

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON,
STATE OF NEW JERSEY**

FINANCIAL STATEMENTS
AND
SUPPLEMENTAL DATA

December 31, 2017

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

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COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

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COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

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INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members
of the Township Committee
Township of Riverside
County of Burlington
Riverside, New Jersey 08075

Report on the Financial Statements

We have audited the accompanying financial statements – regulatory basis of the various funds and account group of the Township of Riverside, County of Burlington, State of New Jersey (the “Township”), as of and for the year ended December 31, 2017, and the related notes to financial statements, which collectively comprise the Township’s basic financial statements, as listed in the table of contents.

Management’s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey; this includes 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.

Auditors' Responsibility

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

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

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Auditors' Responsibility (Continued)

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

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

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

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

Adverse Opinion

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund and account group of the Township as of December 31, 2017, and the results of operations and changes in financial position for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each fund and account group of the Township, as of December 31, 2017, and the results of operations and changes in financial position for the year then ended in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in Note A.

Report on Summarized Comparative Information

We have previously audited the Township’s 2016 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 4, 2017, in accordance with the financial reporting provision described in Note A. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Report on Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township’s basic financial statements. The supplemental schedules as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplemental schedules are the responsibility of management and were derived from and relate directly to, the underlying accounting and other

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Report on Supplementary and Other Information (Continued)

records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole, on the basis of accounting described in Note A.

The supplementary information as listed in the table of contents has not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 30, 2018, on our consideration of the Township'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 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 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 Township's internal control over financial reporting and compliance.



Warren A. Broudy, CPA, CGFM, PSA, CGMA
Registered Municipal Accountant
License No. 554

MERCADIEN, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

August 30, 2018

BASIC FINANCIAL STATEMENTS – REGULATORY BASIS

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A

**CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE**

December 31, 2017

<u>ASSETS</u>	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Current Fund:			
Treasurer:			
Cash	SA-1	\$ 2,081,146.41	\$ 2,105,071.42
Collector:			
Cash	SA-2	3,058,740.75	2,125,374.48
Petty Cash/Change Funds	SA-3	700.00	700.00
		<u>5,140,587.16</u>	<u>4,231,145.90</u>
Receivables with Full Reserves:			
Delinquent Property Taxes Receivable	SA-4	518,477.34	398,362.86
Tax Title Liens Receivable	SA-5	473,377.41	416,320.61
Property Acquired for Taxes - Assessed Valuation	SA-6	154,500.00	154,500.00
Revenue Accounts Receivable	SA-8	30,187.89	9,048.98
Due Burlington County	A	636.00	636.00
Due Riverside Sewerage Authority	SA-21	57,759.74	36,119.08
Due Trust Fund - Animal Control	B	46.00	125.80
Due Trust Fund - Other	B	66,102.36	110,545.80
		<u>1,301,086.74</u>	<u>1,125,659.13</u>
Deferred Charges:			
Special Emergency	SA-19	198,400.00	248,000.00
		<u>198,400.00</u>	<u>248,000.00</u>
		<u>6,640,073.90</u>	<u>5,604,805.03</u>
Federal and State Grant Fund:			
Cash	SA-1	295,577.84	318,058.68
Due General Capital Fund	SA-1	8,256.45	
Federal and State Grants Receivable	SA-22	366,810.02	316,063.49
		<u>670,644.31</u>	<u>634,122.17</u>
		<u>\$ 7,310,718.21</u>	<u>\$ 6,238,927.20</u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A

**CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE (CONTINUED)**

December 31, 2017

LIABILITIES, RESERVES
AND FUND BALANCE

Current Fund:

Liabilities:			
Appropriation Reserves	A-3	\$ 479,054.90	\$ 532,191.18
Reserve for Encumbrances	A-3	40,551.90	55,047.08
Accounts Payable	SA-9	99,967.69	
Special Emergency Note Payable	SA-1	198,400.00	248,000.00
Prepaid Taxes	SA-14	180,860.35	74,387.08
Tax Overpayments	SA-13	2,913.44	1,509.14
Local School Tax Payable	SA-18	1,727,875.04	1,610,773.02
Due County for Added and Omitted Taxes	SA-16	761.19	
Reserve for Tax Map Preparation and Revaluation	SA-20	201,172.66	248,000.00
Due State of New Jersey:			
Senior Citizens & Veterans	SA-7	8,279.97	6,282.54
Marriage License Fees	SA-10	820.00	570.00
State Training Fees	SA-11	1,106.00	889.00
Burial Permits	SA-12	580.00	580.00
		<u>2,942,343.14</u>	<u>2,778,229.04</u>
Reserve for Receivables and Other Assets	A	1,301,086.74	1,125,659.13
Fund Balance	A-1	<u>2,396,644.02</u>	<u>1,700,916.86</u>
		<u>6,640,073.90</u>	<u>5,604,805.03</u>
Federal and State Grant Fund:			
Reserve for Grants Appropriated	SA-24	551,933.01	625,226.84
Reserve for Grants Unappropriated	SA-23	101,498.66	7,480.58
Reserve for Encumbrances	SA-24	17,212.64	1,414.75
		<u>670,644.31</u>	<u>634,122.17</u>
		<u>\$ 7,310,718.21</u>	<u>\$ 6,238,927.20</u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-1

**CURRENT FUND
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE**

Year Ended December 31, 2017

	<u>2017</u>	<u>2016</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 202,250.00	\$ 157,250.00
Miscellaneous Revenues Anticipated	1,934,757.99	2,031,607.09
Receipts from Delinquent Taxes and Tax Title Liens	390,414.63	480,960.42
Revenue from Current Taxes	15,147,695.04	14,718,299.59
Non-Budget Revenue	156,496.95	123,919.20
Other Credits to Income:		
Overpayments Canceled		0.50
Refund of Prior Year Expenditures		139.00
Reserve for Interfund Receivable Liquidated	44,523.24	
Unexpended Balance of Appropriation Reserves	<u>380,881.62</u>	<u>67,934.36</u>
 Total Income	 <u>18,257,019.47</u>	 <u>17,580,110.16</u>
<u>Expenditures</u>		
Budget Appropriations:		
Within "CAPS":		
Operations - Salaries and Wages	2,482,319.90	2,439,238.43
Operations - Other Expenses	2,424,781.53	2,672,964.90
Deferred Charges and Statutory Expenditures	563,182.96	647,321.33
Excluded from "CAPS":		
Operations - Other Expenses	303,326.32	385,240.79
Capital Improvements	17,500.00	20,500.00
Municipal Debt Service	560,254.46	425,926.08
Deferred Charges	49,600.00	
County Taxes	1,740,468.96	1,723,787.31
Due County for Added and Omitted Taxes	761.19	577.10
Local District School Tax	8,724,344.00	8,490,140.00
Special District Taxes	460,211.00	460,211.00
Other Debits to Income:		
Prior Year Senior Citizens' and Veterans' Deductions Disallowed	6,250.00	9,284.93
Refund of Prior Year Revenue	5,021.05	130.00
Reserve for Receivable Created	21,020.94	11,670.25
Reserve for Interfund Receivable Created		<u>53,468.97</u>
 Total Expenditures	 <u>17,359,042.31</u>	 <u>17,340,461.09</u>
Excess in Revenues	897,977.16	239,649.07
Adjustments to Income Before Fund Balance:		
Expenditures Included Above Which are by Statute		
Deferred Charges to Budget of Succeeding Year	<u>-</u>	<u>248,000.00</u>
Statutory Excess to Fund Balance	897,977.16	487,649.07
<u>Fund Balance</u>		
Balance Jan. 1	<u>1,700,916.86</u>	<u>1,370,517.79</u>
	2,598,894.02	1,858,166.86
Decreased by:		
Utilized as Revenue	<u>202,250.00</u>	<u>157,250.00</u>
Balance Dec. 31	<u>\$ 2,396,644.02</u>	<u>\$ 1,700,916.86</u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-2

**CURRENT FUND
STATEMENT OF REVENUES**

Year Ended December 31, 2017

	Budget	Special N.J.S.40A:4-87	Realized	Excess
Fund Balance Anticipated	\$ 202,250.00	-	\$ 202,250.00	-
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	28,000.00		28,314.00	\$ 314.00
Other	6,000.00		86,044.75	80,044.75
Municipal Court Fines and Costs	130,000.00		166,262.59	36,262.59
Interest and Costs on Taxes	65,000.00		87,449.51	22,449.51
Consolidated Municipal Property Tax Relief Aid	39,669.00		39,669.00	
Energy Receipts Tax	749,203.00		749,203.00	
Uniform Construction Code Fees	50,000.00		79,615.00	29,615.00
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services:				
Public and Private Revenues Off-Set with Appropriations:				
Recycling Tonnage Grant	10,597.65		10,597.65	
Clean Communities Grant		\$ 15,573.47	15,573.47	
NJ Department of Transportation Grant	220,000.00		220,000.00	
Drunk Driving Enforcement Grant	5,617.20		5,617.20	
Highway Traffic Safety Grant - Distracted Driving		5,500.00	5,500.00	
Municipal Alliance on Alcoholism & Drug Abuse	14,235.00		14,235.00	
Body Armor Replacement Grant	1,863.38	1,865.87	3,729.25	
Other Special Items:				
Uniform Fire Safety	5,000.00		10,381.50	5,381.50
Uniform Fire Safety - Miscellaneous	2,000.00		2,000.00	
Property Maintenance Inspection Fees	15,000.00		26,360.00	11,360.00
Rental Registration	60,000.00		77,405.00	17,405.00
School Resource Officer	46,500.00		46,500.00	
Cable TV Franchise Fees	23,393.77		23,393.77	
Reserve to Pay Debt - FEMA	129,370.00		129,377.30	7.30
Riverside Sewerage Authority - Lease Agreement	55,000.00		55,000.00	
Riverside Sewerage Authority - Interest on Bond Anticipation Notes	1,030.00		1,030.00	
Riverside Sewerage Authority - Reserve for Payment of Notes	51,500.00		51,500.00	
Total Miscellaneous Revenues	1,708,979.00	22,939.34	1,934,757.99	202,839.65
Receipts From Delinquent Taxes	300,000.00	-	390,414.63	90,414.63
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	4,796,788.08	-	4,835,427.60	38,639.52
Budget Totals	7,008,017.08	22,939.34	7,362,850.22	331,893.80
Non-Budget Revenue	-	-	156,496.95	156,496.95
	\$ 7,008,017.08	\$ 22,939.34	\$ 7,519,347.17	\$ 488,390.75

