

BOROUGH OF RIVERDALE

COUNTY OF MORRIS

REPORT OF AUDIT

2024

*NISIVOCIA LLP
CERTIFIED PUBLIC ACCOUNTANTS*

BOROUGH OF RIVERDALE
COUNTY OF MORRIS
REPORT OF AUDIT
2024

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BOROUGH OF RIVERDALE

PART I

FINANCIAL STATEMENTS

AND SUPPLEMENTARY DATA

YEAR ENDED DECEMBER 31, 2024

Independent Auditors' Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements – *regulatory basis* - of the various funds and account group of the Borough of Riverdale in the County of Morris (the "Borough") as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements, as listed in the foregoing table of contents.

Unmodified Opinions on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of each fund and account group of the Borough of Riverdale as of December 31, 2024 and 2023, and the results of operations and changes in fund balance, where applicable, of such funds and account group, thereof for the years then ended in accordance with the accounting practices prescribed or permitted, as described in Note 1, by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division").

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for the Adverse Opinion on U.S. Generally Accepted Accounting Principles* section of our report, the accompanying financial statements referred to above do not present fairly in accordance with accounting principles generally accepted in the United States of America the financial position of each fund and account group of the Borough as of December 31, 2024 and 2023, or the changes in financial position or, where applicable, cash flows thereof for the years then ended.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS), audit requirements prescribed by the Division and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Borough, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

The Honorable Mayor and Members
of the Borough Council
Borough of Riverdale
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Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1, the financial statements are prepared by the Borough on the basis of the financial reporting provisions prescribed or permitted by the Division, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Division's regulatory basis of accounting and the budget laws of New Jersey.

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

Emphasis of Matter

As discussed in Note 18 to the financial statements, the Borough implemented GASB Statement No. 101, *Compensated Absences*, during the year ended December 31, 2024. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, *Government Auditing Standards* and audit requirements prescribed by the Division, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

The Honorable Mayor and Members
of the Borough Council
Borough of Riverdale
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- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Borough's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements of the various funds and account group that collectively comprise the Borough's financial statements. The supplementary data schedules listed in the table of contents and the schedules of expenditures of federal and state awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the various fund and account group financial statements. The information has been subjected to the auditing procedures applied in the audit of the various fund and account group financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the various fund and account group financial statements or to the various fund and account group financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary data schedules and the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the various fund and account group financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 10, 2025 on our consideration of the Borough's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Borough's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough's internal control over financial reporting and compliance.

Mount Arlington, New Jersey
June 10, 2025

Nisivoccia LLP
NISIVOCCIA LLP

Heidi A. Wohlleb

Heidi A. Wohlleb
Registered Municipal Accountant No. 481
Certified Public Accountant

BOROUGH OF RIVERDALE
COUNTY OF MORRIS
2024
CURRENT FUND

BOROUGH OF RIVERDALE
CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	Ref.	December 31,	
		2024	2023
<u>ASSETS</u>			
Regular Fund:			
Cash - Treasurer	A-4	\$ 2,767,761.74	\$ 2,955,467.77
Change and Petty Cash Funds		200.00	825.00
		<u>2,767,961.74</u>	<u>2,956,292.77</u>
Receivables and Other Assets With Full Reserves:			
Delinquent Property Taxes Receivable	A-7	104,036.91	91,096.60
Tax Title Liens Receivable	A-8	207,241.63	194,137.80
Property Acquired for Taxes at Assessed Valuation		235,100.00	235,100.00
Revenue Accounts Receivable	A-9	43,810.96	46,242.41
Due from:			
Animal Control Fund	B	6,777.71	3,294.65
Other Trust Funds	B	49.37	49.37
Water/Sewer Utility Assessment Trust Fund	D	<u>7,470.99</u>	<u>7,470.99</u>
Total Receivables and Other Assets With Full Reserves		<u>597,016.58</u>	<u>577,391.82</u>
Total Regular Fund		<u>3,364,978.32</u>	<u>3,533,684.59</u>
Federal and State Grant Fund:			
Due from Current Fund	A	1,052.34	322,893.02
Federal and State Grants Receivable	A-10	<u>596,120.00</u>	<u>261,375.00</u>
Total Federal and State Grant Fund		<u>597,172.34</u>	<u>584,268.02</u>
<u>TOTAL ASSETS</u>		<u>\$ 3,962,150.66</u>	<u>\$ 4,117,952.61</u>

BOROUGH OF RIVERDALE
CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
(Continued)

	Ref.	December 31,	
		2024	2023
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Regular Fund:			
Appropriation Reserves:			
Unencumbered	A-3;A-11	\$ 190,104.55	\$ 273,611.01
Encumbered	A-3;A-11	90,665.34	33,077.69
Total Appropriation Reserves		<u>280,769.89</u>	<u>306,688.70</u>
Accounts Payable - Vendors		1,370.00	
School Taxes Payable	A-12	2.00	2.00
County Taxes Payable			2,300.74
Prepaid Taxes		102,830.29	91,229.04
Tax Overpayments		18,252.86	19,312.53
Due to:			
Federal and State Grant Fund	A	1,052.34	322,893.02
Other Trust Funds - Tax Sale Premiums	B	52,000.00	
Open Space Trust Fund	B		84.84
General Capital Fund	C		99,180.10
State of New Jersey:			
Senior Citizens' and Veterans' Deductions		5,935.08	5,432.91
Marriage License Fees		500.00	325.00
Premium on Tax Sale Certificates			56,600.00
Reserve for Municipal Relief Fund Aid			45,844.28
Reserve for Pending Tax Appeals		179,175.27	179,175.27
		<u>641,887.73</u>	<u>1,129,068.43</u>
Reserve for Receivables and Other Assets	A	597,016.58	577,391.82
Fund Balance	A-1	2,126,074.01	1,827,224.34
Total Regular Fund		<u>3,364,978.32</u>	<u>3,533,684.59</u>
Federal and State Grant Fund:			
Appropriated Reserves	A-13	213,084.82	188,757.47
Unappropriated Reserves	A-14	16,918.77	361,357.90
Reserve for Encumbrances		367,168.75	34,152.65
Total Federal and State Grant Fund		<u>597,172.34</u>	<u>584,268.02</u>
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 3,962,150.66</u>	<u>\$ 4,117,952.61</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

	Ref.	Year Ended December 31,	
		2024	2023
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized		\$ 442,200.00	\$ 775,000.00
Miscellaneous Revenue Anticipated		1,874,312.09	1,412,667.16
Receipts from:			
Delinquent Taxes		91,096.15	181,122.30
Current Taxes		18,565,440.12	17,664,515.10
Nonbudget Revenue		332,875.44	345,335.92
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		119,203.81	86,649.92
Interfunds and Other Accounts Receivable Returned		7,470.99	53,729.91
Total Income		<u>21,432,598.60</u>	<u>20,519,020.31</u>
<u>Expenditures</u>			
Budget Appropriations		8,378,689.76	7,976,511.14
County Taxes		2,559,307.42	2,615,386.65
Local School District Taxes		9,647,468.00	8,866,052.00
Municipal Open Space Taxes		102,350.69	97,486.21
Prior Year Senior Citizens' Deductions Disallowed		250.00	256.16
Refund of Prior Year Revenue:			
Taxes			2,668.15
Interfunds Advanced		3,483.06	10,815.01
Total Expenditures		<u>20,691,548.93</u>	<u>19,569,175.32</u>
Excess in Revenue		741,049.67	949,844.99
<u>Fund Balance</u>			
Balance January 1		1,827,224.34	1,652,379.35
		<u>2,568,274.01</u>	<u>2,602,224.34</u>
Decreased by:			
Utilized as Anticipated Revenue		442,200.00	775,000.00
Balance December 31	A	<u>\$ 2,126,074.01</u>	<u>\$ 1,827,224.34</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

BOROUGH OF RIVERDALE
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

	<u>Budget</u>	<u>Added by N.J.S.A. 40A:4-87</u>	<u>Realized</u>	<u>Excess or Deficit *</u>
Fund Balance Anticipated	\$ 442,200.00		\$ 442,200.00	
Miscellaneous Revenue:				
Licenses:				
Alcoholic Beverages	16,920.00		16,920.00	
Other	12,400.00		13,586.00	\$ 1,186.00
Fees and Permits	52,000.00		55,619.00	3,619.00
Fines and Costs:				
Municipal Court	134,000.00		191,014.61	57,014.61
Interest and Costs on Taxes	62,000.00		37,425.95	24,574.05 *
Municipal Relief Fund	45,844.28		45,844.28	
Energy Receipts Tax	444,756.00		444,755.86	0.14 *
Uniform Construction Code Fees	119,000.00		84,372.60	34,627.40 *
Borough of Butler - Municipal Court	178,296.00		178,282.96	13.04 *
Uniform Fire Safety Act	44,000.00		36,714.15	7,285.85 *
New Jersey Transportation Trust Fund Authority Act		\$ 274,745.00	274,745.00	
Recycling Tonnage Grant - 2024	21,673.78		21,673.78	
Recycling Tonnage Grant - 2023	26,221.86		26,221.86	
American Rescue Plan	332,804.47		332,804.47	
American Rescue Plan Firefighter Grant	30,000.00		30,000.00	
Alcohol Education and Rehabilitation Fund	129.79		129.79	
Sustainable Jersey	2,000.00		2,000.00	
Community Energy Plan Grant		10,000.00	10,000.00	
Spotted Lanternfly Program	20,000.00		20,000.00	
Body Armor Replacement Fund	1,651.79		1,651.79	
Bulletproof Vest Program	549.99		549.99	
General Capital Fund Balance	50,000.00		50,000.00	
Total Miscellaneous Revenue	<u>1,594,247.96</u>	<u>284,745.00</u>	<u>1,874,312.09</u>	<u>4,680.87 *</u>
Receipts from Delinquent Taxes	<u>117,400.00</u>		<u>91,096.15</u>	<u>26,303.85 *</u>
Amount to be Raised by Taxes for				
Support of Municipal Budget:				
Local Tax for Municipal Purposes	6,018,131.35		6,334,348.56	316,217.21
Minimum Library Tax	344,695.81		344,695.81	
	<u>6,362,827.16</u>		<u>6,679,044.37</u>	<u>316,217.21</u>
Budget Totals	8,516,675.12	284,745.00	9,086,652.61	285,232.49
Nonbudget Revenue			<u>332,875.44</u>	<u>332,875.44</u>
	<u>\$ 8,516,675.12</u>	<u>\$ 284,745.00</u>	<u>\$ 9,419,528.05</u>	<u>\$ 618,107.93</u>

BOROUGH OF RIVERDALE
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Allocation of Current Tax Collections

Collections		\$ 18,565,440.12
Allocated to:		
County Taxes	\$ 2,559,307.42	
Municipal Open Space Taxes	102,350.69	
Local School Taxes	<u>9,647,468.00</u>	
		<u>12,309,126.11</u>
		6,256,314.01
Add: Appropriation "Reserve for Uncollected Taxes"		<u>422,730.36</u>
Realized for Support of Municipal Budget		<u>\$ 6,679,044.37</u>

Receipts from Delinquent Taxes:

Delinquent Tax Collections		<u>\$ 91,096.15</u>
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Analysis of Nonbudget Revenue

Treasurer:		
Compost Rental/Tipping Fee	\$ 86,350.00	
Rent of Municipal Owned Property	95,600.00	
Interest on Investments and Deposits	117,812.48	
Cable TV Franchise Fee	23,282.00	
State of New Jersey Senior Citizens' and Veterans' Deductions Administrative Fee	660.04	
Disposal/Recycling of Tires	115.00	
Other Miscellaneous	<u>5,572.86</u>	
		\$ 329,392.38
Due from Animal Control Fund:		
Statutory Excess in Reserve for Animal Control Fund Expenditures		<u>3,483.06</u>
		<u>\$ 332,875.44</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

BOROUGH OF RIVERDALE
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Within "CAPS":					
GENERAL GOVERNMENT:					
General Administration:					
Salaries and Wages	\$ 107,500.00	\$ 107,500.00	\$ 107,388.15	\$ 111.85	
Other Expenses	90,000.00	90,000.00	84,290.68	5,709.32	
Mayor and Council:					
Salaries and Wages	45,000.00	45,000.00	44,299.80	700.20	
Municipal Clerk:					
Salaries and Wages	15,225.00	15,225.00	15,222.00	3.00	
Financial Administration:					
Salaries and Wages	72,750.00	78,750.00	78,445.68	304.32	
Other Expenses	30,600.00	37,100.00	35,346.56	1,753.44	
Audit Services	26,225.00	39,350.00	39,350.00		
Tax Assessment Administration:					
Salaries and Wages	31,250.00	31,250.00	31,144.40	105.60	
Other Expenses	30,000.00	5,000.00	3,339.00	1,661.00	
Revision of Tax Map:					
Other Expenses	5,000.00				
Collection of Taxes:					
Other Expenses	6,000.00	6,000.00	6,000.00		
Legal Services:					
Contractual Expenses	30,000.00	30,000.00	30,000.00		
Other Expenses	21,000.00	9,998.00	8,643.00	1,355.00	
Engineering Services:					
Other Expenses	12,000.00	12,000.00	10,140.00	1,860.00	

BOROUGH OF RIVERDALE
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

(Continued)

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Within "CAPS" (Continued):					
LAND USE ADMINISTRATION:					
Planning Board:					
Salaries and Wages	\$ 4,060.00	\$ 4,060.00	\$ 4,060.00		
Other Expenses	32,000.00	22,000.00	16,615.99	\$ 5,384.01	
Zoning Board:					
Salaries and Wages	26,000.00	15,000.00	15,000.00		
PUBLIC SAFETY FUNCTIONS:					
Police Department:					
Salaries and Wages	2,082,803.53	2,066,580.48	2,066,580.48		
Salaries and Wages - American Rescue Plan	332,804.47	332,804.47	332,804.47		
Other Expenses	100,000.00	110,000.00	100,734.36	9,265.64	
Contribution to Pompton Lakes First Aid Squad	42,885.00	50,410.00	50,410.00		
Emergency Management Services:					
Salaries and Wages	8,500.00	8,500.00	8,499.96	0.04	
Other Expenses	6,300.00	6,300.00	2,300.73	3,999.27	
Fire Department:					
Salaries and Wages	12,925.00	29,853.36	29,853.36		
Other Expenses	57,162.00	57,162.00	57,124.98	37.02	
Fire Inspector:					
Salaries and Wages	16,300.00	17,500.00	17,420.00	80.00	
Other Expenses	3,000.00	3,000.00	2,875.43	124.57	
Municipal Prosecutor:					
Salaries and Wages	14,575.00	14,575.00	14,568.92	6.08	

BOROUGH OF RIVERDALE
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

(Continued)

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Within "CAPS" (Continued):					
PUBLIC WORKS FUNCTIONS:					
Streets and Roads Maintenance:					
Salaries and Wages	\$ 252,950.00	\$ 244,792.69	\$ 244,792.69		
Other Expenses	34,000.00	34,000.00	32,926.15	\$ 1,073.85	
Shade Tree:					
Salaries and Wages	1,500.00	1,500.00	1,500.00		
Other Expenses	1,000.00	1,000.00	407.02	592.98	
Buildings and Grounds:					
Salaries and Wages	40,750.00	40,750.00	40,750.00		
Other Expenses	30,000.00	30,000.00	28,754.09	1,245.91	
Vehicle Maintenance:					
Salaries and Wages	41,250.00	41,250.00	41,250.00		
Other Expenses	84,250.00	89,250.00	88,977.83	272.17	
Municipal Services Act	7,000.00	15,500.00	3,093.67	12,406.33	
Garbage Removal	362,375.00	397,375.00	365,860.71	31,514.29	
HEALTH AND HUMAN SERVICES FUNCTIONS:					
Board of Health:					
Salaries and Wages	2,000.00	2,200.00	2,199.92	0.08	
Other Expenses	70,000.00	75,000.00	74,671.02	328.98	
Registrar:					
Salaries and Wages	4,500.00	4,500.00	4,500.00		
Other Expenses	100.00	100.00		100.00	

BOROUGH OF RIVERDALE
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

(Continued)

