

BOROUGH OF RIVERDALE

A-30

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

	Balance Dec. 31, 2010	Transferred from 2011 Budget	Paid or Charged	Canceled	Balance Dec. 31, 2011
State Programs:					
Department of Transportation -					
Newark Pompton Turnpike	\$ 36,808.87	\$ -	(34.50)	\$ -	\$ 36,843.37
Meade Avenue and Haycock Avenue	475,000.00		456,904.91		18,095.09
Mathews Ave.		180,000.00			180,000.00
Drunk Driving Enforcement Fund	19,654.25	4,027.13	840.27		22,841.11
Clean Communities Act	4,421.13	5,943.90	6,240.31		4,124.72
Municipal Alliance	5,423.44			5,423.44	-
Municipal Alliance Matching	1,355.87			1,355.87	-
Recycling Tonnage Grant	7,483.76	9,695.34	7,483.76		9,695.34
Body Armor Fund	4,333.88	1,919.25	1,560.00		4,693.13
Alcohol Education & Rehabilitation Fund	4,415.34	854.64	950.00		4,319.98
Federal Programs:					
U.S. Department of Housing - CDBG (Community Center)	80,000.00		4,800.00		75,200.00
U.S. Department of Housing - CDBG (Sewer Pump Station)	-	80,000.00			80,000.00
U.S. Forest Service Shade Tree (Pass Through NJ):	175.00			175.00	-
FEMA - Assistance to Firefighters Grant	20,027.00		7,348.96		12,678.04
Volunteer Fire Assistance Grant	1,000.00				1,000.00
U.S. Department of Justice:					
Bullet Proof Vest Program	2,029.92				2,029.92
Private Programs:					
Morris County Open Space	238,040.40	182,402.00	420,442.40		-
Donations:					
Walmart - Police/Recreation	6,861.03				6,861.03
Riverdale Crossing - Police	2,673.97	5,000.00	5,305.02		2,368.95
	<u>\$909,703.86</u>	<u>\$469,842.26</u>	<u>\$ 911,841.13</u>	<u>\$6,954.31</u>	<u>\$460,750.68</u>
Ref.	A	A-31		A-28	A
Cash Disbursed		Ref.			
Reserve for Encumbrances		A-28	\$ 343,261.98		
		A-31	568,579.15		
			<u>\$ 911,841.13</u>		

BOROUGH OF RIVERDALE
 CURRENT FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>Ref.</u>	
Balance December 31, 2010	A	\$ 103,822.55
Increased by:		
Charges to Appropriated Reserves	A-30	<u>568,579.15</u>
		672,401.70
Decreased by:		
Paid in 2011	A-28	<u>103,822.55</u>
Balance December 31, 2011	A	<u>\$ 568,579.15</u>

BOROUGH OF RIVERDALE

B-1

TRUST FUND
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	Animal Control Fund	Other Trust Fund
Balance December 31, 2010	B	<u>\$ 5,016.10</u>	<u>\$ 1,903,045.99</u>
Increased by Receipts:			
State Registration Fees	B-2	484.80	
Animal Control Licenses Collections	B-3	2,217.80	
Amount Due from Current Fund	B-4	-	18,342.38
Reserve for Special Funds	B-5	-	230,855.86
		<u>2,702.60</u>	<u>249,198.24</u>
		<u>7,718.70</u>	<u>2,152,244.23</u>
Decreased by Disbursements :			
State Registration Fees	B-2	456.00	
Animal Control Licenses Collections	B-3	907.40	
Reserve for Special Funds	B-5		357,405.58
Amount Due to Current Fund	B-6	1,276.50	1,350.00
		<u>2,639.90</u>	<u>358,755.58</u>
Balance December 31, 2011	B	<u>\$ 5,078.80</u>	<u>\$ 1,793,488.65</u>

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

	<u>Ref.</u>	
Increased by :		
State Registration Fees		\$ 319.00
Pilot Clinic Fee		63.80
Animal Population Control Fees		<u>102.00</u>
	B-1	<u>484.80</u>
		484.80
Decreased by :		
Paid in 2011	B-1	<u>456.00</u>
Balance December 31, 2011	B	<u>\$ 28.80</u>