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-2

**CURRENT FUND
STATEMENT OF REVENUES (CONTINUED)**

Year Ended December 31, 2017

Analysis of Realized Revenue

Allocation of Current Tax Collections:

Revenue from Collections	\$ 15,147,695.04
Allocated to County, School, Open Space and Special District Taxes	<u>10,925,785.15</u>

4,221,909.89

Add: Appropriation "Reserve for Uncollected Taxes"	<u>613,517.71</u>
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Amount for Support of Municipal Budget Appropriations	<u><u>\$ 4,835,427.60</u></u>
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Receipts from Delinquent Taxes:

Receipts - Delinquent Tax Collections	\$ 389,097.01
Receipts - Tax Title Liens Receivable	<u>1,317.62</u>

\$ 390,414.63

Analysis of Non-Budget Revenues

Receipts:

Treasurer:

Vital Statistics	\$ 11,417.00
Tax Searches	50.00
Payment in Lieu of Taxes	3,243.00
Police Reports	552.56
Photo Copies	1.70
Interest on Investments	5,637.31
Clear Channel	975.00
Delran Gasoline Reimbursements	23,110.33
Landlord Penalties	10,040.00
Senior Citizens' and Veterans' Administrative Fee	1,382.63
Marriage Performance Fees	1,425.00
Restitution	1,859.66
Bid Specification Fees	460.00
South Jersey Regional Health Dividend	51,945.00
Police Outside Services Administrative Fees	9,934.45
Towing Fees	2,522.40
Facility Use Fees	800.00
FEMA Reimbursements	16,951.11
Insufficient Check Charge	360.00
Other Miscellaneous	<u>8,749.44</u>

\$ 151,416.59

Due from Trust Other Fund - Escrow Interest

9.11

Due from Trust Other Fund - Canceled Check

250.00

\$ 151,675.70

Collector:

Interest on Investments	<u>4,821.25</u>
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\$ 156,496.95

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-3

**CURRENT FUND
STATEMENT OF EXPENDITURES**

Year Ended December 31, 2017

	Appropriations		Paid or Charged	Encumbered	Reserved	Unexpended Balance Canceled
	Original Budget	Budget After Modification				
OPERATIONS--WITHIN "CAPS"						
General Government						
Administrative and Executive						
Salaries and Wages	\$ 94,277.00	\$ 94,376.50	\$ 94,376.50			
Other Expenses	2,394.25	2,294.75	1,735.19		\$ 559.56	
Mayor and Township Committee						
Salaries and Wages	11,300.00	11,300.00	9,783.53			1,516.47
Other Expenses	4,130.00	4,130.00	2,886.00			1,244.00
Municipal Clerk						
Salaries and Wages	54,416.00	54,416.00	54,219.05			196.95
Other Expenses	55,000.00	55,000.00	30,350.82	\$ 1,673.09		22,976.09
Vital Statistics						
Salaries and Wages	9,319.00	9,816.26	9,816.26			
Other Expenses	2,000.00	1,502.74	25.00			1,477.74
Financial Administration						
Salaries and Wages	72,857.00	72,857.00	72,856.88			0.12
Other Expenses	40,000.00	38,629.00	26,130.12	10,849.95		1,648.93
Audit Services - Contractual	33,500.00	33,500.00	28,000.00			5,500.00
Assessment of Taxes						
Salaries and Wages	20,278.00	20,278.04	20,278.04			
Other Expenses	4,000.00	3,999.96	2,911.17			1,088.79
Collection of Taxes						
Salaries and Wages	50,000.00	50,000.00	42,485.00			7,515.00
Other Expenses	20,000.00	20,000.00	19,573.13	385.18		41.69
Legal Services and Costs	55,000.00	50,840.33	21,823.25	22.50		28,994.58
Engineering Services and Costs	25,000.00	33,088.46	28,211.51	4,876.95		
Municipal Land Use Law (N.J.S.40:55D-1):						
Planning Board						
Salaries and Wages	35,433.00	35,433.20	35,433.20			
Other Expenses	12,000.00	13,071.01	12,411.01			660.00
Police						
Salaries and Wages	1,618,410.00	1,618,410.00	1,593,450.55			24,959.45
Other Expenses	120,000.00	120,000.00	104,357.40	7,209.30		8,433.30
School Crossing Guards Salary & Wages	65,000.00	65,000.00	60,498.00			4,502.00
Emergency Management						
Other Expenses	300.00	300.00	300.00			
Uniform Fire Safety Act						
Salaries and Wages	5,250.00	6,250.00	6,250.00			
Other Expenses	1,750.00	750.00	94.49			655.51

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-3

**CURRENT FUND
STATEMENT OF EXPENDITURES (CONTINUED)**

Year Ended December 31, 2017

	<u>Appropriations</u>		<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>
	<u>Original Budget</u>	<u>Budget After Modification</u>				
<u>OPERATIONS--WITHIN "CAPS" (CONTD)</u>						
Municipal Court						
Salaries and Wages	117,049.00	117,049.00	108,353.69		8,695.31	
Other Expenses	22,000.00	22,000.00	17,726.77	910.15	3,363.08	
Municipal Prosecutor						
Other Expenses	17,319.00	17,319.00	15,270.00		2,049.00	
Public Defender						
Other Expenses	4,000.00	4,000.00	4,000.00			
Streets and Roads						
Salaries and Wages	191,606.20	188,015.52	176,494.57		11,520.95	
Other Expenses	70,000.00	71,516.18	63,018.13	8,498.05		
Storm Recovery (NJS 40A: 4-62.1)	5,000.00	5,000.00			5,000.00	
Garbage and Trash Removal						
Other Expenses	201,978.00	201,978.00	168,529.77		33,448.23	
Public Buildings and Grounds						
Salaries and Wages	6,000.00	6,000.00	5,940.00		60.00	
Other Expenses	75,000.00	76,191.67	71,036.34	5,155.33		
Vehicle Maintenance						
Other Expenses	30,000.00	30,882.83	29,940.02	942.81		
Health and Welfare						
Animal Control						
Other Expenses	15,000.00	15,000.00			15,000.00	
Parks and Recreation						
Other Expenses	12,500.00	12,500.00	11,425.64		1,074.36	
Celebration of Public Event, Anniversary or Holiday						
Other Expenses	10,000.00	10,000.00	7,657.01		2,342.99	
Bulk and Utilities						
Electricity	45,000.00	45,000.00	21,820.77		23,179.23	
Street Lighting	120,000.00	120,000.00	83,678.04		36,321.96	
Telephone	40,000.00	40,000.00	29,173.47		10,826.53	
Water	5,000.00	5,000.00	3,243.73		1,756.27	
Natural Gas	6,000.00	6,000.00	1,891.83		4,108.17	
Gasoline/Diesel Fuel	90,000.00	90,000.00	67,924.65		22,075.35	
Landfill Solid Waste Disposal Costs	277,400.00	277,400.00	239,267.58		38,132.42	
Recycling Tax	11,000.00	11,000.00	8,110.81		2,889.19	
Insurance						
General Liability	84,771.00	84,771.00	84,771.00			
Workers Compensation	202,589.00	197,589.00	149,065.50		48,523.50	
Employee Group Insurance	637,021.32	637,021.32	569,745.27		67,276.05	
Health Benefit Waiver	18,118.38	18,118.38	17,858.52		259.86	
Dental	30,506.28	30,506.28	27,919.68		2,586.60	
Unemployment Compensation Insurance	12,000.00	12,000.00	9,746.97		2,253.03	

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-3

**CURRENT FUND
STATEMENT OF EXPENDITURES (CONTINUED)**

Year Ended December 31, 2017

	<u>Appropriations</u>		<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>
	<u>Original Budget</u>	<u>Budget After Modification</u>				
<u>OPERATIONS--WITHIN "CAPS" (CONT'D)</u>						
Uniform Construction Code - Appropriations						
Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17)						
Construction Officials						
Salaries and Wages	70,000.00	70,000.00	66,626.94		3,373.06	
Other Expenses	20,000.00	20,000.00	19,654.10	28.59	317.31	
Property Maintenance						
Salaries and Wages	30,000.00	30,000.00	26,153.82		3,846.18	
<u>Unclassified:</u>						
Accumulated Sick Leave	15,000.00	15,000.00	15,000.00			
Contingent	5,000.00	5,000.00	2,905.19		2,094.81	
	<u>4,908,472.43</u>	<u>4,907,101.43</u>	<u>4,402,205.91</u>	<u>40,551.90</u>	<u>464,343.62</u>	<u>-</u>
Total Operations --within "CAPS"						
Detail:						
Salaries and Wages	2,484,313.58	2,482,319.90	2,415,874.55	-	66,445.35	-
Other Expenses (Including Contingent)	2,424,158.85	2,424,781.53	1,986,331.36	40,551.90	397,898.27	-
	<u>2,424,158.85</u>	<u>2,424,781.53</u>	<u>1,986,331.36</u>	<u>40,551.90</u>	<u>397,898.27</u>	<u>-</u>
<u>DEFERRED CHARGES AND STATUTORY</u>						
<u>EXPENDITURES --MUNICIPAL--WITHIN "CAPS"</u>						
Deferred Charges:						
Overexpenditures - Prior Year Appropriations						
Statutory Expenditures:						
Contribution to						
Public Employees Retirement System	66,584.00	66,584.00	66,584.00			
Social Security System (O.A.S.I.)	100,000.00	100,000.00	92,997.51		7,002.49	
Police and Firemen's Retirement System of N.J. - ERIP	37,937.00	37,937.00	37,937.00			
Police and Firemen's Retirement System of N.J.	293,776.00	293,776.00	293,776.00			
Police and Firemen's Retirement System Delayed Appropriations	59,881.47	59,881.47	59,811.47		70.00	
Defined Contribution Retirement System	5,004.49	5,004.49	1,365.70		3,638.79	
	<u>563,182.96</u>	<u>563,182.96</u>	<u>552,471.68</u>	<u>-</u>	<u>10,711.28</u>	<u>-</u>
Total Deferred Charges and Statutory Expenditures --within "CAPS"						
Total General Appropriations for Municipal Purposes Within--"CAPS"	<u>5,471,655.39</u>	<u>5,470,284.39</u>	<u>4,954,677.59</u>	<u>40,551.90</u>	<u>475,054.90</u>	<u>-</u>
<u>OPERATIONS-- EXCLUDED FROM "CAPS"</u>						
Aid to Library (N.J.S.A. 40:54-35)						
Other Expenses	21,600.00	21,600.00	17,600.00		4,000.00	
SFSP to Fire District	2,915.00	2,915.00	2,915.00			