	Appropriations		Budget After Modification	Expended By		Unexpended Balance Canceled
	Budget			Paid or Charged	Reserved	
Operations Within "CAPS" (Continued):						
HEALTH AND HUMAN SERVICES FUNCTIONS (Continued):						
Senior Citizens Program:						
Other Expenses	\$ 7,000.00	\$ 7,000.00	\$ 6,954.61	\$ 45.39		
Dial-A-Ride	43,800.00	43,800.00	43,781.00	19.00		
PARKS AND RECREATION FUNCTIONS:						
Parks and Playgrounds:						
Salaries and Wages	13,850.00	15,950.00	15,931.73	18.27		
Other Expenses	1,000.00	1,000.00	239.34	760.66		
UTILITY EXPENSES AND BULK PURCHASES:						
Electricity	80,000.00	80,000.00	69,186.20	10,813.80		
Street Lighting	17,000.00	17,000.00	15,779.55	1,220.45		
Telephone	72,100.00	80,100.00	78,651.83	1,448.17		
Gas (Natural or Propane)	22,000.00	22,000.00	12,768.03	9,231.97		
Gasoline	105,750.00	105,750.00	92,321.27	13,428.73		
COURT AND PUBLIC DEFENDER:						
Municipal Court:						
Salaries and Wages	169,030.00	169,030.00	166,134.02	2,895.98		
Other Expenses	10,400.00	10,400.00	8,262.74	2,137.26		
Public Defender (P.L. 1997, C.256):						
Other Expenses	6,000.00	6,000.00		6,000.00		
INSURANCE:						
Liability Insurance	145,070.10	145,070.10	143,960.57	1,109.53		
Workers Compensation Insurance	103,513.50	103,563.50	103,549.50	14.00		
Employee Group Insurance	512,393.24	525,049.45	525,049.45			
Health Benefit Waivers	15,560.00	9,314.28	9,314.28			

BOROUGH OF RIVERDALE
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024
(Continued)

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Within "CAPS" (Continued):					
UNCLASSIFIED:					
Celebration of Public Events:					
Other Expenses	\$ 25,000.00	\$ 10,991.58	\$ 10,616.42	\$ 375.16	
Salary Adjustment Account	10,000.00				
Total Operations Within "CAPS"	5,553,006.84	5,574,154.91	5,444,641.59	129,513.32	
Contingent	1,000.00	1,000.00		1,000.00	
Total Operations Including Contingent Within "CAPS"	5,554,006.84	5,575,154.91	5,444,641.59	130,513.32	
Detail:					
Salaries and Wages	3,321,083.00	3,295,885.28	3,291,659.86	4,225.42	
Other Expenses	2,232,923.84	2,279,269.63	2,152,981.73	126,287.90	
Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS":					
Within "CAPS":					
DEFERRED CHARGES:					
Prior Year Bills:					
Mind's Eye	18,988.00	18,988.00	18,988.00		
CONTRIBUTIONS TO:					
Public Employees' Retirement System	157,516.10	157,516.10	157,514.55	1.55	
Social Security System (O.A.S.I.)	268,944.98	252,796.91	252,796.91		
Police and Firemen's Retirement System of NJ	723,819.00	723,819.00	723,819.00		
Defined Contribution Retirement Program	5,000.00	5,000.00	3,888.47	1,111.53	
Unemployment Compensation Insurance	5,000.00				
Total Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"	1,179,268.08	1,158,120.01	1,157,006.93	1,113.08	

BOROUGH OF RIVERDALE
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024
(Continued)

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Within "CAPS" (Continued):					
Total General Appropriations for Municipal Purposes Within "CAPS"	\$ 6,733,274.92	\$ 6,733,274.92	\$ 6,601,648.52	\$ 131,626.40	
Operations Excluded from "CAPS":					
Maintenance of Free Public Library	344,696.00	344,696.00	334,792.55	9,903.45	
LOSAP Contribution	35,000.00	35,000.00		35,000.00	
Recycling Tax (P.L.2007, C.311)	5,000.00	5,000.00		5,000.00	
Reserve for Tax Appeals	5,000.00	5,000.00		5,000.00	
Shared Service Agreements:					
Borough of Butler:					
Tax Collector	30,000.00	30,000.00	30,000.00		
Dispatch Service	8,000.00	8,000.00	8,000.00		
Municipal Court	178,296.00	178,296.00	178,296.00		
Borough of Pompton Lakes - Building Inspector	50,000.00	50,000.00	46,425.30	3,574.70	
Public and Private Programs Offset by Revenue:					
Recycling Tonnage Grant - 2024	21,673.78	21,673.78	21,673.78		
Recycling Tonnage Grant - 2023	26,221.86	26,221.86	26,221.86		
Sustainable Jersey Grant	2,000.00	2,000.00	2,000.00		
American Rescue Plan Firefighter Grant	30,000.00	30,000.00	30,000.00		
Alcohol Education and Rehabilitation Fund	129.79	129.79	129.79		
Spotted Lanternfly Program	20,000.00	20,000.00	20,000.00		
Body Armor Replacement Fund	1,651.79	1,651.79	1,651.79		
Bulletproof Vest Program	549.99	549.99	549.99		
New Jersey Transportation Trust Fund Authority Act:					
Various Road Projects (N.J.S.A. 40A:4-87 + \$274,745.00)		274,745.00	274,745.00		
Community energy Plan Grant					
(N.J.S.A. 40A:4-87 + \$10,000.00)		10,000.00	10,000.00		
Total Operations Excluded from "CAPS"	758,219.21	1,042,964.21	984,486.06	58,478.15	
Detail:					
Other Expenses	758,219.21	1,042,964.21	984,486.06	58,478.15	

BOROUGH OF RIVERDALE
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

(Continued)

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Capital Improvements - Excluded from "CAPS":					
Capital Improvement Fund	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00		
Total Capital Improvements Excluded from "CAPS"	15,000.00	15,000.00	15,000.00		
Municipal Debt Service Excluded from "CAPS":					
Payment of Bond Anticipation Notes	400,000.00	400,000.00	400,000.00		
Interest on Notes	160,838.63	160,838.63	160,838.63		
Total Municipal Debt Service Excluded from "CAPS"	560,838.63	560,838.63	560,838.63		
Transferred to Board of Education for Use of Local Schools	26,612.00	26,612.00	26,612.00		
Total General Appropriations Excluded from "CAPS"	1,360,669.84	1,645,414.84	1,586,936.69	\$ 58,478.15	
Subtotal General Appropriations	8,093,944.76	8,378,689.76	8,188,585.21	190,104.55	
Reserve for Uncollected Taxes	422,730.36	422,730.36	422,730.36		
Total General Appropriations	\$ 8,516,675.12	\$ 8,801,420.12	\$ 8,611,315.57	\$ 190,104.55	\$ - 0 -

Ref.

A

BOROUGH OF RIVERDALE
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024
(Continued)

	<u>Ref.</u>	<u>Budget After Modification</u>	<u>Analysis of Paid or Charged</u>
Adopted Budget		\$ 8,516,675.12	
Added by N.J.S.A. 40A:4-87		284,745.00	
		<u>\$ 8,801,420.12</u>	
Cash Disbursed			\$ 7,760,168.88
Reserve for Uncollected Taxes			422,730.36
Encumbrances	A		90,665.34
Due to Federal and State Grant Fund			<u>386,972.21</u>
			8,660,536.79
Less:			
Appropriation Refunds			<u>49,221.22</u>
			<u>\$ 8,611,315.57</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

BOROUGH OF RIVERDALE
COUNTY OF MORRIS
2024
TRUST FUNDS

BOROUGH OF RIVERDALE
TRUST FUNDS
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	Ref.	December 31,	
		2024	2023
<u>ASSETS</u>			
Animal Control Fund:			
Cash and Cash Equivalents	B-4	\$ 15,517.31	\$ 12,090.25
Other Trust Funds:			
Cash and Cash Equivalents	B-4	1,392,575.13	1,373,731.11
Due from Current Fund - Reserve for Open Space	A		84.84
Due from Current Fund - Reserve for Tax Sale Premiums	A	52,000.00	
Due from Water/Sewer Utility Operating Fund - Reserve for Tax Sale Premiums	D	7,200.00	
Due from Payroll Agency Account - Interfund Advanced			4,429.35
Due from Payroll Agency Account - Reserve for Unemployment Compensation Insurance		782.21	4,429.35
		<u>1,452,557.34</u>	<u>1,382,674.65</u>
<u>TOTAL ASSETS</u>		<u>\$ 1,468,074.65</u>	<u>\$ 1,394,764.90</u>
<u>LIABILITIES AND RESERVES</u>			
Animal Control Fund:			
Due to Current Fund	A	\$ 6,777.71	\$ 3,294.65
Due to State of New Jersey - Dog License Fees		10.20	1.20
Reserve for Animal Control Expenditures	B-6	8,729.40	8,794.40
		<u>15,517.31</u>	<u>12,090.25</u>
Other Trust Funds:			
Due to Current Fund	A	49.37	49.37
Special Deposits		150,480.72	146,868.32
Reserve for:			
Unemployment Compensation Insurance		165,982.35	167,507.89
Law Enforcement		3,165.42	3,165.42
Council on Affordable Housing		411,289.64	409,255.65
Open Space		505,223.40	483,612.93
Parking Offense Adjudication Act		244.00	240.00
Beautification Acceptance of Bequests		5.05	5.05
Food Pantry Donations		23,759.09	22,431.21
Police Outside Duty		89,796.18	114,330.50
Public Defender		12,581.00	217.00
Recreation Fields Donations		11,444.11	24,288.04
Recreation Programs		926.74	
Historical and Open Space Donations		315.18	315.18
Celebration of Public Events		6,034.66	1,985.56
Centennial Celebration		8,517.00	6,652.51
Shade Tree		2,043.43	250.02
Fire Prevention		1,500.00	1,500.00
Tax Sale Premiums		59,200.00	
		<u>1,452,557.34</u>	<u>1,382,674.65</u>
<u>TOTAL LIABILITIES AND RESERVES</u>		<u>\$ 1,468,074.65</u>	<u>\$ 1,394,764.90</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

BOROUGH OF RIVERDALE
ASSESSMENT TRUST FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

NOT APPLICABLE

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

BOROUGH OF RIVERDALE
ASSESSMENT TRUST FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

NOT APPLICABLE

BOROUGH OF RIVERDALE
ASSESSMENT TRUST FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

NOT APPLICABLE

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

BOROUGH OF RIVERDALE
COUNTY OF MORRIS
2024
GENERAL CAPITAL FUND

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

	Ref.	December 31,	
		2024	2023
<u>ASSETS</u>			
Cash and Cash Equivalents	C-2	\$ 1,319,920.66	\$ 1,557,075.48
Due from Current Fund	A		99,180.10
Grant Receivable:			
NJ Department of Transportation		67,800.00	67,800.00
Deferred Charges to Future Taxation - Unfunded	C-4	5,561,272.83	5,961,272.83
<u>TOTAL ASSETS</u>		<u>\$ 6,948,993.49</u>	<u>\$ 7,685,328.41</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Bond Anticipation Notes Payable	C-7	\$ 4,148,461.00	\$ 4,548,461.00
Improvement Authorizations:			
Funded	C-5	2,729.75	2,729.75
Unfunded	C-5	2,076,166.00	2,332,478.35
Capital Improvement Fund	C-6	71,585.10	56,585.10
Reserve for:			
Encumbrances	C-5	416,228.15	465,502.15
Grants Receivable		200.00	200.00
Payment of Debt Service		150,144.99	150,144.99
Fund Balance	C-1	83,478.50	129,227.07
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 6,948,993.49</u>	<u>\$ 7,685,328.41</u>

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, 2023	C	\$ 129,227.07
Increased by:		
Premium on Sale of Notes		4,251.43
		<hr/> 133,478.50
Decreased by:		
Anticipated as Revenue in Current Fund Budget		50,000.00
		<hr/> 50,000.00
Balance December 31, 2024	C	<u><u>\$ 83,478.50</u></u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

BOROUGH OF RIVERDALE
COUNTY OF MORRIS
2024
WATER/SEWER UTILITY FUND

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

	Ref.	December 31,	
		2024	2023
<u>ASSETS</u>			
Operating Fund:			
Cash and Cash Equivalents	D-4	\$ 538,264.68	\$ 621,343.67
Change Fund		50.00	50.00
		<u>538,314.68</u>	<u>621,393.67</u>
Due from Water/Sewer Utility Assessment Trust Fund	D		17,234.50
		<u>538,314.68</u>	<u>638,628.17</u>
Receivables and Other Assets with Full Reserves:			
Consumer Accounts Receivable	D-7	58,937.91	47,266.54
Water/Sewer Liens Receivable	D-7A	24,587.83	24,587.83
Total Receivables with Full Reserves		<u>83,525.74</u>	<u>71,854.37</u>
 Total Operating Fund		 <u>621,840.42</u>	 <u>710,482.54</u>
Assessment Trust Fund:			
Cash and Cash Equivalents	D-4	192,942.74	421,527.60
Assessments Receivable	D-8	792,959.97	898,853.84
Due from Water/Sewer Utility Operating Fund	D	58.14	
Due to Water/Sewer Utility Capital Fund	D	182,968.00	
Deferred Charges to be Raised by Future Revenue:			
Amount to be Raised by Future Revenue for Canceled Assessments		20,317.15	20,317.15
Total Assessment Trust Fund		<u>1,189,246.00</u>	<u>1,340,698.59</u>
Capital Fund:			
Cash and Cash Equivalents	D-4	2,010,191.95	2,007,234.45
Fixed Capital	D-9	4,015,953.32	4,015,953.32
Fixed Capital Authorized and Uncompleted	D-10	8,175,000.00	8,175,000.00
Total Capital Fund		<u>14,201,145.27</u>	<u>14,198,187.77</u>
 <u>TOTAL ASSETS</u>		 <u>\$ 16,012,231.69</u>	 <u>\$ 16,249,368.90</u>

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

	Ref.	December 31,	
		2024	2023
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Appropriation Reserves:			
Unencumbered	D-3;D-11	\$ 1,784.88	\$ 5,782.33
Encumbered	D-3;D-11	3,035.12	1,372.77
Total Appropriation Reserves		4,820.00	7,155.10
Accounts Payable		375.00	
Accrued Interest on Notes		108,793.67	69,666.26
Water/Sewer Rent Overpayments		11,964.24	19,927.17
Due to Water/Sewer Utility Assessment Trust Fund	D	58.14	
Due to Other Trust Funds	B	7,200.00	
Reserve for Meter Deposits		4,375.00	4,375.00
Reserve for Premium			2,000.00
		137,586.05	103,123.53
Reserve for Receivables	D	83,525.74	71,854.37
Fund Balance	D-1	400,728.63	535,504.64
Total Operating Fund		621,840.42	710,482.54
Assessment Trust Fund:			
Bond Anticipation Notes Payable	D-16A	1,189,246.00	1,209,215.00
Due to Current Fund	A		7,470.99
Due to Water/Sewer Utility Operating Fund	D		17,234.50
Fund Balance	D-1A		106,778.10
Total Assessment Trust Fund		1,189,246.00	1,340,698.59
Capital Fund:			
Bond Anticipation Notes Payable	D-16	3,284,280.00	3,463,324.00
Improvement Authorizations:			
Funded	D-12	47,359.73	56,104.73
Unfunded	D-12	1,433,930.49	2,137,659.35
Due to Water/Sewer Utility Assessment Fund	D	182,968.00	
Capital Improvement Fund	D-13	118,845.00	118,845.00
Reserve for:			
Encumbrances	D-12	620,440.00	15,507.20
Amortization	D-14	4,015,953.32	4,015,953.32
Deferred Amortization	D-15	4,383,031.29	4,196,922.70
Fund Balance	D-1B	114,337.44	193,871.47
Total Capital Fund		14,201,145.27	14,198,187.77
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 16,012,231.69</u>	<u>\$ 16,249,368.90</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

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

	Ref.	Year Ended December 31,	
		2024	2023
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized		\$ 300,000.00	\$ 372,855.44
Rents		1,842,631.99	1,861,145.37
Assessment Fund Balance		106,778.10	
Capital Fund Balance		84,097.03	
Miscellaneous		178,311.47	152,627.30
Other Credits to Income:			
Appropriation Reserves Lapsed		5,127.36	168,055.56
Reserve for Premium Canceled		2,000.00	
Total Income		<u>2,518,945.95</u>	<u>2,554,683.67</u>
<u>Expenditures</u>			
Budget Expenditures:			
Operating		1,833,382.25	1,765,799.24
Debt Service		383,397.58	434,640.56
Deferred Charges and Statutory Expenditures		135,240.67	104,268.20
Refund of Prior Year Revenue		1,701.46	
Total Expenditures		<u>2,353,721.96</u>	<u>2,304,708.00</u>
Excess in Revenue		165,223.99	249,975.67
<u>Fund Balance</u>			
Balance January 1		535,504.64	658,384.41
		<u>700,728.63</u>	<u>908,360.08</u>
Decreased by:			
Utilization as Anticipated Revenue		<u>300,000.00</u>	<u>372,855.44</u>
Balance December 31	D	<u>\$ 400,728.63</u>	<u>\$ 535,504.64</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

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

	<u>Ref.</u>	
Balance December 31, 2023	D	\$ 106,778.10
Decreased by:		
Utilized as Anticipated Revenue in the WaterSewer Utility Operating Fund		<u>106,778.10</u>
Balance December 31, 2024	D	<u><u>\$ -0-</u></u>