TRUST FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	<u>Ref.</u>	
Balance December 31, 2010	B	\$ 3,739.60
Increased by :		
Licenses Deposited in Current Fund	B-4	\$ 129.00
Dog Licenses Collections	B-1	2,097.80
Late Fees	B-1	<u>120.00</u>
		<u>2,346.80</u>
		6,086.40
Decreased by :		
Reserve for Animal Control Expenditures	B-1	907.40
Statutory Excess Due to Current Fund	B-6	<u>1,306.40</u>
		<u>2,213.80</u>
Balance December 31, 2011	B	<u>\$ 3,872.60</u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2009	1,853.60
2010	<u>2,019.00</u>
	<u>\$ 3,872.60</u>

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

	<u>Ref.</u>	<u>Total</u>	<u>Animal Control Fund</u>	<u>Other Trust Fund</u>
Balance December 31, 2010	B	\$ 18,342.38	\$ -	\$ 18,342.38
Increased by :				
Accrued in 2011	B-3	<u>129.00</u>	<u>129.00</u>	<u>-</u>
		129.00	129.00	-
Decreased by :				
Received in 2011	B-1	<u>18,342.38</u>	<u>-</u>	<u>18,342.38</u>
Balance December 31, 2011	B	<u>\$ 129.00</u>	<u>\$ 129.00</u>	<u>\$ -</u>

BOROUGH OF RIVERDALE

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	\$ 1,920,038.37	\$ 14,410.22	\$ 528,140.11	\$ 3,688.74	\$ 200.00	\$ 686.50	\$ 18,342.38	\$ 35,000.00	\$ 6,294.87	\$ 1,486.26	\$ 121,905.70	\$ 65.18	\$ 1,657.41	\$ 1,147,986.07	\$ 6,317.86	\$ 33,647.07
B-1	230,855.86	23,149.32	11,359.74	6.87	56.00	5,000.00	-	-	37,655.98	-	77,527.00	-	649.00	1,700.64	3,622.56	69,928.75
	2,150,894.23	37,559.54	539,499.85	3,695.61	256.00	5,686.50	18,342.38	35,000.00	43,950.85	1,486.26	199,432.70	65.18	2,506.41	1,149,686.71	10,140.42	103,575.82
B-6	2,079.57			142.07					37,592.22		26,542.62		594.44		2,128.65	1,937.50
B-1	357,405.58	4,982.65	227,205.47	2,459.00		5,000.00			37,592.22		26,542.62		594.44		2,128.65	50,900.53
	359,485.15	4,982.65	227,205.47	2,601.07		5,000.00			37,592.22		26,542.62		594.44		2,128.65	52,838.03
B	\$ 1,791,409.08	\$ 32,576.89	\$ 312,294.38	\$ 1,094.54	\$ 256.00	\$ 686.50	\$ 18,342.38	\$ 35,000.00	\$ 6,359.63	\$ 1,486.26	\$ 172,890.08	\$ 65.18	\$ 1,911.97	\$ 1,149,686.71	\$ 8,011.77	\$ 50,737.79

Increased by:
Balance December 31, 2010

Decreased by:
Expended in Current Fund
Disbursed in 2011

Balance December 31, 2011

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, 2010	B	\$ 2,626.50	\$ 1,276.50	\$ 1,350.00
Increased by :				
Accrued in 2011	B-3,5	<u>3,385.97</u>	<u>1,306.40</u>	<u>2,079.57</u>
		6,012.47	2,582.90	3,429.57
Decreased by :				
Paid in 2011	B-1	<u>2,626.50</u>	<u>1,276.50</u>	<u>1,350.00</u>
Balance December 31, 2011	B	<u>\$ 3,385.97</u>	<u>\$ 1,306.40</u>	<u>\$ 2,079.57</u>

BOROUGH OF RIVERDALE
 GENERAL CAPITAL FUND
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>		
Balance December 31, 2010	C		\$ 342,432.84
Increased by Receipts:			
Premium on Sale of Notes	C-1	\$ 4,434.47	
Capital Improvement Fund	C-6	5,000.00	
Bond Anticipation Notes	C-9	<u>2,250,000.00</u>	
			<u>2,259,434.47</u>
			2,601,867.31
Decreased by Disbursements :			
Improvement Authorizations	C-5	105,764.52	
Reserve for Payment of Debt Service	C-7	25,000.00	
Encumbrance Payable	C-8	38,108.78	
Bond Anticipation Notes	C-9	<u>2,154,250.00</u>	
			<u>2,323,123.30</u>
Balance December 31, 2011	C		<u>\$ 278,744.01</u>