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-3

**CURRENT FUND
STATEMENT OF EXPENDITURES (CONTINUED)**

Year Ended December 31, 2017

	Appropriations		Paid or Charged	Encumbered	Reserved	Unexpended Balance Canceled
	Original Budget	Budget After Modification				
<u>OPERATIONS-EXCLUDED FROM "CAPS" (CONT'D)</u>						
<u>State and Federal Programs Offset by Revenues</u>						
Recycling Tonnage Grant	10,597.65	10,597.65	10,597.65			
Municipal Alliance	14,235.00	14,235.00	14,235.00			
Municipal Alliance - Local Match	3,558.75	3,558.75	3,558.75			
NJ Department of Transportation Grant	220,000.00	220,000.00	220,000.00			
Body Armor Replacement Grant (NJSA 40A:4-87 \$1,865.87)	1,863.38	3,729.25	3,729.25			
Drunk Driving Enforcement Fund	5,617.20	5,617.20	5,617.20			
Highway Safety Distracted Driving (NJSA 40A:4-87 \$5,500.00)		5,500.00	5,500.00			
Clean Communities Grant (NJSA 40A:4-87 \$15,573.47)		15,573.47	15,573.47			
Total Operations Excluded from "CAPS"	<u>280,386.98</u>	<u>303,326.32</u>	<u>299,326.32</u>	<u>-</u>	<u>4,000.00</u>	<u>-</u>
<u>CAPITAL IMPROVEMENTS-EXCLUDED FROM "CAPS"</u>						
Capital Improvement Fund	<u>17,500.00</u>	<u>17,500.00</u>	<u>17,500.00</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>MUNICIPAL DEBT SERVICE-EXCLUDED FROM "CAPS"</u>						
Payment of Bond Principal	119,000.00	157,000.00	157,000.00		-	-
Payment of Bond Anticipation Notes and Capital Notes	69,684.00	69,684.00	69,684.00			
Interest on Bonds	78,210.00	41,581.00	26,793.06			14,787.94
Interest on Notes	55,893.00	55,893.00	54,495.68			1,397.32
Interest on Special Emergency Note	3,720.00	3,720.00	3,636.06			83.94
Additional Payment of Bond Anticipation Notes	180,870.00	180,870.00	180,666.00			204.00
Total Municipal Debt Service--Excluded from "CAPS"	<u>507,377.00</u>	<u>508,748.00</u>	<u>492,274.80</u>	<u>-</u>	<u>-</u>	<u>16,473.20</u>
<u>CAPITAL LEASE OBLIGATIONS-EXCLUDED FROM "CAPS"</u>						
Principal	66,000.00	66,000.00	66,000.00			
Interest	1,980.00	1,980.00	1,979.66			0.34
Total Capital Lease Obligations-Excluded from "CAPS"	<u>67,980.00</u>	<u>67,980.00</u>	<u>67,979.66</u>	<u>-</u>	<u>-</u>	<u>0.34</u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-3

**CURRENT FUND
STATEMENT OF EXPENDITURES (CONTINUED)**

Year Ended December 31, 2017

	<u>Appropriations</u>		<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>
	<u>Original Budget</u>	<u>Budget After Modification</u>				
<u>DEFERRED CHARGES-MUNICIPAL EXCLUDED FROM "CAPS"</u>						
Special Emergency Authorizations - 5 Years (N.J.S.A. 40A:4-55)	<u>49,600.00</u>	<u>49,600.00</u>	<u>49,600.00</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	<u>922,843.98</u>	<u>947,154.32</u>	<u>926,680.78</u>	<u>-</u>	<u>4,000.00</u>	<u>16,473.54</u>
Subtotal General Appropriations	6,394,499.37	6,417,438.71	5,881,358.37	40,551.90	479,054.90	16,473.54
Reserve for Uncollected Taxes	<u>613,517.71</u>	<u>613,517.71</u>	<u>613,517.71</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total General Appropriations	<u>\$ 7,008,017.08</u>	<u>\$ 7,030,956.42</u>	<u>\$ 6,494,876.08</u>	<u>\$ 40,551.90</u>	<u>\$ 479,054.90</u>	<u>\$ 16,473.54</u>
Adopted Budget		\$ 7,008,017.08				
Appropriation by NJSA 40A:4-87		<u>22,939.34</u>				
		<u>\$ 7,030,956.42</u>				
Reserve for Uncollected Taxes			\$ 613,517.71			
Reserve for Federal and State Grants - Appropriated			278,811.32			
Deferred Charges - Special Emergency			49,600.00			
Refunds			(213,754.56)			
Disbursed			<u>5,766,701.61</u>			
			<u>\$ 6,494,876.08</u>			

See notes to financial statements.

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

B

**TRUST FUNDS
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE**

December 31, 2017

	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
<u>ASSETS</u>			
Animal Control Fund:			
Cash	SB-1	\$ 15,639.86	\$ 23,529.73
Other Funds:			
Cash - Treasurer	SB-1	163,689.69	155,750.86
Cash - Collector	SB-2	138,850.83	245,449.45
Due from Developers	SB-11	45,054.90	19,078.62
Police Outside Services Receivable	SB-10	50,459.73	95,301.99
		<u>398,055.15</u>	<u>515,580.92</u>
		<u>\$ 413,695.01</u>	<u>\$ 539,110.65</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Animal Control Fund:			
Reserve for Dog Fund Expenditures	SB-3	\$ 15,321.46	\$ 23,295.07
Reserve for Encumbrances	SB-3	270.00	103.46
Due Current Fund	SB-5	46.00	125.80
Due State of New Jersey	SB-4	2.40	5.40
		<u>15,639.86</u>	<u>23,529.73</u>
Other Funds:			
Reserve for Developers' Escrow Deposits	SB-7	63,880.07	60,316.34
Reserve for POAA	SB-7	1,104.33	1,056.33
Reserve for Public Defender	SB-7	1,117.00	1,888.80
Reserve for Special Law Enforcement Fund	SB-7	15,330.93	5,179.63
Reserve for Premiums Received at Tax Sale	SB-7	106,300.00	180,300.00
Reserve for Tax Title Lien Redemptions	SB-7	31,972.42	57,406.36
Reserve for Explorer's Program Donations	SB-7	3,828.66	5,532.81
Reserve for Accumulated Sick Leave	SB-7	30,000.00	15,000.00
Reserve for K-9 Unit Donations	SB-7	245.83	
Reserve for Community Policing Donations	SB-7	4,065.00	
Reserve for Uniform Fire Safety	SB-7	100.00	
Reserve for Affordable Housing	SB-7	16,193.00	
Reserve for Recreation Trust Fund	SB-7	70.00	70.00
Reserve for Storm Recovery	SB-7	5,000.00	5,000.00
Reserve for Payroll Deductions Payable	SB-8	9,447.15	30,372.23
Reserve for Encumbrances	SB-9	43,298.40	42,912.62
Due to Current Fund	SB-6	66,102.36	110,545.80
		<u>398,055.15</u>	<u>515,580.92</u>
		<u>\$ 413,695.01</u>	<u>\$ 539,110.65</u>

See notes to financial statements.

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

C

**GENERAL CAPITAL FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE**

December 31, 2017

	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
<u>ASSETS</u>			
Cash	SC-1	\$ 1,213,181.09	\$ 641,119.58
Federal and State Grants Receivable	SC-4	162,500.00	225,000.00
Deferred Charges to Future Taxation:			
Funded	SC-3	1,450,000.00	1,705,000.00
Unfunded	SC-5	5,029,925.00	4,947,775.00
		<u>\$ 7,855,606.09</u>	<u>\$ 7,518,894.58</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds	SC-11	\$ 1,450,000.00	\$ 1,639,000.00
Bond Anticipation Notes	SC-12	3,420,300.00	2,794,650.00
Capital Lease Payable	SC-10		66,000.00
Improvement Authorizations:			
Funded	SC-7	262,401.09	258,323.09
Unfunded	SC-7	2,318,244.90	2,444,462.13
Contracts Payable	SC-8	78,677.84	40,770.04
Reserve for Encumbrances	SC-9	102,044.27	63,825.33
Due Federal and State Grant Fund	SC-2	8,256.45	
Capital Improvement Fund	SC-6	6,346.00	6,346.00
Reserve for Improvements	C	29,451.00	29,451.00
Grants Awarded Reserved for Future Improvements	C	100,600.00	100,600.00
Reserve for Payment of Debt	SC-1	54,042.37	50,224.82
Fund Balance	C	25,242.17	25,242.17
		<u>\$ 7,855,606.09</u>	<u>\$ 7,518,894.58</u>
Bonds and Notes Authorized But Not Issued	SC-13	<u>\$ 1,609,625.00</u>	<u>\$ 2,153,125.00</u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

E

**GENERAL FIXED ASSETS ACCOUNT GROUP
STATEMENTS OF GENERAL FIXED ASSETS**

December 31, 2017

	<u>2017</u>	<u>2016</u>
General Fixed Assets:		
Land	\$2,923,500.00	\$2,923,500.00
Buildings & Contents	1,451,308.00	1,451,308.00
Vehicles	<u>1,224,869.39</u>	<u>1,153,200.27</u>
Total	<u>\$5,599,677.39</u>	<u>\$5,528,008.27</u>
Total Investment in General Fixed Assets	<u>\$5,599,677.39</u>	<u>\$5,528,008.27</u>

NOTES TO FINANCIAL STATEMENTS

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Township of Riverside (the "Township") was incorporated in 1905 and is located in western Burlington County, approximately five miles from the City of Philadelphia. The Township is 1.54 square miles and is predominately residential. The population according to the 2010 census is 7,911.

The Township has a Township Committee form of government. The Mayor is the chief executive officer and is appointed by the Committee. The five-member Committee is the legislative body of the Township with the members serving for three years.

Component Units

The financial statements of the components units of the Township are not presented in accordance with Governmental Accounting Standards No. 14. If the provisions of GASB No. 14 had been complied with, the financial statements of the following component unit would have been either blended or discretely presented with the financial statements of the Township, the primary government:

Riverside Sewerage Authority
Riverside, New Jersey 08075

Annual financial reports may be inspected directly at the offices of these component units during regular business hours.