WATER/SEWER UTILITY CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>	
Balance December 31, 2023	D	\$ 193,871.47
Increased by:		
Premium on Sale of Notes		<u>4,563.00</u>
		198,434.47
Decreased by:		
Utilized as Anticipated Revenue in the WaterSewer Utility Operating Fund		<u>84,097.03</u>
Balance December 31, 2024	D	<u><u>\$ 114,337.44</u></u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

BOROUGH OF RIVERDALE
WATER/SEWER UTILITY OPERATING FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

	Anticipated	Realized	Excess or Deficit*
Fund Balance Anticipated	\$ 300,000.00	\$ 300,000.00	
Rents	1,861,145.37	1,842,631.99	\$ 18,513.38 *
Assessment Fund Balance	106,778.10	106,778.10	
Capital Fund Balance	84,097.03	84,097.03	
	2,352,020.50	2,333,507.12	18,513.38 *
Miscellaneous Revenue Not Anticipated		178,311.47	178,311.47
	\$ 2,352,020.50	\$ 2,511,818.59	\$ 159,798.09
 <u>Analysis of Rents:</u>			
Collections	\$ 1,822,704.82		
Overpayments Applied	19,927.17		
		\$ 1,842,631.99	
 <u>Analysis of Miscellaneous Revenue Not Anticipated</u>			
Treasurer:			
Interest on Deposits	\$ 84,580.86		
Interest on Assessments	13,873.31		
Connection Fees	76,800.00		
Credit Card Fees	3,057.30		
		\$ 178,311.47	

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

BOROUGH OF RIVERDALE
WATER/SEWER UTILITY ASSESSMENT TRUST FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

	<u>Budget Revenue</u>	<u>Realized</u>	<u>Excess/Deficit</u>
Assessment Cash	<u>\$ 202,937.00</u>	<u>\$ 19,969.00</u>	<u>\$ 182,968.00 *</u>
	<u><u>\$ 202,937.00</u></u>	<u><u>\$ 19,969.00</u></u>	<u><u>\$ 182,968.00 *</u></u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
 ARE AN INTEGRAL PART OF THIS STATEMENT

BOROUGH OF RIVERDALE
WATER/SEWER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

	Appropriations		Expended by		Unexpended Balances Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operating:					
Salaries and Wages	\$ 168,375.00	\$ 168,375.00	\$ 168,375.00		
Other Expenses	1,686,253.97	1,665,007.25	1,663,222.37	\$ 1,784.88	
Debt Service:					
Payment of Bond Anticipation Notes	179,044.00	179,044.00	179,044.00		
Interest on Notes	165,226.17	204,353.58	204,353.58		
Deferred Charges and Statutory Expenditures:					
Deferred Charges:					
Prior Year Bills - Passaic Valley Water Commission - 2023	94,422.63	94,422.63	94,422.63		
Deferred Charges to Future Taxation - Unfunded Ord #11-4;02-06;04-10	7,064.59	7,064.59	7,064.59		
Statutory Expenditures:					
Contribution to:					
Public Employees Retirement System	33,753.45	33,753.45	33,753.45		
Social Security System (O.A.S.I.)	12,880.69				
Unemployment Compensation Insurance (N.J.S.A. 43:21-3 et. seq.)	5,000.00				
	<u>\$ 2,352,020.50</u>	<u>\$ 2,352,020.50</u>	<u>\$ 2,350,235.62</u>	<u>\$ 1,784.88</u>	<u>\$ -0-</u>
				D	
Cash Disbursed			\$ 2,142,846.92		
Accrued Interest on Notes			204,353.58		
Encumbrances Payable			3,035.12		
			<u>\$ 2,350,235.62</u>		

BOROUGH OF RIVERDALE
WATER/SEWER UTILITY ASSESSMENT TRUST FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

	<u>Budget</u>	<u>Paid or Charged</u>	<u>Unexpended Balance Canceled</u>
Payment of Bond Anticipation Notes	\$ 202,937.00	\$ 19,969.00	\$ 182,968.00
	<u>\$ 202,937.00</u>	<u>\$ 19,969.00</u>	<u>\$ 182,968.00</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
 ARE AN INTEGRAL PART OF THIS STATEMENT

BOROUGH OF RIVERDALE
COUNTY OF MORRIS
2024
PUBLIC ASSISTANCE FUND

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

		December 31,	
<u>ASSETS</u>	<u>Ref.</u>	2024	2023
Cash and Cash Equivalents	E-1	\$ 2,898.74	\$ 2,822.28
<u>TOTAL ASSETS</u>		<u>\$ 2,898.74</u>	<u>\$ 2,822.28</u>
<u>RESERVES</u>			
Reserve for Public Assistance		\$ 2,898.74	\$ 2,822.28
<u>TOTAL RESERVES</u>		<u>\$ 2,898.74</u>	<u>\$ 2,822.28</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

BOROUGH OF RIVERDALE
COUNTY OF MORRIS
2024
GENERAL FIXED ASSETS ACCOUNT GROUP

BOROUGH OF RIVERDALE
GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	December 31,	
	2024	2023
<u>ASSETS</u>		
Land and Land Improvements	\$ 7,437,843.00	\$ 7,437,843.00
Buildings and Building Improvements	10,134,108.00	10,134,108.00
Vehicles and Equipment	3,987,157.12	3,987,157.12
Construction in Progress	525,501.69	525,501.69
	<u>\$ 22,084,609.81</u>	<u>\$ 22,084,609.81</u>
 <u>TOTAL ASSETS</u>	<u>\$ 22,084,609.81</u>	<u>\$ 22,084,609.81</u>
 <u>RESERVES</u>		
Reserve for General Fixed Assets	\$ 22,084,609.81	\$ 22,084,609.81
	<u>\$ 22,084,609.81</u>	<u>\$ 22,084,609.81</u>
 <u>TOTAL RESERVES</u>	<u>\$ 22,084,609.81</u>	<u>\$ 22,084,609.81</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
 ARE AN INTEGRAL PART OF THIS STATEMENT

BOROUGH OF RIVERDALE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

Note 1: Summary of Significant Accounting Policies

A. Reporting Entity

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.

Governmental Accounting Standards Board ("GASB") Codification Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents. (2) The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization. (3). The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. As the financial reporting entity was established in accordance with New Jersey statutes, the requirements of GASB Codification Section 2100 were not followed and, accordingly, the reporting entity could be different from accounting principles generally accepted in the United States of America.

B. Description of Funds

The accounting policies of the Borough of Riverdale conform to the accounting practices applicable to municipalities which have been prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"). Such 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:

Current Fund – Resources and expenditures for governmental operations of a general nature, including federal and state grant funds.

Trust Funds – Receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

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

BOROUGH OF RIVERDALE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
 (Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

B. Description of Funds (Cont'd)

Water/Sewer Utility Operating, Assessment and Capital Funds – Account for the operations, resources and expenditures for payment of assessment debt and acquisition of capital facilities of the municipally owned sewer utility.

Public Assistance Fund – Receipt and disbursement of funds that provide assistance to certain residents of the Borough pursuant to Title 44 of New Jersey statutes. The operations of the State funded welfare program were transferred to the County of Morris in a prior year.

General Fixed Assets Account Group – Estimated values of land, buildings and certain fixed assets of the Borough as discussed in Note 1E.

C. Basis of Accounting

Basis of accounting refers to when revenue and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The more significant accounting policies in New Jersey follow.

Revenue is recorded when received in cash except for certain amounts which may be due from the State of New Jersey and for the prepayment of future years' revenue. Grant revenue is realized in the Operating Funds when it is budgeted and in the Capital Funds when improvements are authorized. The amounts recorded as property taxes and consumer accounts receivable have not been included in revenue. Amounts that are due to the municipality, which are susceptible of accrual, are recorded as receivables with offsetting reserves in the Current Fund.

Expenditures are charged to operations generally based on budgeted amounts. Exceptions to this general rule include:

1. Accumulated unpaid vacation, sick pay and other employee benefit amounts are not accrued.
2. Prepaid expenses, such as insurance premiums applicable to subsequent periods, are not recorded and are charged to current budget appropriations in total.
3. Principal and interest on long-term debt are recognized when due.

Expenditures, if any, in excess of appropriations, appropriation reserves or ordinances become deferred charges which must be raised by future taxes. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements and constitute part of the statutory appropriation reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31 of each year and recorded as liabilities, except for amounts which may be cancelled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income.

BOROUGH OF RIVERDALE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

(Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

C. Basis of Accounting (Cont'd)

Had the Borough's financial statements been prepared under accounting principles generally accepted in the United States of America, encumbrances would not be considered as expenditures; appropriation reserves would not be recorded; revenue susceptible to accrual would have been reflected without offsetting reserves; Federal and State grants and assistance would be recognized when earned, not when budgeted or authorized through an ordinance; inventories would not be reflected as expenditures at the time of purchase; investments would generally be stated at fair value, fixed assets purchased by the Water/Sewer Utility Capital Fund would be depreciated; lease receivables and deferred lease resources as well as the related revenue would be recorded for leases for which the Township is a lessor and the Borough's net pension liability and related deferred inflows and outflows would be recorded.

The cash basis of accounting is followed in the Trust Funds.

- D. Deferred Charges to Future Taxation – The General Capital Fund balance sheet may include both funded and unfunded deferred charges. Funded means that bonds have been issued and are being paid off on a serial basis. Unfunded means the debt has been authorized but not permanently financed. A municipality can eliminate an unfunded deferred charge by raising it in the budget or collecting a grant. The unfunded deferred charge may also be funded by selling bonds and by issuing loans or financed purchase agreements.

- E. Other significant accounting policies include:

Management Estimates – The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents – Amounts include petty cash, change funds, amounts on deposit, and short-term investments with original maturities of three months or less.

Investments – Investments are stated at cost.

Allowance for Uncollectible Accounts – No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

Compensated Absences – Expenditures relating to unused vested accumulated vacation and sick pay are not recorded until paid.

Foreclosed Property – Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved.

Interfunds – Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves.

BOROUGH OF RIVERDALE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
 (Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

E. Other significant accounting policies include: (Cont'd)

Grants Receivable – Grants receivable represent the total grant awards less amounts collected to date. Because the amount of grant funds to be collected are dependent on the total costs eligible for reimbursement, the actual amount collected may be less than the total amount awarded.

Inventories of Supplies – The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories is not included on the various balance sheets.

General Fixed Assets Account Group – In accordance with New Jersey Administrative Code accounting requirements, the Borough has developed a fixed assets accounting and reporting system based on the following:

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. Subsequent fixed assets purchases are valued at historical cost. Infrastructure assets are not included in general fixed assets, as per state directive. Major renewals and betterments are charged to the asset accounts; maintenance and minor repairs and replacements, which do not improve or extend the lives of the respective assets, are expensed currently. Donated fixed assets are valued at their fair market value on the date donated. The total value recorded for general fixed assets is offset by a "Reserve for General Fixed Assets." When properties are retired or otherwise disposed of, the asset and the reserve are adjusted accordingly. Assets recorded in the General Fixed Assets Account Group may also be recorded in the Current Fund, General Capital Fund and Water/Sewer Utility Funds. The values recorded in the General Fixed Assets Account Group and the Current, General Capital and Water/Sewer Utility Funds may not always agree due to differences in valuation methods, timing of recognition of assets, and the recognition of infrastructures. Fixed assets are reviewed for impairment.

Property and equipment purchased by the Water/Sewer Utility Fund are recorded in the capital account at cost and are not adjusted for dispositions and abandonments. Contributions in aid of construction are not capitalized. The balances in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the utility capital fund represent charges to operations for the cost of acquisitions of property, equipment and improvements. The utility does not record depreciation on fixed assets.

F. Budget/Budgetary Control – Annual appropriated budgets are usually prepared in the first quarter for the Current, Open Space and Water/Sewer Utility Operating and Assessment Funds. The budgets are submitted to the governing body and the Division of Local Government Services. Budgets are prepared using the cash basis of accounting. The legal level of budgetary control is established at the line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the flexible chart of accounts referenced in N.J.S.A. 40A. All budget amendments/transfers must be approved by the Borough during the year.

BOROUGH OF RIVERDALE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

(Continued)

Note 2: Long-Term Debt

Summary of Municipal Debt

The Local Bond Law governs the issuance of bond to finance general Borough capital expenditures. All bonds are retired in serial installments within the statutory period of usefulness. All bonds issued by the Borough are general obligation bonds. The Borough's full faith and credit and taxing power has been pledged to the payment of the general obligation debt principal and interest.

	December 31,		
	2024	2023	2022
<u>Issued</u>			
General:			
Bonds and Notes	\$ 4,148,461	\$ 4,548,461	\$ 3,387,000
Water/Sewer Utility Capital:			
Bonds and Notes	3,284,280	3,463,324	3,696,848
Water/Sewer Utility Assessment:			
Bonds and Notes	1,189,246	1,209,215	1,412,152
Total Issued	<u>8,621,987</u>	<u>9,221,000</u>	<u>8,496,000</u>
Less:			
Funds Temporarily Held to Pay			
Bonds, Notes and Loans:			
Reserve for Payment of Debt			
Service:			
General Capital Fund	150,145	150,145	145
Total Deductions	<u>150,145</u>	<u>150,145</u>	<u>145</u>
Net Issued	<u>8,471,842</u>	<u>9,070,855</u>	<u>8,495,855</u>
<u>Authorized but not Issued:</u>			
General:			
Bonds and Notes	1,412,812	1,412,812	2,974,273
Water/Sewer Utility:			
Bonds and Notes	507,689	514,753	567,709
Total Authorized but not Issued	<u>1,920,501</u>	<u>1,927,565</u>	<u>3,541,982</u>
Net Bonds, Notes and Loans Issued and Authorized but not Issued	<u>\$ 10,392,343</u>	<u>\$ 10,998,420</u>	<u>\$ 12,037,837</u>

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 0.514%.

BOROUGH OF RIVERDALE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

(Continued)

Note 2: Long-Term Debt (Cont'd)

Summary of Statutory Debt Condition - Annual Debt Statement (Cont'd)

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ 18,921,796	\$ 18,921,796	
Water/Sewer Utility Debt	4,981,215	4,981,215	
General Debt	<u>5,561,273</u>	<u>150,145</u>	<u>\$ 5,411,128</u>
	<u>\$ 29,464,284</u>	<u>\$ 24,053,156</u>	<u>\$ 5,411,128</u>

Net Debt of \$5,411,128 divided by Equalized Valuation Basis Per N.J.S. 40A:2-2 as Amended, \$1,053,418,987 = 0.514%.

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

3-1/2% Average Equalized Valuation of Real Property	\$ 36,869,665
Net Debt	<u>5,411,128</u>
Remaining Borrowing Power	<u>\$ 31,458,537</u>

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

Cash Receipts from Fees, Rents or Other Charges for Year	\$ 2,511,819
Deductions:	
Operating and Maintenance Costs	\$ 1,961,558
Debt Service	<u>383,398</u>
	<u>2,344,956</u>
Excess in Revenue	<u>\$ 166,863</u>

Note: If there is a deficit in revenue, sewer utility debt is not deductible to the extent of 20 times of said deficit or total debt service, whichever is smaller (40A:2-48).