BOROUGH OF RIVERDALE

GENERAL CAPITAL FUND
ANALYSIS OF CASH

	Balance or (Deficit) Dec. 31, 2010	Receipts		Disbursements			Transfers To	From	Balance or (Deficit) Dec. 31, 2011
		Bond Anticipation Notes	Miscellaneous	Bond Anticipation Notes	Miscellaneous	Miscellaneous			
Fund Balance	\$ 64,209.98	\$ -	\$ 4,434.47	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 68,644.45
Capital Improvement Fund	43,788.10		5,000.00						48,788.10
Encumbrances Payable	104,403.19				38,108.78				66,294.41
Improvement Authorizations :									
8-03 Purchase and Installation of of HVAC System	16,635.21								16,635.21
11-03 Acquisition of Fire Pumper	-	130,000.00		130,000.00					-
11-04,2-06 Various Improvements	7,237.52	1,834,000.00		1,738,250.00	105,764.52				(2,777.00)
1-06 Purchase of Property	-	183,500.00		183,500.00					-
06-07 Purchase of Property	-	102,500.00		102,500.00					-
Reserve for Payment of Debt Service	105,622.30				25,000.00				80,622.30
Excess Proceeds	536.54								536.54
	<u>\$ 342,432.84</u>	<u>\$ 2,250,000.00</u>	<u>\$ 9,434.47</u>	<u>\$ 2,154,250.00</u>	<u>\$ 168,873.30</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 278,744.01</u>

BOROUGH OF RIVERDALE
 GENERAL CAPITAL FUND
 SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Ord. No.	Improvement Description	Analysis of Balance December 31, 2011						
		Balance Dec. 31, 2010	Note Paid by Budget Appropriation	Balance Dec. 31, 2011	Bond Anticipation Notes	Excess Proceeds	Expenditures	Unexpended Improvement Authorization
9-99/5-00	Acquisition of Property	\$ 13,018.28	\$ 13,250.00	\$ (231.72)	\$ -	\$(231.72)	\$ 0.00	\$ -
11-03	Acquisition of Fire Pumper	180,000.00	50,000.00	130,000.00	130,000.00	-	-	-
11-04,2-06	Various Improvements	3,020,800.00	486,750.00	2,534,050.00	1,834,000.00	2,777.00	2,777.00	697,273.00
1-06	Purchase of Property	208,408.23	25,000.00	183,408.23	183,500.00	(91.77)	0.00	-
6-07	Purchase of Property	127,286.95	25,000.00	102,286.95	102,500.00	(213.05)	(0.00)	-
		<u>\$ 3,549,513.46</u>	<u>\$ 600,000.00</u>	<u>\$ 2,949,513.46</u>	<u>\$ 2,250,000.00</u>	<u>\$ (536.54)</u>	<u>\$ 2,777.00</u>	<u>\$ 697,273.00</u>
Ref.	C		C-9	C				
								Improvement Authorizations - Unfunded
								<u>\$697,273.00</u>
								<u>\$697,273.00</u>

BOROUGH OF RIVERDALE

GENERAL CAPITAL FUND
 SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Improvement Description	Ordinance		Balance Dec. 31, 2010		Balance Dec. 31, 2011		
	Number	Date	Funded	Unfunded	Expended	Funded	Unfunded
Purchase and Installation of HVAC System	8-03	8/18/03	\$ 16,635.21	\$ -	\$ -	\$ 16,635.21	\$ -
Various Improvements	11-04/2-06	5/3/04	-	803,037.52	105,764.52	-	697,273.00
			<u>\$ 16,635.21</u>	<u>\$ 803,037.52</u>	<u>\$ 105,764.52</u>	<u>\$ 16,635.21</u>	<u>\$ 697,273.00</u>
Ref.			C	C	C-2	C	C