Basis of Accounting, Measurement Focus and Basis of Presentation

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

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

Current Fund – The Current Fund accounts for resources and expenditures for government operations of a general nature, including Federal and State Grant funds.

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

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting, Measurement Focus and Basis of Presentation (Continued)

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

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

Basis of Accounting

Revenues – are recorded as received in cash except for certain amounts, which may be due from the State of New Jersey or the federal government as grants. Revenue from Federal and State grants are realized when anticipated as such in the Township’s budget. The amounts recorded as property taxes receivable 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 and recorded as revenue when received.

Expenditures – are recorded on the “budgetary” basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order or when a contract is executed as required by Technical Accounting Directive No. 85-1. When an expenditure is paid, the amount encumbered is simultaneously liquidated in its original amount. Encumbrances are offset by an account entitled reserve for encumbrances. The reserve is classified as a cash liability under New Jersey municipal accounting. At December 31, this reserve represents the portion of appropriation reserves that has been encumbered and is subject to the same statutory provisions as appropriation reserves.

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. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis, whereas interest on utility indebtedness is on the accrual basis.

Foreclosed Property – is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. Ordinarily it is the intention of the municipality to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason, the value of

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting (Continued)

foreclosed property has not been included in the General Fixed Assets Account Group. If such property is converted to a municipal use, it will be capitalized in the General Fixed Assets Account Group.

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

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

General Fixed Assets – Property and equipment purchased by the Current and General Capital Funds are recorded as expenditures at the time of purchase and are not capitalized. All interest costs are recorded as expenditures when paid. The Township has adopted a capitalization threshold of \$5,000.

Accounting for Governmental Fixed Assets, as promulgated by Technical Directive No. 2 as issued by the Division, differs in certain respects from generally accepted accounting principles. The following is a brief description of the provisions of the Directive.

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

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available except for land, which is valued at estimated market value. No depreciation on general fixed assets is recorded in the financial statements.

Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation. Fixed assets acquired through grants-in-aid or contributed capital have not been accounted for separately.

Budgets and Budgetary Accounting – the Township must adopt an annual budget for its current fund in accordance with N.J.S.A.40A:4 et seq. N.J.S.A.40A:4-5 requires the governing body to introduce and approve the annual municipal budget no later than February 10th of each year. At introduction, the governing body shall fix the time and place for a public hearing on the budget and must advertise the time and place at least ten days prior to the hearing in a newspaper published and circulating in the municipality. The public hearing must be held less

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting (Continued)

than twenty-eight days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with N.J.S.A.40A:4-9. Amendments to adopted budgets, if any, are detailed in the statements of revenues and expenditures.

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

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

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

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

Fund Balance – Fund Balances included in the current fund represent amounts available for anticipation as revenue in future year's budgets, with certain restrictions.

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

School Taxes – The municipality is responsible for levying, collecting and remitting school taxes for the Township of Riverside School District. Operations is charged for the full amount required to be raised from taxation to operate the local school district for the period from July 1 to June 30, increased by the amount deferred at December 31, 2016, and decreased by the amount deferred at December 31, 2017.

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting (Continued)

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

Fire District Taxes – The municipality is responsible for levying, collecting and remitting fire district taxes for the Township of Riverside Fire District. Operations are charged for the full amount required to be raised by taxation to support the District for the year.

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

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

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

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

B. CASH AND CASH EQUIVALENTS AND INVESTMENTS

The Township is governed by the deposit and investment limitations of New Jersey state law. The deposits and investments held at December 31, 2017, and reported at fair value are as follows:

Type	Carrying Value
Deposits	
Demand Deposits	<u>\$ 6,967,526.47</u>
Total Deposits	<u><u>\$ 6,967,526.47</u></u>
Reconciliation of Statement of Cash	
Current	\$ 5,140,587.16
Federal and State Grants	295,577.84
Dog Trust	15,639.86
Other Trust	302,540.52
General Capital	<u>1,213,181.09</u>
Total Reconciliation of Statement of Comparative Balance Sheets	<u><u>\$ 6,967,526.47</u></u>

Custodial Credit Risk – Deposits in financial institutions, reported as components of cash, cash equivalents and investments had a bank balance of \$6,965,586.43 at December 31, 2017. Of the bank balance \$250,000 was fully insured by the FDIC (Federal Depository Insurance Corporation) and \$6,715,586.43 was secured by a collateral pool held by the bank, but not in the Township’s name, as required by New Jersey’s Governmental Unit Deposit Protection Act (GUDPA). The GUDPA is more fully described in Note C of these financial statements.

Investment Interest Rate Risk – The Township has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Maturities of investment held at December 31, 2017, are provided in the above schedule.

Investment Credit Risk – The Township has no investment policy that limits its investment choices other than the limitation of state law as follows:

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- Government money market mutual funds;
- Any obligation that a federal agency or 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 obligations bear a fixed rate of interest not dependent on any index or other external factor;

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

B. CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

- Bonds or other obligations of the Township or bonds or other obligations of the local unit or units within which the Township is located;
- Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, approved by the Division of Investment in the Department of Treasury for investment by the Township;
- Local Governments' investment pools;
- Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281; or
- Agreements for the repurchase of fully collateralized securities with certain limitations.

Concentration of Investment Credit Risk – The Township places no limit on the amount it may invest in any one issuer.

C. GOVERNMENTAL UNIT DEPOSIT PROTECTION ACT (GUDPA)

The Township has deposited cash in 2017 with an approved public fund depository qualified under the provisions of the GUDPA. In addition to savings and checking accounts the Township invests monies in certificates of deposits.

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

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with GUDPA, a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include state or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured.

The market value of the collateral must equal five percent of the average daily balance of public funds; and, if the public funds deposited exceed seventy-five percent of the capital funds of the depository, the depository must provide collateral having a market value equal to one hundred percent of the amount exceeding seventy-five percent.

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

C. GOVERNMENTAL UNIT DEPOSIT PROTECTION ACT (GUDPA) (CONTINUED)

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.

Upon review and approval of the Certification Statement that the public depository complies with statutory requirements, the Commissioner issues forms approving the bank as a municipal depository. The Township should request copies of these approval forms semiannually to assure that all depositories are complying with requirements.

D. DEBT

The Local Bond Law governs the issuance of bonds and notes to finance general municipal capital expenditures. Bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township. Bond anticipation notes are issued to temporarily finance capital projects, prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. All such notes must be paid no later than the tenth anniversary of the date of the original note. The State of New Jersey also prescribes that on or before the third anniversary date of the original note a payment of at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid. A second legal installment must be paid if the notes are to be renewed beyond the fourth anniversary date of the original issuance and so on. Tax anticipation notes are issued if the cash on hand is not sufficient to carry on normal operations of the municipality at any time during the year. Such notes are authorized by a resolution adopted by the governing body.

General Capital Fund

Pooled Loan Revenue Bonds – Series 2017A

In March of 2017, the Township entered into a lease and agreement with the Burlington County Bridge Commission to refund 2007 bonds. This agreement provides the Township to permanently finance various general capital improvements through the issuance of County-Guaranteed Pooled Loan Revenue Refunding Bonds (Governmental Loan Program), Series 2017A. The following is a schedule of annual payments to the Commission for principal and interest:

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

D. DEBT (CONTINUED):

General Capital Fund (Continued)

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 124,000.00	\$ 56,760.00	\$ 198,450.00
2019	127,000.00	53,040.00	198,450.00
2020	134,000.00	46,620.00	198,250.00
2021	136,000.00	42,600.00	196,500.00
2022	139,000.00	37,160.00	980,750.00
2023-2027	<u>790,000.00</u>	<u>95,080.00</u>	<u>189,000.00</u>
 Total	 <u>\$ 1,450,000.00</u>	 <u>\$ 331,260.00</u>	 <u>\$ 1,961,400.00</u>

Long-term debt as of December 31, 2017, consists of following bonds:

	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities</u>	<u>Interest Rate</u>	<u>Amount</u>
2017 Bond Series	3/28/2017	\$ 1,488,000.00	8/15/18 to 8/15/27	3.00% to 4.00%	<u>\$ 1,450,000.00</u>
Total					<u>\$ 1,450,000.00</u>

Borrowing Power

New Jersey statutes limit the debt of a municipality to 3½% of the average of the last three preceding year's equalized valuations of the taxable real estate and improvements. The Township's statutory net debt at December 31, 2017, was 1.42%. The Township's remaining borrowing power is 2.08%.

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

D. DEBT (CONTINUED)

Summary of Municipal Debt

	2017	2016	2015
Issued -			
General - Bonds and Notes	\$4,870,300.00	4,433,650.00	4,300,925.00
Authorized But Not Issued:			
General - Bonds and Notes	1,609,625.00	2,153,125.00	1,913,125.00
Net Debt Issued	<u>6,479,925.00</u>	<u>6,586,775.00</u>	<u>6,214,050.00</u>
Reserve for Repayment of Debt	<u>54,042.37</u>	<u>50,224.82</u>	<u>50,224.82</u>
Net Debt	<u><u>\$6,425,882.63</u></u>	<u><u>6,536,550.18</u></u>	<u><u>6,163,825.18</u></u>

**Summary of Statutory Debt
Condition - Annual Debt Statement**

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 1.42%.

	GROSS DEBT	DEDUCTIONS	NET DEBT
Local School District	\$3,965,000.00	3,965,000.00	
General Debt	6,479,925.00	54,042.37	6,425,882.63
Total	<u><u>\$10,444,925.00</u></u>	<u><u>4,019,042.37</u></u>	<u><u>\$6,425,882.63</u></u>

Net debt, \$6,425,882.63 divided by Equalized Valuation Basis Per N.J.S.A.40A:2-2 as amended, \$434,410,611.00 equals 1.48%.

Equalized Valuation Basis:

2017	\$453,867,639.00
2016	429,383,180.00
2015	<u>419,981,014.00</u>
Average	<u><u>\$434,410,611.00</u></u>

Borrowing Power Under 40A:2-6

3.5% of Equalized Valuation Basis (Municipal)	\$15,204,371.39
Net Debt	<u>6,425,882.63</u>
Remaining Borrowing Power	<u><u>\$8,778,488.76</u></u>

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

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

E. DEBT SERVICE AGREEMENT

Bond Anticipation Notes

On May 21, 2012, the Township issued \$300,000 of Bond Anticipation Notes on behalf of the Riverside Sewerage Authority for rehabilitating various sewer lines throughout the Township. Also, on June 15, 2015, the Township issued another \$285,000 of Bond Anticipation Notes on behalf of the Authority for the purchase of a Jet Vac. A fully executed agreement between the Township and Authority has been established for the Authority to repay the debt to the Township. As of December 31, 2017, the Authority has repaid the Township \$243,673.14.