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

Summary of Municipal Debt Issued and Outstanding – Current Year

	<u>Balance</u> <u>12/31/2023</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>12/31/2024</u>
Bond Anticipation Notes:				
General Capital Fund	\$ 4,548,461	\$ 4,148,461	\$ 4,548,461	\$ 4,148,461
Water/Sewer Utility:				
Assessment Trust Fund	1,209,215	1,189,246	1,209,215	1,189,246
Capital Fund	<u>3,463,324</u>	<u>3,284,280</u>	<u>3,463,324</u>	<u>3,284,280</u>
Total	<u>\$ 9,221,000</u>	<u>\$ 8,621,987</u>	<u>\$ 9,221,000</u>	<u>\$ 8,621,987</u>

BOROUGH OF RIVERDALE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Note 2: Long-Term Debt (Cont'd)

Summary of Municipal Debt Issued and Outstanding – Prior Year

	Balance 12/31/2022	Additions	Retirements	Balance 12/31/2023
Bond Anticipation Notes:				
General Capital Fund	\$ 3,387,000	\$ 4,548,461	\$ 3,387,000	\$ 4,548,461
Water/Sewer Utility:				
Assessment Trust Fund	1,412,152	1,209,215	1,412,152	1,209,215
Capital Fund	3,696,848	3,463,324	3,696,848	3,463,324
Total	<u>\$ 8,496,000</u>	<u>\$ 9,221,000</u>	<u>\$ 8,496,000</u>	<u>\$ 9,221,000</u>

Analysis of Debt Issued and Outstanding at December 31, 2024

General Capital Bond Anticipation Notes Payable

Purpose	Final Maturity	Interest Rate	Balance Dec. 31, 2024
Various Road Improvements	03/04/25	4.25%	\$ 365,000
Various Road Improvements	03/04/25	4.25%	35,000
Various Capital Improvements	03/04/25	4.25%	187,080
Various Capital Improvements	03/04/25	4.25%	518,920
Various Road Improvements	03/04/25	4.25%	700,000
Various Capital Improvements	03/04/25	4.25%	400,100
Various Capital Improvements	03/04/25	4.25%	261,461
Replacement of the Retaining Wall at Independence Park	03/04/25	4.25%	380,900
Various Road Improvements	03/04/25	4.25%	1,300,000
			<u>\$ 4,148,461</u>

Water/Sewer Utility Assessment Trust Bond Anticipation Notes Payable

Purpose	Final Maturity	Interest Rate	Balance Dec. 31, 2024
Purchase of Sewer Allocations, Installation of Sewers and a Special Assessment for the Sewer Installations	03/04/25	4.25%	\$ 147,357
	03/04/25	4.25%	77,731
	03/04/25	4.25%	341,140
	03/04/25	4.25%	623,018
			<u>\$ 1,189,246</u>

BOROUGH OF RIVERDALE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Note 2: Long-Term Debt (Cont'd)

Analysis of Debt Issued and Outstanding at December 31, 2024 (Cont'd)

Water/Sewer Utility Capital Bond Anticipation Notes Payable

Purpose	Final Maturity	Interest Rate	Balance Dec. 31, 2024
Purchase of Sewer Allocations, Installation of	03/04/25	4.25%	\$ 843,187
Sewers and a Special Assessment for the	03/04/25	4.25%	861,092
Sewer Installations	03/04/25	4.25%	<u>1,580,001</u>
			<u>\$ 3,284,280</u>
Total Debt Issued and Outstanding			<u>\$ 8,621,987</u>

Note 3: Fund Balances Appropriated

Fund balances at December 31, 2024, which were appropriated and included as anticipated revenue in their own respective funds in the adopted budget for the year ending December 31, 2025 are as follows:

Current Fund	\$795,000
Water/Sewer Utility Operating Fund	165,000

Note 4: Local School District Taxes

Regulations provide for the deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the school district.

The Borough of Riverdale has elected not to defer school taxes.

Note 5: Pension Plans

Borough employees participate in one of the two contributory, defined benefit public employee retirement systems: the State of New Jersey Public Employee's Retirement System (PERS) or the State of New Jersey Police and Firemen's Retirement System (PFRS); or the Defined Contribution Retirement Program (DCRP), a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) 401(a).

A. Public Employees' Retirement System (PERS)

Plan Description

The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division).

For additional information about the PERS, please refer to the Division's annual financial statements which can be found at www.state.nj.us/treasury/pensions/annual-reports.shtml.

BOROUGH OF RIVERDALE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

(Continued)

Note 5: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Benefits Provided

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service. The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65.

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

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing members. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years, beginning with the payments due in the fiscal year ended June 30, 2012 and are adjusted by the rate of return on the actuarial value of assets. Borough contributions to PERS amounted to \$225,023 for 2024. During the fiscal year ended June 30, 2024, the State of New Jersey contributed \$7,605 to the PERS for normal pension benefits on behalf of the Borough.

BOROUGH OF RIVERDALE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Note 5: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Contributions (Cont'd)

The employee contribution rate was 7.50% effective July 1, 2018.

Special Funding Situation

Under N.J.S.A. 43:15A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed that legally obligated the State if certain circumstances occurred. The legislation, which legally obligates the State, is Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The amounts contributed on behalf of the local participating employers under the legislation is considered to be special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under the legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statement of the local participating employers related to the legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entity's total proportionate share of the collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must disclose pension expense associated with the employers in an amount equal to the nonemployer contributing entity's total proportionate share of the collective pension expense associated with the local participating employer.

Pension Liabilities and Pension Expense

At June 30, 2023, the Borough's liability was \$2,438,646 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022 which was rolled forward to June 30, 2023. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2023, the Borough's proportion was .0169%, which was an decrease of 0.0009% from its proportion measured as of June 30, 2022. The Borough has rolled forward the net pension liability as of June 30, 2023 with no adjustments. The State of New Jersey Public Employees' Retirement System (PERS)' valuation cycle is July 1 instead of December 31. The roll forward methodology puts them a year in arrears in terms of valuation. The Division of Local Government Services, Department of Community Affairs, State of New Jersey is permitting municipalities and counties to include the June 30, 2023 information in the Notes to the Financial Statements as the June 30, 2024 information has not been released as of the date of this audit.

There was no state proportionate share of net pension liability attributable to the Borough as of June 30, 2023.

For the year ended December 31, 2024, the Borough recognized actual pension expense in the amount of \$225,023.

BOROUGH OF RIVERDALE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

(Continued)

Note 5: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Actuarial Assumptions

The collective total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022 which was rolled forward to June 30, 2023. This actuarial valuation used the following actuarial assumptions:

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases	2.75 – 6.55% based on years of service
Investment Rate of Return	7.00%

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee Mortality Table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and a 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS' target asset allocation as of June 30, 2023 are summarized in the table on the following page.

BOROUGH OF RIVERDALE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

(Continued)

Note 5: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Long Term Expected Rate of Return (Cont'd)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	28.00%	8.98%
Non-U.S. Developed Market Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markets Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based upon 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

Sensitivity of the Borough's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Borough's proportionate share of the collective net pension liability as of June 30, 2023 calculated using the discount rate as disclosed below, as well as what the Borough's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

	June 30, 2023		
	<u>At 1% Decrease (6.00%)</u>	<u>At Current Discount Rate (7.00%)</u>	<u>At 1% Increase (8.00%)</u>
Borough's proportionate share of the Net Pension Liability	\$ 3,174,599	\$ 2,438,646	\$ 1,812,254

BOROUGH OF RIVERDALE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Note 5: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial statements.

B. Police and Firemen's Retirement System (PFRS)

Plan Description

The State of New Jersey Police and Firemen's Retirement System (PFRS), is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about the PFRS, please refer to the Division's annual financial statements which can be found at www.state.nj.us/treasury/pensions/annual-reports.shtml.

Benefits Provided

The vesting and benefit provisions are set by N.J.S.A. 43:16A. The PFRS provides retirement as well as death and disability benefits. All benefits vest after ten years of service, except for disability benefits which vest after 4 years of service. The following represents the membership tiers for PFRS:

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

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

Contributions

The contribution policy for PFRS is set by N.J.S.A. 43:16A and requires contributions by active members and contributing members. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate, which includes the normal costs and unfunded accrued liability. For fiscal year 2023, the State contributed an amount more than the actuarially determined amount.

The Local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PFRS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability, by

BOROUGH OF RIVERDALE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Note 5: Pension Plans (Cont'd)

B. Police and Firemen's Retirement System (PFRS) (Cont'd)

Contributions (Cont'd)

employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual amounts over a period of 15 years, beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of the assets.

Special Funding Situation

Under N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The legislation, which legally obligates the State, is as follows: Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed on behalf of the local participating employers under this legislation are considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specified financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers related to this legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

Borough contributions to PFRS amounted to \$723,819 for the year ended December 31, 2024. During the fiscal year ended June 30, 2023, the State of New Jersey contributed \$126,595 to the PFRS for normal pension benefits on behalf of the Borough, which is more than the contractually required contribution of \$125,916.

The employee contributions for PFRS are 10.00% of employees' annual compensation, as defined.

Pension Liabilities and Pension Expense

At June 30, 2023, the Borough's liability for its proportionate share of the net pension liability was \$6,007,596. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022 which was rolled forward to June 30, 2023. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2023, the Borough's proportion was .0544%, which was an increase of .0009% from its proportion measured as of June 30, 2023. The Borough has rolled forward the net pension liability as of June 30, 2023 with no adjustments. The State of New Jersey Police and Firemen's Retirement System (PFRS)' valuation cycle is July 1 instead of December 31. The roll forward methodology puts them a year in arrears in terms of valuation.

BOROUGH OF RIVERDALE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

(Continued)

Note 5: Pension Plans (Cont'd)

B. Police and Firemen’s Retirement System (PFRS) (Cont'd)

Pension Liabilities and Pension Expense (Cont'd)

Additionally, the State’s proportionate share of the net pension liability attributable to the Borough is \$1,106,970 as of June 30, 2023. The net pension liability was measured as of July 1, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022 which was rolled forward to June 30, 2023. The State's proportionate share of the net pension liability associated with the Borough was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2023, the State's proportion was .0544%, which was an increase of .0009% from its proportion measured as of June 30, 2022 which is the same proportion as the Borough’s.

Borough's Proportionate Share of the Net Pension Liability	\$ 6,007,596
State's Proportionate Share of the Net Pension Liability Associated with the Borough	<u>1,106,970</u>
Total Net Pension Liability	<u>\$ 7,114,566</u>

For the year ended December 31, 2024, the Borough recognized total pension expense of \$723,819.

Actuarial Assumptions

The total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022 which was rolled forward to June 30, 2023. This actuarial valuation used the following actuarial assumptions:

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through all future years	3.25 – 16.25% based on years of service
Thereafter	Not Applicable
Investment Rate of Return	7.00%

Employee mortality rates were based on the PubS-2010 amount-weighted mortality table with a 105.6% adjustment for males and 102.5% adjustment for females. For healthy annuitants, mortality rates were based on the PubS-2010 amount-weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females. Disability rates were based on the PubS-2010 amount-weighted mortality table with a 152.0% adjustment for males and 109.3% adjustment for females. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

BOROUGH OF RIVERDALE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Note 5: Pension Plans (Cont'd)

B. Police and Firemen’s Retirement System (PFRS) (Cont'd)

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PFRS’ target asset allocation as of June 30, 2023 are summarized in the below table.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	28.00%	8.98%
Non-U.S. Developed Market Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markets Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%

Discount Rate – PFRS

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based upon 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

BOROUGH OF RIVERDALE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Note 5: Pension Plans (Cont'd)

B. Police and Firemen’s Retirement System (PFRS) (Cont'd)

Sensitivity of the Total Net Pension Liability (including the State’s proportionate share of the net pension liability attributable to the Borough) to Changes in the Discount Rate

The following presents the total net pension liability (including the State’s proportionate share of the net pension liability attributable to the Borough) as of June 30, 2023 calculated using the discount rate as disclosed above, as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2023		
	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
Borough's proportionate share of the NPL and the State's proportionate share of the Net Pension Liability associated with the Borough	\$ 9,912,902	\$ 7,114,566	\$ 4,784,221

Pension Plan Fiduciary Net Position - PFRS

Detailed information about the PFRS's fiduciary net position is available in the separately issued PFRS financial statements.

C. Defined Contribution Retirement Program (DCRP)

Prudential Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. If an employee is ineligible to enroll in the PERS or PFRS, the employee may be eligible to enroll in the DCRP. DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the DCRP. The financial 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.

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees’ annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

For DCRP, the Borough recognized pension expense of \$3,888 for the year ended December 31, 2024. Employee contributions to DCRP amounted to \$7,732 for the year ended December 31, 2024.

BOROUGH OF RIVERDALE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

(Continued)

Note 6: Accrued Sick and Vacation Benefits and Compensatory Time

The Borough permits employees to accrue a limited amount of unused vacation and sick pay and compensatory time, which may be taken as time off or paid at a later date at an agreed-upon rate. It is estimated that the current cost of such unpaid compensation would approximate \$90,769. This amount is not reported either as an expenditure or a liability. However, it is expected that the cost of such unpaid compensation would be included in the Borough's budget operating expenditures in the year in which it is used.

Balance at December 31, 2023 (Restated)	\$ 106,907.00
Net Change	<u>(2,314.00)</u>
Balance at December 31, 2024	<u>\$ 104,593.00</u>
Amount Due within One Year	<u>\$ -0-</u>

Note 7: Selected Tax Information

Property taxes are levied as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy.

The final tax bill is usually mailed on or before June 14th along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 1. The final tax bills are also divided into two due dates, August 1 and November 1. A ten-day grace period is usually granted before the taxes are considered delinquent and the imposition of interest charges. A penalty may be assessed for any unpaid taxes in excess of \$10,000 at December 31 of the current year. Unpaid taxes of the prior year may be placed in lien at a tax sale held after April 1 and through December 31. Unpaid taxes of the current year may be placed in lien at a tax sale held after December 10.

Comparative Schedule of Tax Rate Information

	2024	2023	2022
<u>Tax Rate</u>	<u>\$ 1.826</u>	<u>\$ 1.825</u>	<u>\$ 1.870</u>
<u>Apportionment of Tax Rate</u>			
Municipal (including Open Space)	.631	.645	.661
County	.251	.269	.276
Local School	.944	.911	.933
<u>Assessed Valuations</u>			
2024	<u>\$ 1,022,885,625</u>		
2023		<u>\$ 974,013,725</u>	
2022			<u>\$ 924,194,374</u>

BOROUGH OF RIVERDALE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Note 7: Selected Tax Information (Cont'd)

Comparison of Tax Levies and Collection

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>Currently</u>	
		<u>Cash Collections</u>	<u>Percentage of Collection</u>
2024	\$ 18,689,236	\$ 18,565,440	99.33%
2023	17,791,358	17,664,515	99.28%
2022	17,284,809	16,999,430	99.34%

Also, increases in future tax levies can also be warranted if revenue sources outside of those directly generated by the municipality, such as federal or state aid, should decline without corresponding decreases in budgeted expenditures.

Note 8: Cash and Cash Equivalents and Investments

Cash and cash equivalents include change funds, amounts on deposit, and short-term investments with original maturities of three months or less.

Investments are stated at cost. The Borough classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

GASB requires disclosure of the level of custodial credit risk assumed by the Borough in its cash, cash equivalents and investments, if those items are uninsured or unregistered. Custodial risk is the risk that in the event of bank failure, the government’s deposits may not be returned.

Interest Rate Risk – In accordance with its cash management plan, the Borough ensures that any deposit or investments matures within the time period that approximates the prospective need for the funds, deposited or invested, so that there is not a risk to the market value of such deposits or investments.

Credit Risk – The Borough limits its investments to those authorized in its cash management plan which are permitted under state statute as detailed in the investments section of this note.

Custodial Credit Risk – The Borough’s policy with respect to custodial credit risk requires that the Borough ensures that Borough funds are only deposited in financial institutions in which New Jersey municipalities are permitted to invest their funds.

BOROUGH OF RIVERDALE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

(Continued)

Note 8: Cash and Cash Equivalents and Investments (Cont'd)

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), or by any other agencies of the United States that insure deposits or the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed insurance limits as follows:

The market value of the collateral must equal 5% of the average daily balance of public funds; and

In addition to the above collateral requirement, if the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

Investments

New Jersey statutes permit the Borough to purchase the following types of securities:

- (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 obligation 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, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law" P.L. 1983, c. 313 (C.40A:5A-1 et seq.) Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Local Government Services in the Department of Community Affairs 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

BOROUGH OF RIVERDALE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

(Continued)

Note 8: Cash and Cash Equivalents and Investments (Cont'd)

Investments (Cont'd)

- (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. or are bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties and entities subject to the “Local Authorities Fiscal Control Law”, P.L. 1983 c.313 (C.40A:5A-1 et seq.);
 - (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.

As of December 31, 2024, cash and cash equivalents of the Borough of Riverdale consisted of the following:

<u>Fund</u>	<u>Cash on Hand</u>	<u>Checking Accounts</u>	<u>Totals</u>
Current	\$ 200	\$ 2,767,762	\$ 2,767,962
Animal Control		15,517	15,517
Other Trust		1,392,575	1,392,575
General Capital		1,319,921	1,319,921
Water/Sewer Utility:			
Operating	50	538,265	538,315
Assessment Trust		192,943	192,943
Capital		2,010,192	2,010,192
Public Assistance		2,899	2,899
	<u>\$ 250</u>	<u>\$ 8,240,074</u>	<u>\$ 8,240,324</u>

The Borough did not hold any investments during the year ended December 31, 2024. The carrying amount of the Borough's cash and cash equivalents at year end was \$8,240,324 and the bank balance was \$8,502,671.

BOROUGH OF RIVERDALE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Note 9: Risk Management

The Borough is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Health benefits are provided through the State of New Jersey health benefits plan.

The Borough of Riverdale is currently a member of the Morris County Municipal Joint Insurance Fund (the "Fund"). The Fund provides its members with Property, General Liability and Workers' Compensation Insurance. The Fund is a risk-sharing public entity risk pool that is both an insured and self-administered group of governmental entities established for the purpose of providing low-cost insurance coverage for its members in order to keep local property taxes at a minimum. Each member appoints an official to represent their respective entity for the purpose of creating a governing body from which officers for the Fund are elected.