BOROUGH OF RIVERDALE
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2010	C	\$ 43,788.10
Increased by:		
2011 Budget Appropriation	C-2	<u>5,000.00</u>
Balance December 31, 2011	C	<u>\$ 48,788.10</u>

BOROUGH OF RIVERDALE

GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR PAYMENT OF DEBT SERVICE

	<u>Ref.</u>	
Balance December 31, 2010	C	\$ 105,622.30
Decreased by:		
Utilized as Revenue in the Current Fund in 2011	C-2	<u>25,000.00</u>
Balance December 31, 2011	C	<u>\$ 80,622.30</u>

BOROUGH OF RIVERDALE
GENERAL CAPITAL FUND
SCHEDULE OF ENCUMBRANCES PAYABLE

	<u>Ref.</u>	
Balance December 31, 2010	C	\$ 104,403.19
Decreased by :		
Paid In 2011	C-2	<u>38,108.78</u>
Balance December 31, 2011	C	<u>\$ 66,294.41</u>

BOROUGH OF RIVERDALE
 GENERAL CAPITAL FUND
 SCHEDULE OF BOND ANTICIPATION NOTES

Ord.	Improvement Description	Original Issue Date of Issue	Original Issue Amount Issued	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2010	Increased	Decreased	Balance Dec. 31, 2011
5-00	Acquisition and Renovation of Property	10/28/10	\$ 13,250.00	10/28/10	10/28/11	1.75%	\$ 13,250.00	\$ -	\$ 13,250.00	\$ -
11-03	Acquisition of Fire Pumper	11/4/04	375,000.00	10/28/10 10/27/11	10/28/11 10/26/12	1.75%	175,000.00	125,000.00	175,000.00	125,000.00
11-03	Acquisition of Fire Pumper	10/28/10	5,000.00	10/28/10 10/27/11	10/28/11 10/26/12	1.75%	5,000.00	5,000.00	5,000.00	5,000.00
11-04,2-06	Various Improvements	11/4/04	1,500,000.00	10/28/10 10/27/11	10/28/11 10/26/12	1.75%	950,000.00	650,000.00	950,000.00	650,000.00
11-04,2-06	Various Improvements	11/2/2006	1,675,000.00	10/28/10 10/27/11	10/28/11 10/26/12	1.75%	1,175,000.00	988,250.00	1,175,000.00	988,250.00
11-04,2-06	Various Improvements	10/29/2009	50,000.00	10/28/10 10/27/11	10/28/11 10/26/12	1.75%	50,000.00	50,000.00	50,000.00	50,000.00
11-04,2-06	Various Improvements	10/28/10	50,000.00	10/28/10 10/27/11	10/28/11 10/26/12	1.75%	50,000.00	50,000.00	50,000.00	50,000.00
11-04,2-06	Various Improvements	10/27/11	95,750.00	10/27/11	10/26/12	1.75%	95,750.00	95,750.00	95,750.00	95,750.00
1-06	Acquisition and Renovation of Property	10/30/2008	200,000.00	10/28/10 10/27/11	10/28/11 10/26/12	1.75%	200,000.00	175,000.00	200,000.00	175,000.00
1-06	Acquisition and Renovation of Property	10/28/10	8,500.00	10/28/10 10/27/11	10/28/11 10/26/12	1.75%	8,500.00	8,500.00	8,500.00	8,500.00
6-07	Acquisition of Property	10/30/2008	100,000.00	10/28/10 10/27/11	10/28/11 10/26/12	1.75%	100,000.00	75,000.00	100,000.00	75,000.00
6-07	Acquisition of Property	10/29/2009	25,000.00	10/28/10 10/27/11	10/28/11 10/26/12	1.75%	25,000.00	25,000.00	25,000.00	25,000.00
6-07	Acquisition of Property	10/29/2009	2,500.00	10/28/10 10/27/11	10/28/11 10/26/12	1.75%	2,500.00	2,500.00	2,500.00	2,500.00
							<u>\$ 2,754,250.00</u>	<u>\$ 2,250,000.00</u>	<u>\$ 2,754,250.00</u>	<u>\$ 2,250,000.00</u>
							C	C	C	C
							Ref.	Ref.	Ref.	Ref.
							Issued for Cash	C-2	\$ 2,250,000.00	\$ 2,154,250.00
							Paid by Budget Appropriation	C-4	600,000.00	
							<u>\$ 2,250,000.00</u>	<u>\$ 2,754,250.00</u>	<u>\$ 2,754,250.00</u>	<u>\$ 2,250,000.00</u>