F. SERVICE CONTRACT

A service contract between the Township of Riverside and the Authority dated May 3, 1993, contains various provisions that are summarized below. Pursuant to the service contract, the Township is obligated to pay the Authority sums equal to any deficits in Authority revenues necessary to pay or provide for:

1. Operation and maintenance expenses of the sewer system.
2. Principal and interest on bonds or notes of the Authority.
3. Transfer of money to/or from the Authority to temporarily support cash flow.

The Authority is required to repay to the Township all monies paid by the Township to the Authority. Such repayment by the Authority is required to be made at an interest rate equal to the prime rate plus one percent.

G. LEASE OBLIGATIONS

At December 31, 2017, the Township had lease agreements in effect for the following:

Operating:
Copier and Postage Stamp Machine

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

<u>Year</u>	<u>Amount</u>
2018	\$ 7,848.00
2019	<u>2,583.00</u>
	<u>\$ 10,431.00</u>

Rental payments under operating leases for the year 2017 were \$7,848.00.

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

G. LEASE OBLIGATIONS (CONTINUED):

CAPITAL LEASE OBLIGATIONS:

At December 31, 2017, the Township had a capital lease agreement in effect for four police vehicles.

Capital Leases – Future minimum payments under a capital lease agreement for six police vehicles are as follows:

<u>Year</u>	<u>Amount</u>
2018	\$ 30,548.46
2019	30,548.46
2020	30,548.46
2021	<u>30,548.46</u>
Total Minimum Lease Payments	122,193.84
Less: Amount Representing Interest	<u>14,993.30</u>
Present Value of Net Minimum Lease Payments	<u>\$107,200.00</u>

Lease payments under Capital leases for the year 2017 was \$30,548.46.

H. SCHOOL TAXES

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

	<u>Balance December 31,</u>	
	<u>2017</u>	<u>2016</u>
Balance of Tax	<u>\$ 4,362,273.04</u>	<u>\$ 4,245,171.00</u>
Deferred	<u>2,634,398.00</u>	<u>2,634,398.00</u>
School Tax Payable	<u>\$ 1,727,875.04</u>	<u>\$ 1,610,773.00</u>

I. INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances were recorded on the various balance sheets as of December 31, 2017:

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

I. INTERFUND RECEIVABLES AND PAYABLES (CONTINUED):

	Interfunds Receivable	Interfunds Payable
Current Fund	\$ 66,148.36	
Federal and State Grant Fund	8,256.45	
Trust - Animal Control Fund		\$ 46.00
Trust Other Funds		66,102.36
General Capital Fund		8,256.45
Total Funds	<u>\$ 74,404.81</u>	<u>\$ 74,404.81</u>

J. COMPENSATED ABSENCES

Full-time employees are entitled to fifteen paid sick leave days each year. Unused sick leave may be accumulated and carried forward to the subsequent year. Vacation days not used during the year may be accumulated and carried forward, provided that they do not exceed an employee's annual entitlement.

The Township compensates employees for all unused sick days upon termination or retirement. The current policy provides that accumulated sick leave for police, nonunion fulltime and public works employees is to be paid based on 50% of their accumulated sick hours multiplied by their rate of pay upon termination or retirement, not to exceed the maximum threshold of \$15,000.00.

The Township has established a Compensated Absences Trust Fund to set aside funds for future payments of compensated absences. At December 31, 2017, the balance of the fund was \$30,000.00. It is estimated that at December 31, 2016, accrued benefits for compensated absences are valued at \$259,389.56.

K. JOINT INSURANCE POOL

The Township of Riverside is a member of the Burlington County Municipal Joint Insurance Fund ("Fund"). The Fund provides its members with the following coverage:

- Workers' Compensation and Employer's Liability
- Liability Other Than Motor Vehicles
- Property Damage Other Than Motor Vehicles
- Motor Vehicles
- Fire Insurance

Contributions to the Fund, including a reserve for contingencies, are payable in two installments and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Insurance may order additional assessments to supplement the Fund's claim, loss retention or administrative accounts to assure the payment of the Fund's obligations.

Contributions to the Fund are payable in an annual premium and are based on actuarial assumptions determined by the Fund's actuary. The Township's agreement with the pool provides that the pool will be self-sustaining through member premiums and will reinsure through commercial insurance for claims in excess of \$500,000 for each insured event.

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

K. JOINT INSURANCE POOL (CONTINUED):

The Fund publishes its own financial report for the year ended December 31, 2017, which can be obtained from:

Burlington County Municipal Joint Insurance Fund
P.O. Box 325
Hammonton, New Jersey 08037

L. DEFERRED COMPENSATION SALARY ACCOUNT

The Township offers its employees a Deferred Compensation Program ("Plan") in accordance with Internal Revenue Code Section 457, which has been approved by the Director of the Division. The Plan, available to all full-time employees at their option, permits employees to defer a portion of their salary to future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency.

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

M. PENSION OBLIGATIONS

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. For additional information about PERS, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/annrprts.shtml.

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

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

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

M. PENSION OBLIGATIONS (CONTINUED):

A. Public Employees' Retirement System (PERS) (Continued):

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit, 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. 15A and requires contributions by active members and contributing employers. 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. For fiscal year 2017, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012, and will be adjusted by the rate of return on the actuarial value of assets. Township contributions to PERS amounted to \$66,584 for 2017.

The employee contribution rate was 7.20% effective July 1, 2016 and increased to 7.34% effective July 1, 2017. Subsequent increases after October 1, 2011, are being phased in over seven years effective on each July 1st to bring the total pension contribution rate to 7.5% of base salary as of July 1, 2018.

Net Pension Liability and Pension Expense - At December 31, 2017, the Township's proportionate share of the PERS net pension liability is valued to be \$1,806,778. The net pension liability was measured as of June 30, 2017. The total pension liability used to calculate the net pension liability was determined using updated procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2016, to the measurement date of June 30, 2017. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

M. PENSION OBLIGATIONS (CONTINUED):

A. Public Employees' Retirement System (PERS) (Continued):

year ended June 30, 2017. The Township's proportion measured as of June 30, 2017, was .00749%, which was an increase of .00027% from its proportion measured as of June 30, 2016.

Balances at December 31, 2017 and December 2016

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
	July 1, 2017	July 1, 2016
Actuarial valuation date		
Net Pension Liability	\$ 1,806,778.00	\$ 2,219,787.00
Township's portion of the Plan's total Net Pension Liability	0.00776%	0.00749%

For the year ended December 31, 2017, the Township had an allocated pension expense of \$66,294.

Actuarial Assumptions – The collective total pension liability for the June 30, 2017, measurement date was determined by an actuarial valuation as of July 1, 2016, which was rolled forward to June 30, 2017. This actuarial valuation used the following actuarial assumptions:

Inflation Rate	2.25%
Salary Increases Through 2026	1.65 - 4.15% Based on Age
Thereafter	2.65 - 5.15% Based on Age
Investment Rate of Return	7.00%

Pre-retirement mortality rates were based on the RP-2000 Employee Pre-retirement Mortality Table for Male and Female active participants. Mortality Tables set back two years for males and seven years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Post-retirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for service retirements and beneficiaries of former members and a one-year static projection based on mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Disability Mortality Table (set back 3 years for males and set back forward 1 year for females).

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

M. PENSION OBLIGATIONS (CONTINUED):

A. Public Employees' Retirement System (PERS) (Continued):

The actuarial assumptions used in the July 1, 2016, valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2017) 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's target asset allocation as of June 30, 2017, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Absolute Return/Risk Mitigation	5.00%	5.51%
Cash Equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	3.78%
Public High Yield	2.50%	6.82%
Global Diversified Credit	5.00%	7.10%
Credit Oriented Hedge Funds	1.00%	6.60%
Debt Related Private Equity	2.00%	10.63%
Debt Related Real Estate	1.00%	6.61%
Private Real Estate	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. Developed Markets Equity	11.50%	9.00%
Emerging Markets Equity	6.50%	11.64%
Buyouts/Venture Capital	8.25%	13.08%
	<u>100.00%</u>	

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

M. PENSION OBLIGATIONS (CONTINUED):

A. Public Employees' Retirement System (PERS) (Continued):

Discount Rate - The discount rate used to measure the total pension liability was 5.00% as of June 30, 2017. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.58% as of June 30, 2017, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 40% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2040. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2040, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the Township's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Township's proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

	<u>At 1% decrease (4.00%)</u>	<u>At current discount rate (5.00%)</u>	<u>At 1% increase (6.00%)</u>
Local	\$ 2,241,431	\$ 1,806,778	\$ 1,444,658

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. For additional information about PFRS, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/annrprts.shtml

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

M. PENSION OBLIGATIONS (CONTINUED):

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

The vesting and benefit provisions are set by N.J.S.A. 43:16A. PFRS provides retirement as well as death and disability benefits. All benefits vest after ten years of service, except disability benefits which vest after four 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, as defined, 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 if 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 employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. For fiscal year 2017, the State contributed an amount less than the actuarially determined amount. The Local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of 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 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 will be adjusted by the rate of return on the actuarial value of assets. Township contributions to PFRS amounted to \$293,776 for 2017.

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

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.

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

M. PENSION OBLIGATIONS (CONTINUED):

B. Police and Firemen’s Retirement System (PFRS) (Continued):

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 non-employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability to report in the financial statements of the local participating employers related to this legislation.

Net Pension Liability and Pension Expense - At December 31, 2017, the Township’s proportionate share of the PFRS net pension liability is valued to be \$6,003,713. The net pension liability was measured as of June 30, 2017. The total pension liability used to calculate the net pension liability was determined using updated procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2016, to the measurement date of June 30, 2017. The Township’s proportion of the net pension liability was based on the Township’s actual contributions to the plan relative to the total of all participating employers’ contributions for the year ended June 30, 2017. The Township’s proportion measured as of June 30, 2017, was .03889%, which was an increase of .00286 from its proportion measured as of June 30, 2016.