As a member of this Fund, the Borough could be subject to supplemental assessments in the event of deficiencies. If the assets of the Fund were to be exhausted, members would become responsible for their respective shares of the Fund's liabilities.

The Fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body. The members may either receive payment or offset their subsequent year assessments with their respective share of the distribution.

The December 31, 2024 audit report of the Fund is not filed as of the date of this audit. Summarized selected financial information for the Fund as of December 31, 2023 is as follows:

Total Assets	\$ 38,605,475
Net Position	\$ 14,033,264
Total Revenue	\$ 24,763,702
Total Expenses	\$ 20,906,236
Members Dividends	\$ 324,246
Change in Net Position	\$ 3,533,220

Financial statements for the Fund are available at the office of the Fund's Executive Director:

PERMA Risk Management Services
9 Campus Drive, Suite 216
Parsippany, NJ 07054
(201) 881-7632

BOROUGH OF RIVERDALE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Note 9: Risk Management (Cont'd)

New Jersey Unemployment Compensation Insurance

The Borough has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan, the Borough is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Borough is billed quarterly for amounts due to the State.

The following is a summary of Borough contributions, interest earned, employee contributions, reimbursements to the State for benefits paid and the ending balance of the Borough’s expendable trust fund for the current and previous two years:

<u>Year</u>	<u>Borough Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2024	\$ - 0 -	\$ 782	\$ 2,308	\$ 165,982
2023	- 0 -	4,429	891	167,508
2022	- 0 -	4,037	583	163,970

Note 10: Contingencies

The Borough is periodically involved in various other lawsuits arising in the normal course of business, which often include claims for property damage, personal injury, and various contract disputes. The Borough vigorously contest these lawsuits and believes the ultimate resolution will not have a material adverse effect on their financial position.

Various tax appeals on assessed valuations have been filed against the Borough and are awaiting tax court decisions. The ultimate outcome and effect of such appeals have not been determined; however, the Borough’s Tax Assessor will aggressively defend the Borough’s assessments. The Borough has established a reserve in the amount of \$179,175 so as to provide for this contingency, which it believes is sufficient.

Amounts received or receivable from grantors, principally the federal and state governments, are subject to regulatory requirements and adjustments by the agencies. Any disallowed claims, including amounts previously recognized by the Borough as revenue would constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantors cannot be determined at this time, although Borough officials expect such amounts, if any, to be immaterial.

Note 11: Interfund Receivables and Payables

The following interfund balances remained on the various balance sheets at December 31, 2024:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current	\$ 6,827	\$ 53,052
Federal and State Grant	1,052	
Animal Control		6,778
Other Trust	59,200	49
Water/Sewer Utility Operating		7,258
Water/Sewer Utility Assessment Trust	183,026	
Water/Sewer Utility Capital		182,968
	<u>\$ 250,105</u>	<u>\$ 250,105</u>

BOROUGH OF RIVERDALE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

(Continued)

Note 11: Interfund Receivables and Payables (Cont'd)

The interfund receivable in the Current Fund is comprised mainly of the statutory excess in reserve for animal control expenditures. The interfund receivable in the Federal and State Grant Fund reflects the net amount of Federal and State Grant Fund expenditures paid and receipts collected by the Current Fund. The interfund receivable in the Other Trust Fund is comprised of tax sale premium receipts collected by the Current Fund and the Water/Sewer Utility Operating Fund. The interfund receivable in the Water/Sewer Utility Assessment Trust is comprised mainly of an interfund advance due from the Water/Sewer Utility Capital Fund.

Note 12: Economic Dependency

The Borough receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, may have an effect on the Borough's programs and activities.

Note 13: Fixed Assets

The following is a summarization of general fixed assets for the years ended December 31, 2024 and 2023:

	Balance Dec. 31, 2023	Additions	Deletions	Balance Dec. 31, 2024
Land and Land Improvements	\$ 7,437,843			\$ 7,437,843
Buildings and Building Improvements	10,134,108			10,134,108
Vehicles and Equipment	3,987,157			3,987,157
Construction in Progress	525,502			525,502
	<u>\$ 22,084,610</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ 22,084,610</u>
	Balance Dec. 31, 2022	Additions	Deletions	Balance Dec. 31, 2023
Land and Land Improvements	\$ 7,437,843			\$ 7,437,843
Buildings and Building Improvements	10,134,108			10,134,108
Vehicles and Equipment	3,772,308	214,849		3,987,157
Construction in Progress	117,968	407,534		525,502
	<u>\$ 21,462,227</u>	<u>\$ 622,383</u>	<u>\$ - 0 -</u>	<u>\$ 22,084,610</u>

Note 14: Open Space Trust Fund

The Borough of Riverdale created an Open Space Trust Fund with a tax levy of \$.01 per \$100 of assessed valuation. The funds collected are used to acquire and maintain open space property in the Borough. The balances of the Open Space Trust Fund at December 31, 2024 and 2023 were \$505,223 and \$483,613, respectively.

BOROUGH OF RIVERDALE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
 (Continued)

Note 15: Deferred Compensation

The Borough offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan permits participants to defer a portion of their salary until future years. Amounts deferred under the plan are not available to employees until termination, retirement, death or unforeseeable emergency. The plan is administered by Lincoln Financial.

Note 16: Postemployment Benefits Other than Pensions

State Health Benefit Local Government Retired Employees Plan

General Information about the OPEB Plan

Plan Description

The State Health Benefit Local Government Retired Employees Plan (the Plan) is a cost sharing multiple employer defined benefit other postemployment benefit (OPEB) plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. For additional information about the Plan, please refer to the State of New Jersey (the State), Division of Pensions and Benefits' (the Division) annual financial statements, which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

Benefits Provided

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

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

BOROUGH OF RIVERDALE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Note 16: Postemployment Benefits Other than Pensions (Cont'd)

State Health Benefit Local Government Retired Employees Plan (Cont'd)

Contributions

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

Special Funding Situation

Under Chapter 330, P.L. 1997, the State shall pay the premium or periodic charges for the qualified local police and firefighter retirees and dependents equal to 80 percent of the premium or periodic charge for the category of coverage elected by the qualified retiree under the State managed care plan or a health maintenance organization participating in the program providing the lowest premium or periodic charge. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L. 1989.

Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. For New Jersey local governments who report under the regulatory basis of accounting, the net OPEB liability and related deferred inflows are not recorded in the financial statements and there is only note disclosure of this information. Since the local participating employers do not contribute under this legislation directly to the plan, there is no net OPEB liability, deferred outflows of resources, or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net OPEB liability that is associated with the local participating employer.

Allocation Methodology

GASB Statement No. 75 requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB (benefit)/expense. The special funding situation's and nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are based on separately calculated total OPEB liabilities. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB (benefit)/expense are further allocated to employers based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2022 through June 30, 2023. Employer and nonemployer allocation percentages were rounded for presentation purposes; therefore, amounts presented in the schedule of OPEB amounts by employer and nonemployer may result in immaterial differences.

BOROUGH OF RIVERDALE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

(Continued)

Note 16: Postemployment Benefits Other than Pensions (Cont'd)

State Health Benefit Local Government Retired Employees Plan (Cont'd)

OPEB Expense

The Borough has rolled forward the net OPEB liability as of June 30, 2023 with no adjustments. The Division of Local Government Services, Department of Community Affairs, State of New Jersey, is permitting municipalities and counties to include the June 30, 2023 OPEB information in the Notes to the Financial Statements as the June 30, 2024 information has not been released as of the date of this report.

The total OPEB liability as of June 30, 2023 was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023.

At June 30, 2023, the State's proportionate share of the net OPEB liability attributable to the Borough was \$4,784,908. At June 30, 2023, the State's proportion related to the Borough was .137139%. This is the percentage of the total State Share of the net OPEB liability of the Plan.

For the year ended June 30, 2022, the State of New Jersey's OPEB benefit related to the Borough was \$867,597.

Actuarial Assumptions and Other Inputs

The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Salary Increases*:	
Public Employees' Retirement System (PERS)	
Rate for all future years	2.75% to 6.55% based on years of service
Police and Firemen's Retirement System (PFRS)	
Rate for all future years	3.25% to 16.25% based on years of service

* - Salary increases are based on years of service within the respective plan.

Mortality:

PERS	Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021
PFRS	Pub-2010 Safety classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021

Actuarial assumptions used in the July 1, 2022 valuation were based on the results of the PFRS and PERS experience studies prepared for July 1, 2018 to June 30, 2021.

100% of active members are considered to participate in the Plan upon retirement.

BOROUGH OF RIVERDALE

SUPPLEMENTARY DATA

BOROUGH OF RIVERDALE
OFFICIALS IN OFFICE AND SURETY BONDS
YEAR ENDED DECEMBER 31, 2024

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

Name	Title	Amount of Bond
Paul M. Carelli	Mayor	
Vincent Pellegrini	Council President; Councilman	
Dave Desai	Councilman	
Michael Kheyfets	Councilman	
Matthew Oswald	Councilman	
Paul Purcell	Councilman	
Stephen Revis	Councilman	
Lisa O'Neill	Office Manager; Deputy Clerk	**
Abubakar Jalloh	Municipal Clerk	**
Chris Battaglia	Chief Financial Officer	*
Cora Ashley	Tax and Water/Sewer Collector	*
Sal Poli	Construction Official	**
Thomas Boorady	Engineer	
John A. Paparazzo	Judge	**
Elianna Kiesling	Court Administrator	**
Charles Quant	Police Chief	**
John Gillooly	Tax Assessor	**
Robert Oostdyk	Municipal Attorney	

* - \$50,000 coverage through the Morris County Municipal Joint Insurance Fund and \$950,000 excess coverage through the Municipal Excess Liability Joint Insurance Fund.

** - Blanket bond coverage for those employees not separately bonded as follows:
\$50,000 coverage through the Morris County Municipal Joint Insurance Fund and \$950,000 excess coverage through the Municipal Excess Liability Joint Insurance Fund.

BOROUGH OF RIVERDALE
COUNTY OF MORRIS
2024
CURRENT FUND

BOROUGH OF RIVERDALE
CURRENT FUND
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	
Balance December 31, 2023	A	\$ 2,955,467.77
Increased by Receipts:		
Tax Collector		\$ 18,723,017.08
Revenue Accounts Receivable		1,071,265.18
Petty Cash		1,250.00
Due from/to State of New Jersey:		
Senior Citizens' and Veterans' Deductions		33,002.17
Marriage License Fees		625.00
Nonbudget Revenue		329,392.38
Due to Federal and State Grant Fund:		
Federal and State Grants Receivable		23,673.78
Unappropriated Grant Reserves		16,918.77
Due from Water/Sewer Utility Assessment Trust Fund:		
Interfund Returned		7,470.99
2024 Appropriation Refunds		49,221.22
		20,255,836.57
		23,211,304.34
Decreased by Disbursements:		
2024 Appropriation Expenditures		7,760,168.88
2023 Appropriation Reserves		186,114.89
Petty Cash		625.00
Due from Federal and State Grant Fund:		
Appropriated Grant Reserve Expenditures		9,541.36
Prior Year Encumbrances Payable		20,087.40
Due to General Capital Fund:		
Settlement of Prior Year Interfund		99,180.10
Due to Other Trust Funds:		
Municipal Open Space Tax Levy		102,350.69
Settlement of Prior Year Interfund - Open Space		84.84
Local School District Taxes		9,647,468.00
County Taxes		2,561,608.16
Return of Premium on Tax Sale Certificates		19,600.00
Deposits on Redemption of Third Party Lien Certificates		23,444.71
Refund of Tax Overpayments		12,818.57
Due to State of New Jersey:		
Marriage License Fees		450.00
		20,443,542.60
Balance December 31, 2024	A	\$ 2,767,761.74

BOROUGH OF RIVERDALE
CURRENT FUND
SCHEDULE OF CASH - COLLECTOR

Increased by Receipts:

Taxes Receivable	\$ 18,532,557.23
2025 Prepaid Taxes	102,830.29
Interest and Costs on Taxes	37,425.95
Tax Sale Premiums	15,000.00
Redemption of Third Party Lien Certificates	23,444.71
Tax Overpayments	11,758.90

\$ 18,723,017.08

Decreased by:

Disbursed to Municipal Treasurer

\$ 18,723,017.08

FEDERAL AND STATE GRANT FUND
SCHEDULE OF CASH
YEAR ENDED DECEMBER 31, 2024

NOT APPLICABLE

BOROUGH OF RIVERDALE
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance		Collections		State of NJ Veterans' and Senior Citizens' Deductions	Canceled	Transferred to Tax Title Liens	Balance Dec. 31, 2024
	Dec. 31, 2023	2024 Levy	2023	2024				
2022	\$ 2,347.25			\$ 2,347.25			\$ 0.45	\$ 250.00
2023	88,749.35			88,748.90	\$ (250.00)		0.45	250.00
2024	91,096.60	\$ 18,689,236.21	\$ 91,229.04	91,096.15 18,441,461.08	(250.00) 32,750.00	\$ 6,905.80	13,103.38	103,786.91
	\$ 91,096.60	\$ 18,689,236.21	\$ 91,229.04	\$ 18,532,557.23	\$ 32,500.00	\$ 6,905.80	\$ 13,103.83	\$ 104,036.91

Ref. A

A

Analysis of 2024 Property Tax Levy:

Tax Yield:	
General Purpose Tax	\$ 18,677,891.27
Added Taxes (54:4-63.1 et seq.)	11,344.94
	<u>\$ 18,689,236.21</u>
Tax Levy:	
Local School District Taxes	\$ 9,647,468.00
County Taxes:	
County Taxes	\$ 2,492,643.02
County Open Space Taxes	65,104.94
Due County for Added and Omitted Taxes	1,559.46
	<u>2,559,307.42</u>
	<u>12,206,775.42</u>
Local Tax for Municipal Purposes	6,018,131.35
Minimum Library Tax	344,695.81
Municipal Open Space Taxes	102,288.56
Additional Open Space - Municipal	62.13
Additional Taxes Levied	17,282.94
	<u>6,482,460.79</u>
	<u>\$ 18,689,236.21</u>

BOROUGH OF RIVERDALE
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS RECEIVABLE

	<u>Ref.</u>	
Balance December 31, 2023	A	\$ 194,137.80
Increased by:		
Transfer from Taxes Receivable		<u>13,103.83</u>
Balance December 31, 2024	A	<u>\$ 207,241.63</u>

BOROUGH OF RIVERDALE
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Balance Dec. 31, 2023	Accrued in 2024	Collected by Treasurer	Balance Dec. 31, 2024
Clerk Licenses:				
Alcoholic Beverage Licenses		\$ 16,920.00	\$ 16,920.00	
Other Licenses		13,586.00	13,586.00	
Fees and Permits		55,619.00	55,619.00	
Municipal Court:				
Fines and Costs	\$ 12,799.81	194,289.66	191,014.61	\$ 16,074.86
Energy Receipts Taxes		444,755.86	444,755.86	
Uniform Construction Code Fees	33,442.60	78,666.10	84,372.60	27,736.10
Borough of Butler - Municipal Court		178,282.96	178,282.96	
Uniform Fire Safety Act		36,714.15	36,714.15	
General Capital Fund Balance		50,000.00	50,000.00	
	<u>\$ 46,242.41</u>	<u>\$ 1,068,833.73</u>	<u>\$ 1,071,265.18</u>	<u>\$ 43,810.96</u>

Ref.