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, 2010</u>	<u>Notes Issued in 2011</u>	<u>Balance Dec. 31, 2011</u>
11-04,2-06	Various Improvements	<u>\$ 795,800.00</u>	<u>\$ 95,750.00</u>	<u>\$ 700,050.00</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, 2010	D	<u>\$ 1,395,992.96</u>	<u>\$ 68,843.54</u>	<u>\$ 584,916.89</u>
Increased by :				
Prior Year Refunds	D-1	-		
Miscellaneous Revenue	D-4	13,244.55		
Premium on Sale of Notes	D-3			1,182.53
Consumers' Accounts Receivable	D-9	1,451,141.05		
Interfund Accounts Receivable		503,313.78		
Assessments Receivable	D-11		19,120.27	
Consumer Overpayments	D-16	1,851.97		
Bond Anticipation Notes	D-27	-	-	600,000.00
		<u>1,969,551.35</u>	<u>19,120.27</u>	<u>601,182.53</u>
		<u>3,365,544.31</u>	<u>87,963.81</u>	<u>1,186,099.42</u>
Decreased by Disbursements :				
2011 Budget Appropriations	D-5	1,489,238.62		
Interfund Accounts Receivable	D-10	502,917.78		
2010 Appropriation Reserves	D-12	46,190.21		
Reserve for Encumbrances	D-13	3,263.60		
Accrued Interest on Notes	D-15	13,050.63		
Consumer Overpayments	D-16	1,923.47		
Improvement Authorizations	D-21			419.22
Encumbrances Payable	D-22			2,641.93
Bond Anticipation Notes	D-27	-	-	595,750.00
		<u>2,056,584.31</u>	<u>-</u>	<u>598,811.15</u>
Balance December 31, 2011	D	<u>\$ 1,308,960.00</u>	<u>\$ 87,963.81</u>	<u>\$ 587,288.27</u>

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

	<u>Ref.</u>	
Balance December 31, 2010	D	<u>\$ 50.00</u>
Balance December 31, 2011	D	<u>\$ 50.00</u>

BOROUGH OF RIVERDALE

WATER/SEWER UTILITY FUND
ANALYSIS OF CAPITAL CASH

	Balance or (Deficit) Dec. 31, 2010	Receipts			Disbursements			Balance or (Deficit) Dec. 31, 2011
		Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Bond Anticipation Notes	Miscellaneous		
Fund Balance	\$ 27,647.72	\$ -	\$ 1,182.53	\$ -	\$ -	\$ -	\$ 28,830.25	
Capital Improvement Fund	67,595.00	-	-	-	-	-	67,595.00	
Reserve for Payment of Debt	100,000.00	-	-	-	-	-	100,000.00	
Reserve for Encumbrances	77,137.10	-	-	-	-	2,641.93	74,495.17	
Improvement Authorizations :								
11-04,2-06 Improvement to Sanitary Sewer System	31,753.69	600,000.00		276.51	595,750.00		35,727.18	
11-04/2-06 Various Water Improvements	(18,666.62)			142.71			(18,809.33)	
3-06 Purchase of Sewer Allocation	299,450.00						299,450.00	
	<u>\$ 584,916.89</u>	<u>\$ 600,000.00</u>	<u>\$ 1,182.53</u>	<u>\$ 419.22</u>	<u>\$ 595,750.00</u>	<u>\$ 2,641.93</u>	<u>\$ 587,288.27</u>	

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

	<u>Ref.</u>	
Balance December 31, 2010	D	\$ 58,062.02
Increased by :		
2011 Billings		<u>1,440,256.35</u>
		1,498,318.37
Decreased by :		
2011 Collections	D-4,6	<u>1,451,141.05</u>
Balance December 31, 2011	D	<u>\$ 47,177.32</u>

BOROUGH OF RIVERDALE
 WATER/SEWER UTILITY FUND
SCHEDULE OF INTERFUND ACCOUNTS RECEIVABLE/(PAYABLE)