Collective Balances at December 31, 2017 and 2016

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Actuarial valuation date	July 1, 2017	July 1, 2016
Net Pension Liability	\$ 6,003,713.00	\$ 6,882,857.00
Township's portion of the Plan's total		
Net Pension Liability	0.03889%	0.03603%

For the year ended December 31, 2017, the Township had an allocated pension expense of \$353,587.

Additionally, the State’s proportionate share of the net pension liability attributable to the Township is \$672,466 as of December 31, 2017. The net pension liability was measured as of June 30, 2017. The total pension liability used to calculate the net pension liability was determined using updated procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2017, to the measurement date of June 30, 2017. The State’s proportion of the net pension liability associated with the Township was based on a projection of the Township’s long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. The State’s proportion measured as of June 30, 2017, was .03889%, which was an increase of .00329% from its proportion measured as of June 30, 2016, which is the same proportion as the Township’s.

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

M. PENSION OBLIGATIONS (CONTINUED):

B. Police and Firemen’s Retirement System (PFRS) (Continued):

Township's Proportionate Share of the Net Pension Liability	\$ 6,003,713.00
State's Proportionate Share of the Net Pension Liability Associated with the Township	<u>672,466.00</u>
Total Net Pension Liability	<u>\$ 6,676,179.00</u>

For the year ended December 31, 2017, the Township’s total allocated pension expense was \$82,258.

Actuarial Assumptions – The collective total pension liability for the June 30, 2017, measurement date was determined by an actuarial valuation as of July 1, 2016, which was rolled forward to June 30, 2017. This actuarial valuation used the following actuarial assumptions:

Inflation Rate	2.25%
Salary Increases:	
Through 2016	2.10 - 8.98%
	Based on Age
Thereafter	3.10 - 9.98%
	Based on Age
Investment Rate of Return	7.00%

Pre-retirement mortality rates were based on the RP-2000 Pre-retirement Mortality Tables projected thirteen years using Projection Scale BB and then projected on a generational basis using the plan actuary’s modified 2014 projection scales. Post-retirement mortality rates for male service retirements and beneficiaries are based the RP-2000 Combined Healthy Mortality Tables projected one year using Projection Scale AA and two years using the plan actuary’s modified 2014 projection scales, which was further projected on a generational basis using the plan actuary’s modified 2014 projection scales. Post-retirement Mortality Tables projected thirteen years using Projection Scale BB and then two years using the plan actuary’s modified 2014 projected scales, which was further projected on a generational basis using the plan actuary’s modified 2014 scales. Disability mortality rates were based on special mortality tables used for the period after disability retirement.

The actuarial assumptions used in the July 1, 2016, valuation were based on the results of an actuarial experience study for the period July 1, 2010 to June 30, 2013.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2017) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

M. PENSION OBLIGATIONS (CONTINUED):

B. Police and Firemen’s Retirement System (PFRS) (Continued):

Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2017, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Absolute Return/Risk Mitigation	5.00%	5.51%
Cash Equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	3.78%
Public High Yield	2.50%	6.82%
Global Diversified Credit	5.00%	7.10%
Credit Oriented Hedge Funds	1.00%	6.60%
Debt Related Private Equity	2.00%	10.63%
Debt Related Real Estate	1.00%	6.61%
Private Real Estate	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. Developed Markets Equity	11.50%	9.00%
Emerging Markets Equity	6.50%	11.64%
Buyouts/Venture Capital	8.25%	13.08%
	<u>100.00%</u>	

Discount Rate - The discount rate used to measure the total pension liability was 5.55% as of June 30, 2017. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 2.58% as of June 30, 2017, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the non-employer contributing entity will be made on the average of the last five years of contributions. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2050. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

M. PENSION OBLIGATIONS (CONTINUED):

B. Police and Firemen’s Retirement System (PFRS) (Continued):

Sensitivity of the Township’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Township’s proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the Township’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:

	At 1% decrease (5.14%)	At current discount rate (6.14%)	At 1% increase (7.14%)
Local	\$ 7,910,386	\$ 6,003,713	\$ 4,437,164

Pension Plan Fiduciary Net Position

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

C. Defined Contribution Retirement Program

The Defined Contribution Retirement Program (DCRP) is a cost-sharing multiple-employer defined contribution pension fund which was established in 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.) and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The DCRP provides eligible members and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A.43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the Township’s contribution amounts for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period. As of December 31, 2017, the Township has paid \$1,366.

The Township currently has one employee enrolled in DCRP.

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

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

N. POST-RETIREMENT HEALTH BENEFIT PLAN

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required PERS to fund post-retirement medical benefits for those State employees who retire after reaching 60 and accumulating 25 years of credited service. P.L. 2007, c. 103 amended the law to eliminate the funding of post-retirement medical benefits through the PERS system. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees. As of June 30, 2015, there were 107,314 retirees eligible for post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with Chapter 62, P.L. 1994. Funding of post-retirement medical premiums changed from a pre-funding basis to a pay-as-you-go basis beginning in fiscal year 1994.

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides employer paid health benefits to members of PERS and the Alternate Benefit Program, who retired from a board of education or county college with 25 years of service. The State paid \$231.2 million toward Chapter 126 benefits for 20,045 eligible retired members in Fiscal Year 2016.

State Health Benefits Plan Description

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

The SHBP was extended to employees, retirees and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. In 2012, The Township authorized participation in the SHBP’s post-retirement benefit program through resolution number 2012-98 on October 1, 2012. The Township adopted the provision of Chapter 88, Public Laws of 1974 as amended by Chapter 436, P.L. 1981 to permit local public employers to pay the premium charges for certain eligible pensioners and their dependents and to pay Medicare charges for such retirees and their spouses covered by the New Jersey Health Benefits Program. In 2012, Township employees began making health benefit contributions of 1.5% of their base salaries towards the health benefit costs.

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at www.state.nj.us/treasury/pensions/gasb-43-aug2011.pdf.

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

N. POST-RETIREMENT HEALTH BENEFIT PLAN (CONTINUED):

Funding Policy

Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-retirement medical benefits under the plan have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis. Contributions to pay for the health premiums of participating retirees in the SHBP are billed to Township on a monthly basis. As a participating employer the Township will pay and remit to the State treasury contributions to cover the full cost of premiums for eligible pensioners on a basis comparable to the reimbursement made by the State to its eligible pensioners and their spouses in accordance with provisions of Chapter 75, Public Laws of 1972.

The Township contributions to SHBP for the years ended December 31, 2017, 2016 and 2015 were \$223,845, \$237,234, and \$170,125, respectively, which equaled the required contributions for each year. There were seven retired participants eligible at December 31, 2017 and 2016, and eight retired participants for 2015.

O. ASSESSMENTS AND COLLECTION OF PROPERTY TAXES

New Jersey statutes require that taxable valuation of real property be prepared by the Township Tax Assessor as of October 1 in each year and filed with the County Board of Taxation (the "Board") by January 10 of the following year. Upon the filing of certified adopted budgets by the Township, Regional School District, and County, the tax rate is struck by the Board based on the certified amounts in each of the taxing districts for collection to fund the budgets. Pursuant to statute, this process is to be completed on or before May 3, with a completed duplicate of the tax rolls to be delivered to the Township Tax Collector (the "Collector") on or before May 13th.

Tax bills are prepared then mailed by the Collector of the Township annually and set forth the final tax for the tax year. The bill contains a credit for preliminary amounts billed previously with the balance payable in equal installments on August 1st and November 1st of the tax year. In addition, the property owner receives a preliminary bill for the succeeding year based on one-half of the prior year's tax. The preliminary payments are due and payable on February 1st and May 1st. The New Jersey Statutes allow a grace period of 10 days for each payment period and the Township granted this option to taxpayers. Taxes become delinquent if not paid on the installment dates and become subject to interest penalties of 8% or 18% of the amount delinquent. If taxes are delinquent on or after April 1st of the succeeding year, the delinquent amount is subject to "Tax Sale" which places a tax lien on the property allowing the holder to enforce the tax lien by collection or foreclosure. New Jersey property tax laws establish a tax lien on real estate as of January 1st of the current tax year even though the amount due is not known.

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

P. CAPITAL ASSETS

The following schedule is a summarization of the changes in General Capital Assets by Source for the year ended December 31, 2017:

	Balance December 31, 2016	Additions	Deletions	Balance December 31, 2017
Land	\$ 2,923,500.00			\$ 2,923,500.00
Building and Improvements	1,451,308.00			1,451,308.00
Vehicles and Equipment	1,153,200.27	\$ 246,753.00	\$ 175,083.88	1,224,869.39
Total	<u>\$ 5,528,008.27</u>	<u>\$ 246,753.00</u>	<u>\$ 175,083.88</u>	<u>\$ 5,599,677.39</u>

Q. FUND BALANCE

The fund balance remaining in the Current Fund at December 31, 2017, is \$2,396,644.02. Of that amount, \$388,000.00 is appropriated in the 2018 budget as introduced. The fund balance in the General Capital Fund at December 31, 2017, is \$25,242.17.

R. LITIGATION

The Township is a defendant in several legal proceedings that are in various stages of litigation. In the opinion of the administration, the outcome of these lawsuits will not have a material adverse effect on the accompanying financial statements.

S. DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2017, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following fund:

	Balance December 31, 2017	Added in 2017	2018 Budget Appropriation	Succeeding Years
Current Fund				
Emergency Appropriation	\$ 248,000.00		\$ 49,600.00	\$ 198,400.00
Total	<u>\$ 248,000.00</u>	<u>\$ -</u>	<u>\$ 49,600.00</u>	<u>\$ 198,400.00</u>

The appropriations in the 2018 budget are not less than that required by statute.

T. CASH MANAGEMENT PLAN

The Township's cash management plan includes the approval of Township money to be transferred to or from the Authority in order to temporarily support cash flow. On January 31, 2013, the Township loaned the Authority a total of \$150,000. As of December 31, 2017, the balance of \$57,759.74 is due from the Authority to the Township.

U. SUBSEQUENT EVENTS

Township management has evaluated subsequent events occurring after December 31, 2017, through August 30, 2018, which is the date the financial statements were available to be issued.