A

A

BOROUGH OF RIVERDALE
FEDERAL AND STATE GRANT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE

	Balance Dec. 31, 2023	Budget Revenue Realized	Received	Transferred from Unappropriated Reserves	Balance Dec. 31, 2024
New Jersey Department of Transportation:					
Various Road Projects	\$ 145,425.00	\$ 274,745.00			\$ 420,170.00
Bulletproof Vest Program		549.99		\$ 549.99	
Tree Inventory Grant	22,000.00				22,000.00
Recycling Tonnage Grant		47,895.64	\$ 21,673.78	26,221.86	
American Rescue Plan Firefighter Grant	25,000.00	30,000.00			55,000.00
Morris County Trails Grant	43,950.00				43,950.00
Alcohol Education and Rehabilitation Fund		129.79		129.79	
Sustainable Jersey		2,000.00	2,000.00		
Community Energy Plan Grant		10,000.00			10,000.00
Body Armor Replacement Fund		1,651.79		1,651.79	
Spotted Lanternfly Program	15,000.00	20,000.00			35,000.00
Stormwater Assistance Grant	10,000.00				10,000.00
	<u>\$ 261,375.00</u>	<u>\$ 386,972.21</u>	<u>\$ 23,673.78</u>	<u>\$ 28,553.43</u>	<u>\$ 596,120.00</u>

Ref. A

A

BOROUGH OF RIVERDALE
CURRENT FUND
SCHEDULE OF 2023 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2024

	Balance Dec. 31, 2023	Balance After Modification	Paid or Charged	Balance Lapsed
GENERAL GOVERNMENT:				
General Administration:				
Other Expenses	\$ 2,971.05	\$ 2,971.05	\$ 154.04	\$ 2,817.01
Financial Administration:				
Other Expenses	483.11	483.11	483.11	
Tax Assessment Administration:				
Other Expenses	8,478.33	8,478.33	3,000.00	5,478.33
Collection of Taxes:				
Other Expenses	841.32	841.32		841.32
Legal Services:				
Other Expenses	4,617.50	4,617.50	2,000.00	2,617.50
Engineering Services:				
Other Expenses	3,640.00	3,640.00	3,640.00	
LAND USE ADMINISTRATION:				
Planning Board:				
Other Expenses	3,469.06	3,469.06		3,469.06
PUBLIC SAFETY FUNCTIONS:				
Police Department:				
Other Expenses	874.00	874.00	874.00	
Contribution to Pompton Lakes First Aid Squad	245.00	245.00		245.00
Emergency Management Services:				
Salaries and Wages	0.04	0.04		0.04
Other Expenses	185.58	185.58		185.58
Fire Department:				
Other Expenses	8,100.73	8,100.73	5,930.00	2,170.73
Fire Inspector:				
Other Expenses	119.27	119.27		119.27
PUBLIC WORKS FUNCTIONS:				
Streets and Roads Maintenance:				
Other Expenses	22,599.74	22,599.74	6,640.82	15,958.92
Shade Tree:				
Other Expenses	196.10	196.10		196.10
Buildings and Grounds:				
Other Expenses	1,708.12	1,708.12	1,452.27	255.85
Vehicle Maintenance:				
Other Expenses	13,632.67	13,632.67	13,632.67	
Garbage Removal	29,242.39	29,242.39	29,242.39	
HEALTH AND HUMAN SERVICES FUNCTIONS:				
Board of Health:				
Other Expenses	3,573.00	3,573.00	3,573.00	
Registrar:				
Other Expenses	100.00	100.00		100.00
PARKS AND RECREATION FUNCTIONS:				
Senior Citizen Program:				
Other Expenses	1,037.92	1,037.92		1,037.92
Dial-A-Ride	17.00	17.00		17.00
Parks and Playgrounds:				
Other Expenses	804.75	804.75		804.75

BOROUGH OF RIVERDALE
CURRENT FUND
SCHEDULE OF 2023 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2024

(Continued)

	Balance Dec. 31, 2023	Balance After Modification	Paid or Charged	Balance Lapsed
UTILITY EXPENSES AND BULK PURCHASES:				
Electricity	\$ 17,758.15	\$ 17,758.15	\$ 7,274.80	\$ 10,483.35
Street Lighting	1,079.09	1,079.09	19.04	1,060.05
Gas (Natural or Propane)	5,647.53	5,647.53	5,647.53	
Gasoline	14,189.73	14,189.73	7,765.75	6,423.98
COURT AND PUBLIC DEFENDER:				
Municipal Court:				
Salaries and Wages	1,837.28	1,837.28	199.51	1,637.77
Public Defender:				
Other Expenses	1,296.00	1,296.00		1,296.00
INSURANCE:				
Employees Group Insurance	3,923.39	3,923.39		3,923.39
Health Benefit Waivers	3.48	3.48		3.48
UNCLASSIFIED:				
Celebration of Public Events:				
Other Expenses	7,504.91	7,504.91	397.87	7,107.04
STATUTORY EXPENDITURES:				
Contributions to:				
Social Security System (O.A.S.I)	5.75	5.75		5.75
Unemployment Compensation Insurance	5,000.00	5,000.00		5,000.00
Maintenance of Free Public Library	78,686.09	78,686.09	64,686.09	14,000.00
LOSAP Contribution	45,500.00	45,500.00	27,598.00	17,902.00
Recycling Tax (P.L.2007, C.311)	5,000.00	5,000.00		5,000.00
Reserve for Tax Appeals	5,000.00	5,000.00		5,000.00
Shared Service Agreements:				
Municipal Court - Borough of Butler	4,046.62	4,046.62		4,046.62
Building Inspector - Borough of Pompton Lakes	3,274.00	3,274.00	3,274.00	
	<u>\$ 306,688.70</u>	<u>\$ 306,688.70</u>	<u>\$ 187,484.89</u>	<u>\$ 119,203.81</u>

Ref.

Analysis of Balance on December 31, 2023:

Unencumbered	A	\$ 273,611.01
Encumbered	A	33,077.69
		<u>\$ 306,688.70</u>

Cash Disbursed	\$ 186,114.89
Accounts Payable	1,370.00
	<u>\$ 187,484.89</u>

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

	<u>Ref.</u>	
Balance December 31, 2023	A	\$ 2.00
Increased by:		
Levy Calendar Year - 2024		9,647,468.00
		<u>9,647,470.00</u>
Decreased by:		
Payments to Local School District		9,647,468.00
		<u>9,647,468.00</u>
Balance December 31, 2024	A	<u><u>\$ 2.00</u></u>

BOROUGH OF RIVERDALE
FEDERAL AND STATE GRANT FUND
SCHEDULE OF APPROPRIATED RESERVES

	<u>Balance</u> <u>Dec. 31, 2023</u>	<u>Transferred</u> <u>from Budget</u> <u>Appropriations</u>	<u>Expended</u>	<u>Balance</u> <u>Dec. 31, 2024</u>
New Jersey Department of Transportation:				
Various Road Projects - 2024		\$ 274,745.00	\$ 274,745.00	
Bulletproof Vest Program:				
2021	\$ 280.24		280.24	
2023	1,514.97			\$ 1,514.97
2024		549.99		549.99
Drunk Driving Enforcement Fund:				
2011	2,255.76		2,255.76	
2013	7,928.73		7,928.73	
2014	3,895.06		3,895.06	
2015	4,280.40		4,280.40	
2016	7,586.09		4,462.55	3,123.54
2017	9,573.18			9,573.18
2018	6,148.40			6,148.40
2019	4,777.78			4,777.78
2020	7,129.65			7,129.65
2022	3,274.60			3,274.60
Clean Communities Program:				
2021	15.75			15.75
2022	14.97			14.97
2023	4,653.08		1,589.00	3,064.08
Recycling Tonnage Grant:				
2021	10,181.46		1,916.50	8,264.96
2022	4,821.51			4,821.51
2023		26,221.86		26,221.86
2024		21,673.78		21,673.78
Body Armor Replacement Fund:				
2017	1,105.56		1,105.56	
2020	1,926.89		1,926.89	
2022	1,543.51		126.45	1,417.06
2023	2,530.51			2,530.51
2024		1,651.79		1,651.79
Alcohol Education and Rehabilitation Fund:				
2017	935.74		600.00	335.74
2018	1,608.50		1,200.00	408.50
2019	1,025.25			1,025.25
2020	3,295.36			3,295.36
2021	750.18			750.18
2022	473.80			473.80
2023		129.79		129.79
Federal Emergency Management Agency:				
Generator Project	2,687.92			2,687.92

BOROUGH OF RIVERDALE
FEDERAL AND STATE GRANT FUND
SCHEDULE OF APPROPRIATED RESERVES
(Continued)

	<u>Balance</u> <u>Dec. 31, 2023</u>	<u>Transferred</u> <u>from Budget</u> <u>Appropriations</u>	<u>Expended</u>	<u>Balance</u> <u>Dec. 31, 2024</u>
American Rescue Plan Firefighter Grant	\$ 6,037.60	\$ 30,000.00	\$ 36,036.00	\$ 1.60
Morris County Trails Grant - 2022	42,950.00			42,950.00
Stormwater Assistance Grant	25,000.00		19,500.00	5,500.00
Sustainable Jersey Grant	55.02	2,000.00		2,055.02
Spotted Lanternfly Program	15,000.00	20,000.00	796.72	34,203.28
Community Energy Plan Grant		10,000.00		10,000.00
Police Donations:				
Blackfin	900.00			900.00
Walmart	2,500.00			2,500.00
Timmes	100.00			100.00
	<u>\$ 188,757.47</u>	<u>\$ 386,972.21</u>	<u>\$ 362,644.86</u>	<u>\$ 213,084.82</u>
	<u>Ref.</u>	A		A
Original Budget		\$ 102,227.21		
Added by N.J.S.A. 40A:4-87		<u>284,745.00</u>		
		<u>\$ 386,972.21</u>		
Cash Disbursed			\$ 9,541.36	
Encumbrances			<u>353,103.50</u>	
			<u>\$ 362,644.86</u>	
Federal			\$ 37,112.96	
State			<u>325,531.90</u>	
			<u>\$ 362,644.86</u>	

BOROUGH OF RIVERDALE
FEDERAL AND STATE GRANT FUND
SCHEDULE OF UNAPPROPRIATED RESERVES

	Balance Dec. 31, 2023	Grant Funds Received	Transferred to 2024 Budget Revenue	Transferred to Current Fund	Balance Dec. 31, 2024
Body Armor Replacement Fund	\$ 1,651.79	\$ 1,641.07	\$ 1,651.79		\$ 1,641.07
Alcohol Education and Rehabilitation Fund	129.79	1,103.25	129.79		1,103.25
Recycling Tonnage Grant	26,221.86		26,221.86		
Bulletproof Vest Program	549.99	2,292.76	549.99		2,292.76
Clean Communities Program		11,881.69			11,881.69
American Rescue Plan - Coronavirus State and Local Fiscal Recovery Funds	<u>332,804.47</u>			<u>\$ 332,804.47</u>	
	<u>\$ 361,357.90</u>	<u>\$ 16,918.77</u>	<u>\$ 28,553.43</u>	<u>\$ 332,804.47</u>	<u>\$ 16,918.77</u>

Ref.

A

A

BOROUGH OF RIVERDALE
COUNTY OF MORRIS
2024
TRUST FUNDS

BOROUGH OF RIVERDALE
TRUST FUNDS
SCHEDULE OF CASH

	<u>Ref.</u>	<u>Animal Control Fund</u>	<u>Other Trust Funds</u>
Balance December 31, 2023	B	\$ 12,090.25	\$ 1,373,731.11
Increased by Receipts:			
Dog License Fees		\$ 3,870.60	
Cat License Fees		635.00	
Dog/Cat License Late Fees		365.00	
Miscellaneous		416.67	
Due to/from Payroll Agency Account - Settlement of Prior Year Interfunds			\$ 8,858.70
Due to/from Current Account - Settlement of Prior Year Interfund			84.84
Due to State of New Jersey - Dog License Fees		404.40	
Special Deposits			53,874.95
Reserve for:			
Law Enforcement			8.93
Council on Affordable Housing			10,953.92
Open Space Trust Fund:			
Open Space Tax Levy			102,350.69
Interest			12,515.82
Municipal Court:			
Parking Offenses Adjudication Act			4.00
Public Defender			18,831.00
Public Defender - Borough of Butler Court			4,858.00
Food Pantry Donations			11,233.04
Police Outside Duty			11,205.00
Recreation Fields Donations			1,795.00
Recreation Programs			27,386.13
Shade Tree			3,200.00
Centennial Celebration			13,840.18
Celebration of Public Events			15,691.20
		<u>5,691.67</u>	<u>296,691.40</u>
		17,781.92	1,670,422.51
Decreased by Disbursements:			
Administrative Expenses		1,869.21	
Due to State of New Jersey - Dog License Fees		395.40	
Special Deposits			50,262.55
Reserve for:			
Unemployment Compensation Insurance			2,307.75
Law Enforcement			8.93
Council on Affordable Housing			8,919.93
Open Space			93,256.04
Public Defender			11,325.00
Food Pantry Donations			9,905.16
Police Outside Duty			35,739.32
Recreation Fields Donations			14,638.93
Recreation Programs			26,459.39
Shade Tree			1,406.59
Centennial Celebration			11,975.69
Celebration of Public Events			11,642.10
		<u>2,264.61</u>	<u>277,847.38</u>
Balance December 31, 2024	B	<u>\$ 15,517.31</u>	<u>\$ 1,392,575.13</u>

BOROUGH OF RIVERDALE
ASSESSMENT TRUST FUND
ANALYSIS OF ASSESSMENT TRUST FUND CASH
YEAR ENDED DECEMBER 31, 2024

NOT APPLICABLE

BOROUGH OF RIVERDALE
ANIMAL CONTROL FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	<u>Ref.</u>		
Balance December 31, 2023	B	\$	8,794.40
Increased by:			
Cash Received in Animal Control Fund:			
Dog License Fees		\$	3,870.60
Cat License Fees			635.00
Dog/Cat License Late Fees			365.00
Miscellaneous			416.67
			5,287.27
			14,081.67
Decreased by:			
Expenditures Under R.S.4:19-15.11			1,869.21
Due to Current Fund - Statutory Excess			3,483.06
			5,352.27
Balance December 31, 2024	B	\$	8,729.40

License Fees Collected

<u>Year</u>	<u>Amount</u>
2022	\$ 4,179.00
2023	4,550.40
Maximum Allowable Reserve	\$ 8,729.40

BOROUGH OF RIVERDALE
COUNTY OF MORRIS
2024
GENERAL CAPITAL FUND

BOROUGH OF RIVERDALE
GENERAL CAPITAL FUND
SCHEDULE OF CASH

	<u>Ref.</u>	
Balance December 31, 2023	C	\$ 1,557,075.48
Increased by:		
Capital Improvement Fund:		
2024 Budget Appropriation		\$ 15,000.00
Capital Fund Balance:		
Premium on Bond Anticipation Notes		4,251.43
Due from Current Fund:		
Settlement of Prior Year Interfund		99,180.10
		<u>118,431.53</u>
		<u>1,675,507.01</u>
Decreased by:		
Capital Fund Balance:		
Anticipated as Revenue in Current Fund Budget		50,000.00
Improvement Authorization Expenditures		305,586.35
		<u>355,586.35</u>
Balance December 31, 2024	C	<u><u>\$ 1,319,920.66</u></u>

BOROUGH OF RIVERDALE
GENERAL CAPITAL FUND
ANALYSIS OF GENERAL CAPITAL FUND CASH

	Receipts		Disbursements		Transfers		Balance (Deficit) Dec. 31, 2024
	Miscellaneous	Budget Appropriation	Miscellaneous	Improvement Authorization Expenditures	From	To	
Fund Balance	\$ 129,227.07						\$ 83,478.50
Capital Improvement Fund	56,585.10	\$ 15,000.00	\$ 50,000.00				71,585.10
Due to Current Fund	(99,180.10)						
Grant Receivable:							
NJ Department of Transportation	(67,800.00)						(67,800.00)
Reserve for Encumbrances	465,502.15				\$ 465,502.15	\$ 416,228.15	416,228.15
Reserve for Grants Receivable	200.00						200.00
Reserve for Payment of Debt Service	150,144.99						150,144.99
Ord. No.	Improvement Description						
11-04; 02-06;							
04-10; 08-12;							
05-13; 12-13	Various Capital Improvements						
01-14	Purchase of Real Property						
06-17	Various Road Improvements						
07-20	Various Road Improvements						
08-21	Various Capital Improvements						
02-22	Various Road Improvements						
	\$ 103,431.53	\$ 15,000.00	\$ 50,000.00	\$ 305,586.35	\$ 881,730.30	\$ 881,730.30	\$ 1,319,920.66

BOROUGH OF RIVERDALE
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2023	C	\$ 56,585.10
Increased by:		
2024 Budget Appropriation		<u>15,000.00</u>
Balance December 31, 2024	C	<u>\$ 71,585.10</u>