	<u>Ref.</u>	
Balance December 31, 2010	D	\$ 395.98
Increased by :		
Paid in 2011	D-6	<u>502,917.78</u>
		503,313.76
Decreased by :		
Received in 2011	D-6	<u>503,313.78</u>
Balance December 31, 2011	D	<u>\$ (0.02)</u>

BOROUGH OF RIVERDALE

WATER/SEWER UTILITY FUND
SCHEDULE OF ASSESSMENTS RECEIVABLE

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Confirmation</u>	<u>Annual Installments</u>	<u>Due Date</u>	<u>Balance Dec. 31, 2010</u>	<u>Collected</u>	<u>Balance Dec. 31, 2011</u>	<u>Balance Pledged to Fund Balance</u>
6-00	Sewer Improvements	6/15/2003	10	7/15/05-12	\$ 39,211.56	\$ 19,120.27	\$ 20,091.29	\$ 20,091.29
				<u>Ref.</u>	D	D-6	D	

BOROUGH OF RIVERDALE
 WATER/SEWER UTILITY FUND
SCHEDULE OF APPROPRIATION RESERVES - 2010

	<u>Balance Dec. 31, 2010</u>	<u>Paid or Charged</u>	<u>Lapsed</u>
Operating :			
Other Expenses	\$ 185,289.51	\$ 46,190.21	\$ 139,099.30
Capital Outlay	25,000.00		25,000.00
Statutory Expenditures:			
Contribution to:			
Public Employees' Retirement System	10,000.00		10,000.00
Social Security System (O.A.S.I.)	<u>437.50</u>	<u>-</u>	<u>437.50</u>
	<u>\$ 220,727.01</u>	<u>\$ 46,190.21</u>	<u>\$ 174,536.80</u>
Ref.	D	D-6	D-1

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

	<u>Ref.</u>	
Balance December 31, 2010	D	\$ 10,168.60
Increased by:		
Charges to 2011 Budget	D-5	<u>1,813.22</u>
		11,981.82
Decreased by:		
Transferred to Accounts Payable in 2011	D-14	\$ 6,905.00
Paid in 2011	D-6	<u>3,263.60</u>
		<u>10,168.60</u>
Balance December 31, 2011	D	<u>\$ 1,813.22</u>

D-14

SCHEDULE ACCOUNTS PAYABLE

	<u>Ref.</u>	
Increased by :		
Transferred from Encumbrances Payable in 2011	D-13	<u>\$ 6,905.00</u>
Balance December 31, 2011	D	<u>\$ 6,905.00</u>

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

	<u>Ref.</u>		
Balance December 31, 2010	D		\$ 2,320.11
Increased by:			
2011 Budget Appropriation	D-5		<u>35,000.00</u>
			37,320.11
Decreased by :			
Canceled	D-1	\$ 22,373.65	
Note Interest Paid in 2011	D-6	<u>13,050.63</u>	
			<u>35,424.28</u>
Balance December 31, 2011	D		<u>\$ 1,895.83</u>

BOROUGH OF RIVERDALE
 WATER/SEWER UTILITY FUND
SCHEDULE OF CONSUMER OVERPAYMENTS

	<u>Ref.</u>	
Balance December 31, 2010	D	\$ 1,923.47
Increased by:		
Received in 2011	D-6	<u>1,851.97</u>
		\$ 3,775.44
Decreased by :		
Paid in 2011	D-6	<u>1,923.47</u>
Balance December 31, 2011	D	<u>\$ 1,851.97</u>

D-17

SCHEDULE OF METER DEPOSITS

	<u>Ref.</u>	
Balance December 31, 2010	D	<u>\$ 4,375.00</u>
Balance December 31, 2011	D	<u>\$ 4,375.00</u>

D-18

SCHEDULE OF RESERVE FOR ASSESSMENTS RECEIVABLE

	<u>Ref.</u>	
Balance December 31, 2010	D	\$ 39,211.56
Decreased by:		
Collection of Unpledged Assessments in 2011	D-2	<u>\$ 19,120.27</u>
		<u>19,120.27</u>
Balance December 31, 2011	D	<u>\$ 20,091.29</u>