SUPPLEMENTAL SCHEDULES

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-1

**CURRENT FUND
SCHEDULE OF CASH - TREASURER**

Year Ended December 31, 2017

	<u>Regular</u>	<u>Federal and State Grant Fund</u>
Balance Dec. 31, 2016	\$ 2,105,071.42	\$ 318,058.68
Increased by Receipts:		
Tax Collector	\$ 14,500,000.00	
Due State of New Jersey:		
Senior Citizen and Veteran Deductions	68,131.34	
State Training Fees	4,362.00	
Division of Youth and Family Services	1,575.00	
Revenue Accounts Receivable	1,553,455.91	
2017 Appropriation Refunds	213,754.56	
Miscellaneous Revenue Not Anticipated	151,416.59	
Taxes Receivable - Homestead Rebate	243,074.18	
Tax Title Liens Receivable	1,317.62	
Riverside Sewerage Authority	1,667.36	
Due Animal Control Fund	79.80	
Due Trust Other Funds	288,615.08	
Interest and Cost on Taxes	293.74	
Petty Cash Fund	200.00	
Matching Funds		\$ 3,558.75
Federal and State Grants Receivable		318,524.12
	<u>17,027,943.18</u>	<u>322,082.87</u>
	19,133,014.60	640,141.55
Decreased by Disbursements:		
2017 Appropriations	5,766,701.61	
2016 Appropriation Reserves	106,388.95	
Tax Overpayment Refunds	5,074.80	
County Taxes Payable	1,740,468.96	
Local District School Taxes Payable	8,607,241.98	
Special District Taxes Payable	460,211.00	
Special Emergency Note	49,600.00	
Reserve for Tax Map Preparation and Revaluation	46,827.34	
Riverside Sewerage Authority	4,088.30	
Due Trust Other Funds	251,015.45	
Due State of New Jersey:		
State Training Fees	4,145.00	
Division of Youth and Family Services	1,325.00	
Petty Cash Fund	200.00	
Operations - Refund of Prior Year Revenue	5,021.05	
Matching Funds	3,558.75	
Due General Capital Fund		8,256.45
Federal and State Grants Appropriated		336,307.26
	<u>17,051,868.19</u>	<u>344,563.71</u>
Balance Dec. 31, 2017	<u>\$ 2,081,146.41</u>	<u>\$ 295,577.84</u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-2

**CURRENT FUND
SCHEDULE OF CASH – COLLECTOR**

Year Ended December 31, 2017

Balance Dec. 31, 2016		\$ 2,125,374.48
Increased by:		
Taxes Receivable	\$ 15,146,946.88	
Prepaid Taxes	180,860.35	
Tax Overpayments	6,479.10	
Miscellaneous Revenues Anticipated:		
Interest and Cost on Taxes	87,155.77	
Miscellaneous Revenue Not Anticipated	4,821.25	
Due from Trust Other - Tax Title Liens	<u>7,102.92</u>	
		<u>15,433,366.27</u>
		17,558,740.75
Decreased by Disbursements:		
Payments to Treasurer		<u>14,500,000.00</u>
Balance Dec. 31, 2017		<u><u>\$ 3,058,740.75</u></u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-3

**CURRENT FUND
SCHEDULE OF CHANGE FUND AND PETTY CASH FUNDS**

Year Ended December 31, 2017

Balance Dec. 31, 2016	\$	700.00
Increased by:		
Received from Treasurer		<u>200.00</u>
		900.00
Decreased by:		
Returned to Treasurer		<u>200.00</u>
Balance Dec. 31, 2017	\$	<u><u>700.00</u></u>

Summary of Balance as of December 31, 2017

Petty Cash Funds:			
Police	\$	100.00	
Treasurer		<u>100.00</u>	
			\$ 200.00
Change Funds:			
Collector			<u>500.00</u>
			<u><u>\$ 700.00</u></u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-4

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

Year Ended December 31, 2017

Year	Balance	Additional	Levy	Collections		Due from State of New Jersey	Canceled	Transferred to Tax Title Liens	Balance
	Dec. 31, 2016			2016	2017				Dec. 31, 2017
2010	\$ 85.27								\$ 85.27
2014	3,411.26								3,411.26
2015	4,043.89				\$ 963.19				3,080.70
2016	390,822.44	\$ 6,250.00			388,133.82		\$ 103.62		8,835.00
	398,362.86	6,250.00	-	-	389,097.01	-	103.62	-	15,412.23
2017	-		\$ 15,732,956.10	\$ 74,387.08	15,000,924.05	\$ 72,383.91	28,662.21	\$ 53,533.74	503,065.11
	<u>\$ 398,362.86</u>	<u>\$ 6,250.00</u>	<u>\$ 15,732,956.10</u>	<u>\$ 74,387.08</u>	<u>\$ 15,390,021.06</u>	<u>\$ 72,383.91</u>	<u>\$ 28,765.83</u>	<u>\$ 53,533.74</u>	<u>\$ 518,477.34</u>

Analysis of 2017 Tax Levy

Tax Yield

General Purpose Tax	\$ 15,265,883.05
Special District Taxes	460,211.00
Added / Omitted Taxes (54:4-63 et seq.)	6,862.05
	<u>\$ 15,732,956.10</u>

Tax Levy

Local District School Tax	\$ 8,724,344.00
County Taxes:	
County Tax	\$ 1,436,538.49
County Open Space Preservation Tax	171,188.77
County Library Tax	132,741.70
	1,740,468.96
Due County for Added and Omitted Taxes	761.19
Total County Taxes	1,741,230.15
Special District Taxes:	
Fire	460,211.00
Local Tax for Municipal Purposes	4,796,788.08
Add: Additional Tax Levied	10,382.87
Total Local Tax for Municipal Purposes	4,807,170.95

\$ 15,732,956.10

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-5

**CURRENT FUND
SCHEDULE OF TAX TITLE LIENS RECEIVABLE**

Year Ended December 31, 2017

Balance Dec. 31, 2016		\$ 416,320.61
Increased by:		
Transferred from Taxes Receivable	\$ 53,533.74	
Interest and Costs from Tax Sale	<u>4,840.68</u>	
		<u>58,374.42</u>
		474,695.03
Decreased by:		
Receipts - Treasurer		<u>1,317.62</u>
Balance Dec. 31, 2017		<u><u>\$ 473,377.41</u></u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-6

**CURRENT FUND
SCHEDULE OF PROPERTY ACQUIRED FOR TAXES
Year Ended December 31, 2017**

Balance Dec. 31, 2016 and 2017		<u><u>\$ 154,500.00</u></u>
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**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-7

**CURRENT FUND
SCHEDULE OF DUE TO/FROM STATE OF NEW JERSEY VETERANS' AND SENIOR CITIZENS'
DEDUCTIONS**

Year Ended December 31, 2017

<hr/>	
Balance Dec. 31, 2016	\$ 6,282.54
Increased by:	
Cash Received	<u>68,131.34</u>
	74,413.88
Decreased by:	
Accrued in 2017:	
Veterans' and Senior Citizens' Deductions per Billings	\$ 71,875.00
Veterans' and Senior Citizens' Deductions Allowed by Tax Collector	<u>3,500.00</u>
	75,375.00
Deduct:	
Deductions Disallowed by Tax Collector for 2017 Taxes	<u>2,991.09</u>
	\$ 72,383.91
Deduct:	
Deductions Disallowed by Tax Collector for 2016 Taxes	<u>6,250.00</u>
	<u>66,133.91</u>
Balance Dec. 31, 2017	<u><u>\$ 8,279.97</u></u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-8

**CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE**

Year Ended December 31, 2017

	<u>Balance Dec. 31, 2016</u>	<u>Accrued in 2017</u>	<u>Collected by Treasurer</u>	<u>Balance Dec. 31, 2017</u>
Municipal Clerk:				
Licenses:				
Alcoholic Beverages		\$ 28,314.00	\$ 28,314.00	
Other Licenses		86,044.75	86,044.75	
Construction Code Official:				
Uniform Construction Code Fees		79,615.00	79,615.00	
Rental Registration		77,405.00	77,405.00	
Property Maintenance Fees		26,360.00	26,360.00	
Municipal Court Fines and Costs	\$ 9,048.98	168,801.50	166,262.59	\$ 11,587.89
Consolidated Municipal Property Tax Relief Aid		39,669.00	39,669.00	
Energy Receipts Tax		749,203.00	749,203.00	
Uniform Fire Safety		12,381.50	12,381.50	
School Resource Officer		46,500.00	27,900.00	18,600.00
Cable TV Franchise Fees		23,393.77	23,393.77	
Reserve for Payment of Debt		129,377.30	129,377.30	
Riverside Sewerage Authority - Lease Agreement		55,000.00	55,000.00	
Riverside Sewerage Authority - Interest on Bond Anticipation Notes		1,030.00	1,030.00	
Riverside Sewerage Authority - Reserve for Payment of Notes		51,500.00	51,500.00	
	<u>\$ 9,048.98</u>	<u>\$ 1,574,594.82</u>	<u>\$ 1,553,455.91</u>	<u>\$ 30,187.89</u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-9

**CURRENT FUND
SCHEDULE OF PRIOR YEAR APPROPRIATION RESERVES**

Year Ended December 31, 2017

	Balance Dec. 31, 2016		Balance After Transfers	Paid or Charged	Balance Lapsed
	Encumbered	Reserved			
<u>OPERATIONS--WITHIN "CAPS"</u>					
<u>General Government</u>					
Administrative and Executive					
Other Expenses		\$ 2,500.00	\$ 2,500.00	\$ 684.90	\$ 1,815.10
Mayor and Township Committee					
Salaries and Wages		59.80	59.80		59.80
Other Expenses	\$ 150.00	1,629.00	1,779.00		1,779.00
Financial Administration					
Salaries and Wages		0.02	0.02		0.02
Other Expenses	10,805.84	1,700.62	12,506.46	12,094.84	411.62
Assessment of Taxes					
Salaries and Wages		0.76	0.76		0.76
Other Expenses		1,073.24	1,073.24		1,073.24
Collection of Taxes					
Salaries and Wages		615.12	615.12		615.12
Other Expenses	175.96	1,285.96	1,461.92	1,015.37	446.55
Legal Services and Costs					
Other Expenses	32,500.01	29.27	32,529.28	32,024.26	505.02
Engineering Services and Costs					
Other Expenses		6,848.41	6,848.41	4,811.54	2,036.87
Municipal Land Use Law (N.J.S.40:55D-1):					
Planning Board					
Salaries and Wages		0.50	0.50		0.50
Other Expenses	192.00	1,789.25	1,981.25	1,981.25	
Insurance					
Workers' Compensation		42,138.00	42,138.00		42,138.00
Employee Group Insurance		68,880.55	68,880.55	12,713.92	56,166.63
Dental		4,838.70	4,838.70		4,838.70
Unemployment Compensation		489.88	489.88		489.88
Municipal Clerk					
Other Expenses	1,566.80	10,339.16	11,905.96	3,870.60	8,035.36
Municipal Court					
Other Expenses	465.32		529.37	448.08	81.29
Police					
Salaries and Wages		17,882.77	17,882.77		17,882.77
Crossing Guards' Salaries and Wages	4,024.34	10,705.51	14,729.85		14,729.85
Other Expenses		10,628.50	10,628.50	5,493.74	5,134.76
Fire					
Other Expenses		6,049.54	6,049.54		6,049.54
Uniform Fire Safety Act					
Salaries and Wages		750.00	750.00		750.00
Municipal Prosecutor					
Other Expenses		659.00	659.00		659.00
Office of Emergency Management					
Other Expenses		300.00	300.00		300.00
Road Repairs and Maintenance					
Salaries and Wages		58,813.90	58,813.90		58,813.90
Other Expenses	1,735.77	1,558.35	3,294.12	2,294.52	999.60
Public Buildings and Grounds					
Salaries and Wages		940.00	940.00		940.00
Other Expenses	1,142.82	111.10	1,253.92	919.18	334.74