BOROUGH OF RIVERDALE
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE

Ord. No.	Improvement Description	Date of				Interest Rate	Balance Dec. 31, 2023	Issued	Matured	Balance Dec. 31, 2024
		Issue of Original Note	Issue	Maturity						
06-17	Various Road Improvements	09/14/17	09/07/23	06/05/24	4.75%	\$ 507,000.00	\$ 507,000.00			
		09/14/17	06/04/24	03/04/25	4.25%		\$ 365,000.00	\$ 507,000.00	\$ 365,000.00	
		09/13/18	09/07/23	06/05/24	4.75%	43,000.00		43,000.00		
		09/13/18	06/04/24	03/04/25	4.25%		35,000.00		35,000.00	
13-17	Various Capital Improvements	09/14/17	09/07/23	06/05/24	4.75%	308,250.00		308,250.00		
		09/14/17	06/04/24	03/04/25	4.25%		187,080.00		187,080.00	
		09/09/21	09/07/23	06/05/24	4.75%	547,750.00		547,750.00		
		09/09/21	06/04/24	03/04/25	4.25%		518,920.00		518,920.00	
07-20	Various Road Improvements	09/09/21	09/07/23	06/05/24	4.75%	800,000.00		800,000.00		
		09/09/21	06/04/24	03/04/25	4.25%		700,000.00		700,000.00	
08-21	Various Capital Improvements	09/08/22	09/07/23	06/05/24	4.75%	400,100.00		400,100.00		
		09/08/22	06/04/24	03/04/25	4.25%		400,100.00		400,100.00	
		09/07/23	09/07/23	06/05/24	4.75%	261,461.00		261,461.00		
		09/07/23	06/04/24	03/04/25	4.25%		261,461.00		261,461.00	
01-22	Replacement of the Retaining Wall at Independence Park	09/08/22	09/07/23	06/05/24	4.75%	380,900.00		380,900.00		
		09/08/22	06/04/24	03/04/25	4.25%		380,900.00		380,900.00	
02-22	Various Road Improvements	09/07/23	09/07/23	06/05/24	4.75%	1,300,000.00		1,300,000.00		
		09/07/23	06/04/24	03/04/25	4.25%		1,300,000.00		1,300,000.00	
						\$ 4,548,461.00	\$ 4,148,461.00	\$ 4,548,461.00	\$ 4,148,461.00	
						<u>Ref.</u>	C			
						Renewals				
						Paid by Budget Appropriation				
						\$ 4,148,461.00	\$ 4,148,461.00	\$ 4,148,461.00	\$ 4,148,461.00	
						\$ 4,148,461.00	\$ 4,548,461.00	\$ 4,548,461.00	\$ 4,548,461.00	

BOROUGH OF RIVERDALE
GENERAL CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE
YEAR ENDED DECEMBER 31, 2024

NOT APPLICABLE

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

<u>Ord. No.</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2023</u>	<u>Balance Dec. 31, 2024</u>
11-04; 02-06; 04-10; 08-12; 05-13; 12-13	Various Capital Improvements	\$ 29,522.28	\$ 29,522.28
01-14	Purchase of Real Property	1,378,930.00	1,378,930.00
06-17	Various Road Improvements	3,750.00	3,750.00
08-21	Various Capital Improvements	609.55	609.55
		<u>\$ 1,412,811.83</u>	<u>\$ 1,412,811.83</u>

BOROUGH OF RIVERDALE
COUNTY OF MORRIS
2024
WATER/SEWER UTILITY FUND

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

<u>Ref.</u>	<u>Operating</u>	<u>Assessment Trust</u>	<u>Capital</u>
Balance December 31, 2023	\$ 621,343.67	\$ 421,527.60	\$ 2,007,234.45
Increased by Receipts:			
Rents	\$ 1,822,704.82		
Miscellaneous Revenue Not Anticipated	178,311.47		
Assessment Trust Fund Balance Anticipated as Current Year Revenue	106,778.10		
Capital Fund Balance	84,097.03		
Due to Other Trust Funds:			
Reserve for Tax Sale Premiums	7,200.00		
Water/Sewer Rent Overpayments	11,964.24		
Due to/from Water/Sewer Utility Operating Fund:			
Deferred Charge:			
2024 Budget Appropriation		\$ 7,064.59	
Due to/from Water/Sewer Utility Assessment Trust Fund:			
Interfund Advanced		182,968.00	
Settlement of Prior Year Interfund	17,234.50		
Assessments Receivable	58.14		
Accounts Payable	375.00		
Assessments Receivable			
Capital Fund Balance:	\$ 105,835.73		
Premium on Bond Anticipation Notes			
	2,228,723.30	105,835.73	194,595.59
	2,850,066.97	527,363.33	2,201,830.04

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

Ref.	Operating	Assessment Trust	Capital
Decreased by Disbursements:			
2024 Appropriation Expenditures	\$ 2,142,846.92	\$ 19,969.00	
2023 Appropriation Reserves	2,027.74		
Accrued Interest on Notes	165,226.17		
Due to Current Fund:			
Settlement of Prior Year Interfund		7,470.99	
Due to/from Water/Sewer Utility Operating Fund:			
Settlement of Prior Year Interfund		17,234.50	
Due to/from Water/Sewer Utility Capital Fund:			
Interfund Advanced		182,968.00	
Fund Balance Anticipated as Current Year Revenue		106,778.10	\$ 84,097.03
Improvement Authorization Expenditures			107,541.06
Refund of Prior Year Revenue	1,701.46		
	<u>\$ 2,311,802.29</u>	<u>\$ 334,420.59</u>	<u>\$ 191,638.09</u>
Balance December 31, 2024	<u>\$ 538,264.68</u>	<u>\$ 192,942.74</u>	<u>\$ 2,010,191.95</u>

BOROUGH OF RIVERDALE
WATER/SEWER UTILITY ASSESSMENT TRUST FUND
ANALYSIS OF WATER/SEWER UTILITY ASSESSMENT TRUST CASH

	Balance Dec. 31, 2023	Receipts		Disbursements		Transfers		Balance Dec. 31, 2024
		Assessments and Liens		Assessment Notes	Miscellaneous	From	To	
Fund Balance	\$ 106,778.10			\$ 106,778.10				
Due Current Fund	7,470.99			7,470.99				
Due Water/Sewer Utility Operating Fund	17,234.50			17,234.50	\$ 58.14			\$ (58.14)
Due Water/Sewer Utility Capital Fund			\$ 182,968.00					(182,968.00)
Assessment Bond Anticipation Notes: Purchase of Sewer Allocations, Installation of Sewers and a Special Assessment for the Sewer Installations	290,044.01	\$ 105,835.73		19,969.00			\$ 58.14	375,968.88
	\$ 421,527.60	\$ 105,835.73		\$ 202,937.00	\$ 131,483.59	\$ 58.14	\$ 58.14	\$ 192,942.74

BOROUGH OF RIVERDALE
WATER/SEWER UTILITY FUND
SCHEDULE OF CASH - WATER/SEWER COLLECTOR
YEAR ENDED DECEMBER 31, 2024

NOT APPLICABLE

BOROUGH OF RIVERDALE
WATER/SEWER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

	<u>Ref.</u>	
Balance December 31, 2023	D	\$ 47,266.54
Increased by:		
Water/Sewer Rents Levied		<u>1,854,303.36</u>
		1,901,569.90
Decreased by:		
Water/Sewer Rent Collections	\$ 1,822,704.82	
Overpayments Applied	<u>19,927.17</u>	
		<u>1,842,631.99</u>
Balance December 31, 2024	D	<u><u>\$ 58,937.91</u></u>

WATER/SEWER UTILITY OPERATING FUND
SCHEDULE OF SEWER LIENS RECEIVABLE

	<u>Ref.</u>	
Balance December 31, 2023	D	<u>\$ 24,587.83</u>
Balance December 31, 2024	D	<u><u>\$ 24,587.83</u></u>

BOROUGH OF RIVERDALE
 WATER/SEWER UTILITY ASSESSMENT TRUST FUND
SCHEDULE OF ASSESSMENTS AND LIENS RECEIVABLE

Improvement Description	Date of Confirmation	Quarterly Installments	Balance		Assessments Canceled	Balance Dec. 31, 2024	Balance Pledged to Assessment Notes
			Dec. 31, 2023	Collected			
Purchase of Sewer Allocations, Installation of Sewers and a Special Assessment for the Sewer Installations:							
Phase I	06/12/19	80	\$ 117,564.94	\$ 21,336.02	\$ 2.96	\$ 96,225.96	\$ 96,225.96
Phase II	12/30/19	80	260,386.10	42,686.37	0.40	217,699.33	217,699.33
Phase III/IV	09/14/22	80	520,902.80	41,813.34	54.78	479,034.68	479,034.68
			<u>\$ 898,853.84</u>	<u>\$ 105,835.73</u>	<u>\$ 58.14</u>	<u>\$ 792,959.97</u>	<u>\$ 792,959.97</u>

Ref. D D

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

	Balance Dec. 31, 2023	Balance Dec. 31, 2024
Distribution Mains and Accessories	\$ 218,912.68	\$ 218,912.68
Utility System Improvements	1,880,103.50	1,880,103.50
Acquisitions 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
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	29,534.28	29,534.28
	<u>\$ 4,015,953.32</u>	<u>\$ 4,015,953.32</u>
	<u>Ref.</u> D	D

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

<u>Ord.</u>	<u>Date</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2023</u>	<u>Balance Dec. 31, 2024</u>
11-04; 02-06; 04-10	05/03/04; 02/06/06; 03/15/10	Installation of Water Mains	\$ 500,000.00	\$ 500,000.00
11-04; 02-06; 04-10	05/03/04; 02/06/06; 03/15/10	Purchase of Sewer Meters, Installation of Sewer Mains/Extensions and Construction of a Pumping Station	1,200,000.00	1,200,000.00
03-06; 07-17; 12-17	02/06/06; 05/10/17; 08/16/17	Purchase of Sewer Allocations, Installation of Sewers and a Special Assessment for the Sewer Installations	6,300,000.00	6,300,000.00
14-17	08/16/17	Various Water/Sewer Improvements	<u>175,000.00</u>	<u>175,000.00</u>
			<u>\$ 8,175,000.00</u>	<u>\$ 8,175,000.00</u>
		<u>Ref.</u>	D	D

BOROUGH OF RIVERDALE
WATER/SEWER UTILITY OPERATING FUND
SCHEDULE OF 2023 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2024

	Balance Dec. 31, 2023	Balance After Modification	Paid or Charged	Balance Lapsed
Operating:				
Other Expenses	\$ 2,155.10	\$ 2,155.10	\$ 2,027.74	\$ 127.36
Deferred Charges and Statutory Expenditures:				
Statutory Expenditures:				
Contribution to:				
Unemployment Compensation Insurance (N.J.S.A. 43:21-3 et. seq.)	5,000.00	5,000.00		5,000.00
	\$ 7,155.10	\$ 7,155.10	\$ 2,027.74	\$ 5,127.36

	<u>Ref.</u>		
<u>Analysis of Balance December 31, 2023</u>			
Unencumbered	D	\$	5,782.33
Encumbered	D		1,372.77
		\$	7,155.10

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

Ord. No.	Improvement Description	Ordinance		Balance Dec. 31, 2023		Prior Year Encumbrances Returned	Paid or Charged	Balance Dec. 31, 2024	
		Date	Amount	Funded	Unfunded			Funded	Unfunded
11-04; 02-06; 04-10	Installation of Water Mains	05/03/04; 02/06/06; 03/15/10	\$ 500,000.00		\$ 201,329.71		\$	201,329.71	
11-04; 02-06; 04-10	Purchase of Sewer Meters, Installation of Sewer Mains/Extensions and Construction of a Pumping Station	05/03/04; 02/06/06; 03/15/10	1,200,000.00		206,607.77			206,607.77	
03-06; 07-17; 12-17	Purchase of Sewer Allocations, Installation of Sewers and a Special Assessment for the Sewer Installations	02/06/06; 05/10/17; 08/16/17	6,300,000.00		1,663,471.87	\$ 15,067.85	\$ 718,796.71	959,743.01	
14-17	Various Water/Sewer Improvements	08/16/17	175,000.00	\$ 56,104.73	66,250.00	439.35	9,184.35	47,359.73	66,250.00
				<u>\$ 56,104.73</u>	<u>\$ 2,137,659.35</u>	<u>\$ 15,507.20</u>	<u>\$ 727,981.06</u>	<u>\$ 47,359.73</u>	<u>\$ 1,433,930.49</u>
			<u>Ref.</u>	D	D	D	D	D	D
	Cash Disbursed					<u>Ref.</u>			
	Encumbrances		D				\$ 107,541.06		
						D	<u>620,440.00</u>		
							<u>\$ 727,981.06</u>		

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

	<u>Ref.</u>	
Balance December 31, 2023	D	<u>\$ 118,845.00</u>
Balance December 31, 2024	D	<u><u>\$ 118,845.00</u></u>

WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>Ref.</u>	
Balance December 31, 2023	D	<u>\$ 4,015,953.32</u>
Balance December 31, 2024	D	<u><u>\$ 4,015,953.32</u></u>

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

Ord. No.	Improvement Description	Ord. Date	Balance Dec. 31, 2023	Notes Paid by Budget Appropriation	Funded by Budget Appropriation	Balance Dec. 31, 2024
11-04; 02-06; 04-10	Installation of Water Mains	05/03/04; 02/06/06; 03/15/10	\$ 192,955.70		\$ 7,064.59	\$ 200,020.29
11-04; 02-06; 04-10	Purchase of Sewer Meters, Installation of Sewer Mains/Extensions and Construction of a Pumping Station	05/03/04; 02/06/06; 03/15/10	1,058,550.00			1,058,550.00
03-06; 07-17; 12-17	Purchase of Sewer Allocations, Installation of Sewers and a Special Assessment for the Sewer Installations	02/06/06; 05/10/17; 08/16/17	2,836,667.00	\$ 179,044.00		3,015,711.00
14-17	Various Water/Sewer Improvements	08/16/17	<u>108,750.00</u>			<u>108,750.00</u>
			<u>\$ 4,196,922.70</u>	<u>\$ 179,044.00</u>	<u>\$ 7,064.59</u>	<u>\$ 4,383,031.29</u>

Ref.

D

D

BOROUGH OF RIVERDALE
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE

Improvement Description	Ord. No.	Issue of Original Note	Date of				Interest Rate	Balance	
			Issue	Maturity	Dec. 31, 2023	Dec. 31, 2024			
Purchase of Sewer Allocations, Installation of Sewers and a Special Assessment for the Sewer Installations	03-06;	09/16/15	09/07/23	06/05/24	4.75%	\$ 989,051.00	\$ 989,051.00		
	07-17;	09/16/15	06/04/24	03/04/25	4.25%	873,752.00	\$ 843,187.00	\$ 843,187.00	
	12-17	09/14/17	09/07/23	06/05/24	4.75%	861,092.00	873,752.00		
		09/14/17	06/04/24	03/04/25	4.25%	1,600,521.00	1,600,521.00	861,092.00	
		09/09/21	09/07/23	06/05/24	4.75%	1,580,001.00	1,600,521.00		
		09/09/21	06/04/24	03/04/25	4.25%	\$ 3,463,324.00	\$ 3,463,324.00	\$ 3,284,280.00	
								\$ 3,284,280.00	
								\$ 179,044.00	
								\$ 3,463,324.00	

D

D

Ref.