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

	Balance <u>Dec. 31, 2010</u>	Balance <u>Dec. 31, 2011</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, 2010	Balance Dec. 31, 2011
11-04,2-06,4-10	\$ 1,200,000.00	\$ 1,200,000.00
Improvements to Sanitary Sewer System	500,000.00	500,000.00
11-04/2-06	6,300,000.00	6,300,000.00
Various Water Improvements		
3-06		
Purchase of Sewer Allocation		
	<u>\$ 8,000,000.00</u>	<u>\$ 8,000,000.00</u>

Ref. D D

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ordinance Number	Balance December 31, 2010 Funded	Balance December 31, 2011 Funded	Paid or Charged	Balance December 31, 2011 Unfunded
6-00		\$ -		\$ -
Improvements to Sanitary Sewer System				
11-04,2-06,4-10	14,500.00	14,500.00	276.51	408,327.18
Improvements to Sanitary Sewer System			142.71	192,790.67
11-04/2-06	299,450.00	299,450.00	-	6,000,000.00
Various Water Improvements				
3-06				
Purchase of Sewer Allocation				
	<u>\$ 313,950.00</u>	<u>\$ 313,950.00</u>	<u>\$ 419.22</u>	<u>\$ 6,601,117.85</u>

Ref D D D-6 D D

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

	<u>Ref.</u>	
Balance December 31, 2010	D	\$ 77,137.10
Decreased by :		
Paid in 2011	D-6	<u>2,641.93</u>
Balance December 31, 2011	D	<u>\$ 74,495.17</u>

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

	<u>Ref.</u>	
Balance December 31, 2010	D	<u>\$ 67,595.00</u>
Balance December 31, 2011	D	<u>\$ 67,595.00</u>

SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>Ref.</u>	
Balance December 31, 2010	D	<u>\$ 4,015,953.32</u>
Balance December 31, 2011	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, 2010	D	\$ 651,300.00
Increased by :		
Down Payment Provided by Ordinance in 2010	D-23	\$ -
Notes Paid by Operating Fund	D-27	<u>150,000.00</u>
		<u>150,000.00</u>
Balance December 31, 2011	D	<u>\$ 801,300.00</u>
<u>Analysis of Balance December 31, 2011</u>		
Ord. 11-04,2-06		\$486,800.00
Ord. 3-06		300,000.00
Ord. 4-10		<u>14,500.00</u>
		<u>\$801,300.00</u>

SCHEDULE OF RESERVE FOR PAYMENT OF DEBT

	<u>Ref.</u>	
Balance December 31, 2010	D	<u>\$ 100,000.00</u>
Balance December 31, 2011	D	<u>\$ 100,000.00</u>

BOROUGH OF RIVERDALE

WATER/SEWER UTILITY FUND
SCHEDULE OF BOND ANTICIPATION NOTES

<u>Ord.</u>	<u>Improvement Description</u>	<u>Date of Issue</u>	<u>Original Issue Amount Issued</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2010</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2011</u>
11-04/2-06	Various Improvements	10/30/08	\$250,000.00	10/28/10 10/27/11	10/28/11 10/26/12	1.75% 1.75%	\$ 250,000.00	\$ 200,000.00	\$ 250,000.00	\$ - 200,000.00
11-04	Improvements to Sanitary Sewer System	11/4/2004	475,000.00	10/28/10 10/27/11	10/28/11 10/26/12	1.75% 1.75%	205,000.00	155,000.00	205,000.00	- 155,000.00
11-04,2-06	Improvements to Sanitary Sewer System	10/30/2008	200,000.00	10/28/10 10/27/11	10/28/11 10/26/12	1.75% 1.75%	200,000.00	150,000.00	200,000.00	- 150,000.00
11-04,2-06	Improvements to Sanitary Sewer System	10/29/2009	75,250.00	10/28/10 10/27/11	10/28/11 10/26/12	1.75% 1.75%	75,250.00	75,250.00	75,250.00	- 75,250.00
11-04,2-06	Improvements to Sanitary Sewer System	10/28/2010	15,500.00	10/28/10 10/27/11	10/28/11 10/26/12	1.75% 1.75%	15,500.00	15,500.00	15,500.00	- 15,500.00
11-04,2-06	Improvements to Sanitary Sewer System	10/27/2011	4,250.00	10/27/11	10/26/12	1.75%	-	4,250.00	-	4,250.00
							<u>\$ 745,750.00</u>	<u>\$ 600,000.00</u>	<u>\$ 745,750.00</u>	<u>\$ 600,000.00</u>