Renewals

Paid by Budget Appropriation:

\$ 3,284,280.00	\$ 3,284,280.00
\$ 179,044.00	\$ 179,044.00
<u>\$ 3,284,280.00</u>	<u>\$ 3,463,324.00</u>

BOROUGH OF RIVERDALE
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE
YEAR ENDED DECEMBER 31, 2024

NOT APPLICABLE

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

Ord. No.	Date	Improvement Description	Balance Dec. 31, 2023	Funded by Budget Appropriation	Balance Dec. 31, 2024
11-04; 02-06; 04-10	05/03/04; 02/06/06; 03/15/10	Installation of Water Mains	\$ 208,394.30	\$ 7,064.59	\$ 201,329.71
11-04; 02-06; 04-10	05/03/04; 02/06/06; 03/15/10	Purchase of Sewer Meters, Installation of Sewer Mains/Extensions and Construction of a Pumping Station	240,100.00		240,100.00
03-06; 07-17; 12-17	02/06/06; 05/10/17; 08/16/17	Purchase of Sewer Allocations, Installation of Sewers and a Special Assessment for the Sewer Installations	9.00		9.00
14-17	08/16/17	Various Water/Sewer Improvements	66,250.00		66,250.00
			<u>\$ 514,753.30</u>	<u>\$ 7,064.59</u>	<u>\$ 507,688.71</u>

BOROUGH OF RIVERDALE
COUNTY OF MORRIS
2024
PUBLIC ASSISTANCE FUND

BOROUGH OF RIVERDALE
PUBLIC ASSISTANCE FUND
SCHEDULE OF CASH

	<u>Ref.</u>	<u>Fund Total</u>	<u>P.A.T.F. I</u>
Balance December 31, 2023	E	\$ 2,822.28	\$ 2,822.28
Increased by Receipts:			
Interest Earned		<u>76.46</u>	<u>76.46</u>
Balance December 31, 2024	E	<u>\$ 2,898.74</u>	<u>\$ 2,898.74</u>

BOROUGH OF RIVERDALE
PART II – SINGLE AUDIT
YEAR ENDED DECEMBER 31, 2024

BOROUGH OF RIVERDALE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 YEAR ENDED DECEMBER 31, 2024

Name of Federal Agency or Department	Name of Program	Assistance Listing Number	State Grant Account Number	Grant Period		Grant Award Amount	Amount Received	Amount of Expenditures	Cumulative Expenditures	Amounts Provided to Subrecipients
				From	To					
US Department of Justice	Bulletproof Vest Partnership Program	16.607	N/A	01/01/21	12/31/24	\$ 1,426.62	\$ 2,292.76	\$ 280.24	\$ 1,426.62	
				01/01/24	12/31/25	2,292.76	2,292.76	280.24	1,426.62	\$ - 0 -
Total US Department of Justice										
US Department of Treasury: Passed through NJ Department of Community Affairs	COVID-19 American Rescue Plan Act - Coronavirus State and Local Fiscal Recovery Funds	21.027	100-022-8030-687-046010	03/03/21	12/31/24	432,804.47		332,804.47	432,804.47	
				01/01/23	12/31/25	55,000.00		18,962.40	18,962.40	
Passed through NJ Department of Agriculture	COVID-19 American Rescue Plan Act Firefighters Grant	21.027	N/A	01/01/23	12/31/25	35,000.00		796.72	796.72	
				01/01/23	12/31/25	35,000.00		352,563.59	452,563.59	- 0 -
Total US Department of Treasury										
TOTAL FEDERAL AWARDS										
							\$ 2,292.76	\$ 3,52,843.83	\$ 453,990.21	\$ - 0 -

N/A - Not Applicable

BOROUGH OF RIVERDALE
SCHEDULE OF EXPENDITURES OF STATE AWARDS
YEAR ENDED DECEMBER 31, 2024

New Jersey Agency or Department	Name of Program	State Grant Award Number	Grant Period		Grant Award	Amount Received	Amount of Expenditures	Cumulative Expenditures
			From	To				
Department of Law and Public Safety	Body Armor Replacement Fund	718-066-1020- 001-90160	1/1/17	12/31/24	\$ 1,105.56		\$ 1,105.56	\$ 1,105.56
			1/1/20	12/31/24	1,926.89		1,926.89	1,926.89
			1/1/22	12/31/25	1,543.51		126.45	126.45
			1/1/24	12/31/25	1,641.07	\$ 1,641.07		
Total Department of Law and Public Safety								
Department of Health	Alcohol Education and Rehabilitation Fund	760-098-9735- 001-060000	1/1/17	12/31/25	3,082.00		600.00	2,746.26
			1/1/18	12/31/25	1,608.50		1,200.00	1,200.00
			1/1/24	12/31/25	1,103.25			
					1,103.25	1,103.25		
Total Department of Health								
Department of Environmental Protection	Clean Communities Program	765-042-4900- 004-178910	1/1/23	12/31/25	10,460.82		1,589.00	7,396.74
			1/1/24	12/31/25	11,881.69			
					11,881.69		1,589.00	1,589.00
					1,103.25	1,103.25		
Total Department of Environmental Protection								
Total STATE AWARDS	Recycling Tonnage Grant	100-042-4900- 224-178840	1/1/21	12/31/25	30,407.64		3,041.50	22,142.68
			1/1/24	12/31/25	21,673.78			
					21,673.78		3,041.50	3,041.50
					33,555.47	4,630.50	29,539.42	
Total STATE AWARDS								
					\$ 36,299.79	\$ 9,589.40	\$ 36,644.58	

SEE ACCOMPANYING NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

BOROUGH OF RIVERDALE
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED DECEMBER 31, 2024

A. BASIS OF PRESENTATION

The accompanying Schedules of Expenditures of Federal and State Awards (the "Schedules") includes the federal and state grant activity of the Borough of Riverdale under programs of the federal and state governments for the year ended December 31, 2024. The information in these schedules is presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the Borough of Riverdale, they are not intended to and do not present the financial position, changes in fund balance or cash flows of the Borough of Riverdale.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the accompanying Schedules of Expenditures of Federal and State Awards are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedules represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through identifying numbers are presented where available. The Borough has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

C. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*

Independent Auditors' Report

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

We have audited in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements - *regulatory basis* - of the various funds of the Borough of Riverdale, in the County of Morris (the "Borough") as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements and have issued our report thereon dated June 10, 2025. These financial statements have been prepared in accordance with accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting, and the budget laws of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Borough's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control. Accordingly, we do not express an opinion on the effectiveness of the Borough's internal control.

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

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings and Responses as Finding 2024-001 that we consider to be a significant deficiency.

The Honorable Mayor and Members
of the Borough Council
Borough of Riverdale
Page 2

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough'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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The Borough's Response to the Finding

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

Purpose of this Report

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

Mount Arlington, New Jersey
June 10, 2025

Nisivoccia LLP
NISIVOCCIA LLP

Heidi A. Wohlleb
Heidi A. Wohlleb
Registered Municipal Accountant No. 481
Certified Public Accountant

BOROUGH OF RIVERDALE
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2024

Summary of Auditors' Results:

- The Independent Auditors' Report expresses an unmodified opinion on the Borough's financial statements, prepared in accordance with accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey.
- A significant deficiency disclosed during the audit of the financial statements is reported in the *Independent Auditors' 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*. No material weaknesses are reported.
- No instances of noncompliance material to the financial statements of the Borough which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- The Borough was not subject to the single audit provisions of the Uniform Guidance and New Jersey's OMB Circular 15-08 for the year ended December 31, 2024 as both state and federal grant expenditures were less than the single audit thresholds of \$750,000 identified in the Uniform Guidance and NJOMB 15-08.

Findings Relating to the Financial Statements which are required to be Reported in Accordance with Generally Accepted Government Auditing Standards:

- The audit disclosed the following significant deficiency required to be reported under Generally Accepted Government Auditing Standards:

Finding 2024-001

Segregation of Duties

Criteria

Concentration of duties and responsibilities in a limited number of individuals is not desired from a control point of view.

Condition

The Borough does not maintain an adequate segregation of duties with respect to the recording and treasury functions. The various departments/offices of the Borough are responsible for the issuance of permits and licenses, utility charges and permit and license fees, and recording of collections. Also, the Chief Financial Officer is responsible for payroll processing, the maintenance of the general ledger and certain bank reconciliations with limited oversight review.

Cause

This is due, in part, to the limited number of personnel of the Borough and the decentralized nature of governmental collection procedures. While this is not unusual in operations the size of the Borough, management and the Borough Council should be aware of this situation and realize that the concentration of duties and responsibilities in a limited number of individuals is not desirable from a control point of view.

BOROUGH OF RIVERDALE
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2024
(Continued)

Findings Relating to the Financial Statements which are required to be Reported in Accordance with Generally Accepted Government Auditing Standards (Cont'd)

Finding 2024-001 (Cont'd)

Effect or Potential Effect

Segregation of duties refers to separating those functions that place too much control over a transaction or class of transactions that would enable a person to misappropriate funds and prevent detection within a reasonable period of time.

Recommendation

It is recommended that an adequate segregation of duties be maintained with respect to the recording and treasury functions.

Management's Response

The finding was evaluated; however, due to budgetary constraints no resolution can be made at this time.

Findings and Questioned Costs for Federal Awards:

- Not applicable – Federal award expenditures are less than the single audit threshold.

Findings and Questioned Costs for State Awards:

- Not applicable – State award expenditures are less than the single audit threshold.

BOROUGH OF RIVERDALE
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2024

The Borough's prior year finding 2023-001 regarding segregation of duties was not resolved in 2024 due to budgetary constraints and is included as current year finding 2024-001 on the Schedule of Findings and Responses.

BOROUGH OF RIVERDALE

PART III

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2024

BOROUGH OF RIVERDALE
COMMENTS AND RECOMMENDATIONS

Contracts and Agreements Required to be Advertised for N.J.S.A. 40A:11-4

N.J.S.A. 40A:11-3 states:

a. " When the cost or price of any contract awarded by the contracting agent in the aggregate does not exceed in a contract year the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by ordinance or resolution, as appropriate to the contracting unit, of the governing body of the contracting unit without public advertising for bids, except that the governing body of any contracting unit may adopt an ordinance or resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to Subsection b. of Section 9 of P.L. 1971, C.198 (N.J.S.A. 40A:11-9), the governing body of the contracting unit may establish that the bid threshold may be up to \$25,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.

b. Any contract made pursuant to this section may be awarded for a period of 24 consecutive months, except that contracts for professional services pursuant to subparagraph (i) of paragraph (a) of subsection (1) of section 5 of P.L. 1971, C.198 (N.J.S.A. 40A:11-5) may be awarded for a period not exceeding 12 consecutive months. The Division of Local Government Services shall adopt and promulgate rules and regulations concerning the methods of accounting for all contracts that do not coincide with the contracting unit's fiscal year.

c. The Governor, in consultation with the Department of the Treasury, shall, no later than March 1 of every fifth year beginning in the fifth year after the year in which P.L. 1999, C.440 takes effect, adjust the threshold amount and the higher threshold amount which the governing body is permitted to establish, as set forth in subsection a. of this section, or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in section 2 of P.L. 1971, C.198 (N.J.S.A. 40A:11-2), and shall round the adjustment to the nearest \$1,000. The Governor shall, no later than June 1 of every fifth year, notify each governing body of the adjustment. The adjustment shall become effective on July 1 of the year in which it is made."

N.J.S.A. 40A: 11-4 states: "Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. The governing body of a contracting unit may, by resolution approved by a majority of the governing body and subject to subsections b. and c. of this section, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the governing body finds that it has had prior negative experience with the bidder."

Effective July 1, 2020 and thereafter the bid threshold in accordance with N.J.S.A. 40A:11-3 and 40A:11-4 (as amended) is \$17,500 for a contracting unit without a qualified purchasing agent and \$44,000 for a contracting unit with a qualified purchasing agent.

The governing body of the municipality has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the fiscal year. Where questions arise as to whether any contract or agreement might result in violation of the statute, the Borough Counsel's opinion should be sought before a commitment is made.

The minutes indicated that bids were requested by public advertising per N.J.S.A. 40A:11-4. The minutes also indicated that resolutions were adopted and advertised authorizing the awarding of contracts for "Professional Services" and "Extraordinary Unspecifiable Services" per N.J.S.A. 40A:11-5.

Inasmuch as the system of records did not provide for an accumulation of payments for 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 noted.

BOROUGH OF RIVERDALE
COMMENTS AND RECOMMENDATIONS
(Continued)

Collection of Interest on Delinquent Taxes and Water/Sewer Rents

The statute provides the method for authorizing interest and the maximum rate to be charged for the nonpayment of taxes, utility charges or assessments on or before the date when they would become delinquent.

The following resolution was adopted in 2024:

BE IT RESOLVED by the Borough Council of the Borough of Riverdale, NJ pursuant to R.S. 54:4-67, as amended and supplemented, that the rate of interest to be charged for the non-payment of taxes or assessments on or after the date when they become delinquent shall be as follows:

1. No interest shall be charged if payment of any installment so due is made within ten (10) days of the date the same shall be payable; and
2. Upon expiration of the ten (10) day period as aforesaid, the rate of interest shall be eight (8) percent on the first \$1,500.00 of the delinquency and eighteen (18) percent thereafter on any amount in excess of \$1,500; and

FURTHER, BE IT RESOLVED that

3. 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.

The following code is applicable for delinquent user fees:

BE IT RESOLVED by the Borough Council of the Borough of Riverdale, NJ pursuant to Code §136-26, if water/sewer user fees are not paid within 30 days of the date they are rendered, they shall be deemed delinquent and shall bear interest on the delinquent amount at a rate as established by the Borough for delinquent real estate taxes. Amounts due on the delinquent bills shall become a lien upon the real estate connected until paid, and the Borough shall have the same remedies for the collection thereof with interest, costs and penalties as it has by law for collection of taxes upon real estate.

It appears from our testing that interest was charged in accordance with the above resolutions.

Delinquent Taxes and Tax Title Liens/Water/Sewer Liens

The last tax sale was held on December 13, 2024, and was complete with respect to all items eligible for sale.

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

<u>Year</u>	<u>Number of Liens</u>
2024	22
2023	22
2022	24

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

BOROUGH OF RIVERDALE
COMMENTS AND RECOMMENDATIONS
(Continued)

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 2025 Taxes	20
Payments of 2024 Taxes	20
Payments of Water/Sewer Utility Charges	20
Delinquent Taxes	15
Delinquent Water/Sewer Utility Charges	15
Water/Sewer and Tax Title Liens	3

Municipal Court

A summary of Municipal Court transactions for the year 2024 is as follows:

RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>Balance</u>		<u>Balance</u>	
	<u>Dec. 31, 2023</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Dec. 31, 2024</u>
State of New Jersey	\$ 7,249.51	\$ 124,266.24	\$ 123,061.74	\$ 8,454.01
County	6,033.51	87,883.48	88,003.49	5,913.50
Municipality:				
Fines and Fees	12,799.81	194,289.66	191,014.61	16,074.86
Parking Offense Adjudication Act		4.00	4.00	
Public Defender	1,280.00	19,101.00	18,831.00	1,550.00
Conditional Discharge	75.00	2,094.00	1,722.00	447.00
Weights and Measures	10,650.00	71,300.00	69,150.00	12,800.00
Restitution		332.46	332.46	
Cash Bail	510.00	36,075.00	34,135.00	2,450.00
	<u>\$ 38,597.83</u>	<u>\$ 535,345.84</u>	<u>\$ 526,254.30</u>	<u>\$ 47,689.37</u>

BOROUGH OF RIVERDALE
COMMENTS AND RECOMMENDATIONS
(Continued)

New Jersey Administrative Code Accounting Requirements

The Division of Local Government Services has established three (3) accounting requirements which are prescribed in the New Jersey Administrative Code. They are as follows:

1. Maintenance of an encumbrance accounting system.
2. Fixed asset accounting and reporting system.
3. General ledger accounting system.

The Borough is in compliance with the above accounting requirements.

Tax Collector's Records

A review of the tax collector's records revealed that a register of foreclosed properties is not maintained.

Recommendation

It is recommended that a foreclosed property register is maintained.

Management's Response

A foreclosed property register will be maintained.

Outside Departments

While monthly reports are prepared by the outside departments, a formal detailed cashbook is not maintained for all of the outside departments. It is recommended that a formal detailed cashbook be maintained for all of the outside departments.

Management's Response

A formal detailed cashbook will be maintained for all outside departments.

General Capital and Water/Sewer Utility Capital Funds

There is one General Capital ordinance and one Water/Sewer Utility Capital ordinance over five years old with deficit cash balances at December 31, 2024. Management is aware of this situation and is in the process of funding the deficits.

Purchase Order Process

During our review of the purchase orders processed during the year we noted that certain purchase orders were not placed prior to the order of the related goods or services.

Recommendation

It is recommended that a purchase order is placed prior to the order of goods or services.

Management's Response

Every effort will be made to ensure that a purchase order is placed prior to the order of goods or services.

BOROUGH OF RIVERDALE
COMMENTS AND RECOMMENDATIONS
(Continued)

Management Suggestions

Older Federal and State Grant Reserves and Receivables

There are various appropriated reserves and receivable balances in the Federal and State Grant Fund which have been on the Borough's records for several years. It is suggested that these older grant appropriated reserve and receivable balances be reviewed for possible cancellation.

Payroll Agency Balances

There are a number of Borough's payroll agency withholding balances which should be reviewed for validity.

Bank Reconciling Items

The older bank reconciling items should be reviewed for cancellation.

Tax Overpayments

The tax overpayments balance includes tax overpayments from tax years 2020-2022. The older tax overpayments should be reviewed and either applied to a subsequent tax year or refunded.

Dedication by Rider

It is suggested that a dedication by rider be obtained for the Reserve for Fire Prevention before the related funds are expended.

COVID-19 Federal Funding

It is possible that the Borough will undergo some review of its COVID-19 funding by the federal government. We strongly suggest that the Borough ensures that these funds are utilized in accordance with the applicable federal requirements especially with respect to procurement. Additionally, we strongly suggest that the Borough ensures that these funds are separately accounted for in the Borough's accounting records and that any applicable Borough policies are current with respect to federal grant requirements.

Because of the nature of these funds, being new programs, generally of a significant dollar amount, and some of which may be expended over a period of years, they may be subject to federal or state audit several years from now. It is important that the grant files maintained by local governments be complete, self-explanatory, and fully document the program(s) undertaken as part of the funding.

Status of Prior Year Recommendations

The prior year audit recommendations with respect to segregation of duties, the maintenance of a foreclosed property register, and purchase orders process were not resolved and are included as current year recommendations. The prior year recommendation regarding Police Department collections not being deposited within 48 hours of receipt was resolved during 2024.

BOROUGH OF RIVERDALE
SUMMARY OF RECOMMENDATIONS

It is recommended that:

1. An adequate segregation of duties be maintained with respect to the recording and treasury functions.
2. A foreclosed property register is maintained.
3. A formal detailed cashbook be maintained for all of the outside departments.
4. A purchase order is placed prior to the order of goods or services.

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