Ref. D

Cash
 Budget Appropriation
 Ref. D-6
 D-25

\$ 600,000.00
-
\$ 600,000.00
\$ 595,750.00
150,000.00
\$ 745,750.00

D

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

<u>Ord. No.</u>	<u>Description</u>	<u>Balance Dec. 31, 2010</u>	<u>Notes Issued</u>	<u>Balance Dec. 31, 2011</u>
11-04,2-06,4-10	Improvements to Sanitary Sewer System	\$ 376,850.00	\$ 4,250.00	\$ 372,600.00
11-04,2-06	Various Water System Improvements	226,100.00		226,100.00
3-06	Purchase of Sewer Allocation	6,000,000.00		6,000,000.00
		<u>-</u>	<u>-</u>	<u>-</u>
		<u>\$ 6,602,950.00</u>	<u>\$ 4,250.00</u>	<u>\$ 6,598,700.00</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, 2010	E	<u>\$2,738.34</u>	<u>\$ 2,738.34</u>
Balance December 31, 2011	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, 2010	E	<u>\$2,738.34</u>	<u>\$2,738.34</u>
Balance December 31, 2011	E	<u>\$2,738.34</u>	<u>\$2,738.34</u>

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 the financial statements of the Borough of Riverdale as of and for the years ended December 31, 2011 and December 31, 2010, and have issued our report thereon dated June 28, 2012. In our report our opinion was qualified because the Borough of Riverdale prepares its financial statements using the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States; and in compliance with audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Borough of 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 a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

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Mt. Arlington, NJ 07856
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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 significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough of 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.

This report is intended solely for the information and use of management, the Borough of Riverdale, Division of Local Government Services, Department of Community Affairs, State of New Jersey and other state and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Vincent M. Montanino
Registered Municipal Accountant
License No. CR000375



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

June 28, 2012

BOROUGH OF RIVERDALE

PART II

**GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2011**

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, 2010 the bid threshold in accordance with N.J.S.A. 40A:11-3 (as amended) is \$26,000.00.

On February 6, 2006 the Borough passed a resolution increasing the bid threshold to \$29,000.00 and naming Carol Talerico as the Borough's Qualified Purchasing Agent. On August 16, 2010 the Borough passed a resolution increasing the bid threshold to \$36,000.00.

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, Planning Services, Open Space Preservation, Landscaping, Real Estate Appraisals and Architectural Services.

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

Various Road Improvements, Glenburn House Phase 2, Senior Center Elevator and Solid Waste Disposal.

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: Computer Hardware/Software Maintenance.

An ordinance was adopted which authorized the Borough to enter into cooperative purchasing program with the County of Morris: Rock Salt and Asphalt.

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 3, 2011, 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 2010.

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.

DELINQUENT TAXES AND TAX TITLE LIENS

The delinquent taxes at December 31, 2011 include only taxes for the year 2011.

The last tax sale was held on December 6, 2011 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 five years:

<u>Year</u>	<u>Number of Liens</u>
2011	15
2010	15
2009	14
2008	14
2007	9

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.

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 2012 Taxes	25
Payments of 2011 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, 2011, 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 Road Repairs and Gasoline expenses where costs were not exactly known until bills or other evidence were presented.

ANIMAL CONTROL ACCOUNT

Our review of the animal control records revealed the following findings:
2 deposits were missing, one was subsequently found in the current fund and the other remains missing.
License numbers in cash book did not tie in to license numbers on the deposit slips.
Clerk is writing personal checks to cover cash receipts from licensees.

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.

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.).

RECOMMENDATIONS

The animal control license clerk must stop using Borough funds to cash personal checks and take greater care in recording the deposit information into the cash receipts book.

Status of Prior Years' Audit Findings/Recommendations

NOT APPLICABLE

Should any questions arise as to our comments or recommendation, or should you desire assistance in implementing our recommendation 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.



Vincent M. Montanino
Registered Municipal Accountant
License No. CR000375



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

June 28, 2012