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-9

**CURRENT FUND
SCHEDULE OF PRIOR YEAR APPROPRIATION RESERVES (CONTINUED)**

Year Ended December 31, 2017

	Balance Dec. 31, 2016			Paid or Charged	Balance Lapsed
	Encumbered	Reserved	Balance After Transfers		
<u>OPERATIONS--WITHIN "CAPS" (CONT'D)</u>					
<u>General Government (Cont'd)</u>					
Garbage and Trash					
Other Expenses		33,828.20	33,828.20	12,457.00	21,371.20
Vehicle Maintenance					
Other Expenses		1,260.48	1,260.48		1,260.48
<u>Health and Welfare</u>					
Vital Statistics					
Other Expenses		683.20	683.20		683.20
Animal Control					
Other Expenses		14,931.00	14,931.00		14,931.00
Parks and Recreation					
Other Expenses	177.22	3,649.61	3,826.83	354.88	3,471.95
Celebration of Public Events					
Other Expenses	1,000.00	3,769.00	4,769.00	1,000.00	3,769.00
<u>Uniform Construction Code --</u>					
Appropriations Offset by Dedicated Revenues					
Construction Office					
Salaries and Wages		697.75	697.75		697.75
Other Expenses	1,111.00	2,012.63	3,123.63	2,804.40	319.23
<u>Unclassified</u>					
Street Lighting		4,765.50	9,301.15	9,301.15	
Gasoline/Diesel Fuel		43,690.31	43,690.31	11,139.48	32,550.83
Water		2,255.05	2,255.05	173.93	2,081.12
Natural Gas		10,895.71	10,895.71	986.77	9,908.94
Electricity		18,316.67	13,716.97	2,401.57	11,315.40
Telephone		2,924.72	2,924.72	550.64	2,374.08
Trash Disposal		46,254.77	46,254.77	22,806.24	23,448.53
Recycling Tax		5,199.20	5,199.20		5,199.20
Prior Year Bills:					
Bulk and Utilities - Electric					
PSEG 2011-2012		64,000.00	64,000.00	64,000.00	
Engineer Services					
Pennonni Associates 2010-2012 and 2015		1,395.55	1,395.55		1,395.55
Contingent		4,504.73	4,504.73		4,504.73
Total Operations - Within "CAPS"	<u>55,047.08</u>	<u>517,650.99</u>	<u>572,698.07</u>	<u>206,328.26</u>	<u>366,369.81</u>
<u>DEFERRED CHARGES AND STATUTORY</u>					
<u>EXPENDITURES --MUNICIPAL--WITHIN "CAPS"</u>					
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)		10,018.39	10,018.39		10,018.39
Defined Contribution Retirement Program		4,521.80	4,521.80	28.38	4,493.42
Total Deferred Charges - Within "CAPS"	<u>-</u>	<u>14,540.19</u>	<u>14,540.19</u>	<u>28.38</u>	<u>14,511.81</u>
Total Appropriations	<u>\$ 55,047.08</u>	<u>\$ 532,191.18</u>	<u>\$ 587,238.26</u>	<u>\$ 206,356.64</u>	<u>\$380,881.62</u>
Disbursed				\$ 106,388.95	
Accounts Payable				99,967.69	
				<u>\$ 206,356.64</u>	

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-10

CURRENT FUND
SCHEDULE OF DUE TO STATE OF NEW JERSEY - MARRIAGE FEES
December 31, 2017

Balance Dec. 31, 2016	\$ 570.00
Increased by:	
Fees Collected	<u>1,575.00</u>
	2,145.00
Decreased by:	
Disbursed	<u>1,325.00</u>
Balance Dec. 31, 2017	<u>\$ 820.00</u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-11

CURRENT FUND
SCHEDULE OF DUE TO STATE OF NEW JERSEY - STATE TRAINING FEES
Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 889.00
Increased by:	
Fees Collected	<u>4,362.00</u>
	5,251.00
Decreased by:	
Payments	<u>4,145.00</u>
Balance Dec. 31, 2017	<u>\$ 1,106.00</u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-12

CURRENT FUND
SCHEDULE OF DUE TO STATE OF NEW JERSEY - VITAL STATISTICS FEES
Year Ended December 31, 2017

Balance Dec. 31, 2016 and Dec. 31, 2017	<u>\$ 580.00</u>
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**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-13

**CURRENT FUND
SCHEDULE OF TAX OVERPAYMENTS**

Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 1,509.14
Increased by:	
Receipts - Collector	<u>6,479.10</u>
	7,988.24
Decreased by:	
Refunds Disbursed by Treasurer	<u>5,074.80</u>
Balance Dec. 31, 2017	<u><u>\$ 2,913.44</u></u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-14

**CURRENT FUND
SCHEDULE OF PREPAID TAXES
Year Ended December 31, 2017**

Balance Dec. 31, 2016 (2017 Taxes)	\$ 74,387.08
Increased by:	
Collections - 2018 Taxes	<u>180,860.35</u>
	255,247.43
Decreased by:	
Application to 2017 Taxes Receivable	<u>74,387.08</u>
Balance Dec. 31, 2017 (2018 Taxes)	<u><u>\$ 180,860.35</u></u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-15

**CURRENT FUND
SCHEDULE OF COUNTY TAXES PAYABLE**

Year Ended December 31, 2017

Increased by:	
Levy - 2017	<u>\$ 1,740,468.96</u>
Decreased by:	
Payments	<u>\$ 1,740,468.96</u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-16

**CURRENT FUND
SCHEDULE OF DUE TO COUNTY FOR ADDED AND OMITTED TAXES
Year Ended December 31, 2017**

County Share of Added Omitted Taxes	<u>\$ 761.19</u>
Balance Dec. 31, 2017	<u>\$ 761.19</u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-17

**CURRENT FUND
SCHEDULE OF SPECIAL DISTRICT TAXES PAYABLE
Year Ended December 31, 2017**

Decreased By:	
Payments	<u>\$ 460,211.00</u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-18

**CURRENT FUND
SCHEDULE OF LOCAL DISTRICT SCHOOL TAX**

Year Ended December 31, 2017

Balance Dec. 31, 2016:		
School Tax Payable	\$	1,610,773.02
School Tax Deferred		<u>2,634,398.00</u>
	\$	4,245,171.02
Increased by:		
Levy - School Year July 1, 2017 to June 30, 2018		<u>8,724,344.00</u>
		12,969,515.02
Decreased by:		
Payments		<u>8,607,241.98</u>
Balance Dec. 31, 2017:		
School Tax Payable		1,727,875.04
School Tax Deferred		<u>2,634,398.00</u>
	\$	<u>4,362,273.04</u>
2017 Liability:		
Tax Paid	\$	8,607,241.98
Add: Tax Payable Dec. 31, 2017		<u>1,727,875.04</u>
		10,335,117.02
Less: Tax Payable Dec. 31, 2016		<u>1,610,773.02</u>
Amount Charged to Operations	\$	<u>8,724,344.00</u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-19

**CURRENT FUND
SCHEDULE OF SPECIAL EMERGENCY NOTES PAYABLE**

Year Ended December 31, 2017

<u>Date Authorized</u>	<u>Purpose</u>	<u>Net Amount Authorized</u>	1/5 of	<u>Net Amount Authorized</u>	<u>Balance Dec. 31, 2016</u>	<u>Raised in 2017</u>	<u>Balance Dec. 31, 2017</u>
11/17/2016	Tax Map Preparation and Revaluation	\$ 248,000.00	\$	49,600.00	<u>\$ 248,000.00</u>	<u>\$ 49,600.00</u>	<u>\$ 198,400.00</u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-20

**CURRENT FUND
SCHEDULE OF RESERVE FOR TAX MAP PREPARATION AND REVALUATION**

Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 248,000.00
Decreased by:	
Payments	<u>46,827.34</u>
Balance Dec. 31, 2017	<u><u>\$ 201,172.66</u></u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-21

**CURRENT FUND
SCHEDULE OF DUE FROM RIVERSIDE SEWERAGE AUTHORITY**

Year Ended December 31, 2017

Balance Dec. 31, 2016		\$ 36,119.08
Increased by:		
Disbursements:		
Current Fund Disbursed on Behalf of Riverside Sewerage Authority	\$ 4,088.30	
Reimbursement for Group Health Benefit Expenses	12,423.58	
Reimbursement for Bond Anticipation Notes Interest Expense	<u>6,831.00</u>	
Current Fund Disbursed on Behalf of Riverside Sewerage Authority		<u>23,342.88</u>
		59,461.96
Decreased by:		
Receipts:		
Reimbursement from Riverside Sewerage Authority	348.18	
Current Fund Received on Behalf of Riverside Sewerage Authority	1,319.18	
Riverside Sewerage Authority Disbursed on Behalf of Current Fund	<u>34.86</u>	
Reimbursement from Riverside Sewerage Authority		<u>1,702.22</u>
Balance Dec. 31, 2017		<u><u>\$ 57,759.74</u></u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-22

**FEDERAL AND STATE GRANT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE**

Year Ended December 31, 2017

Program:	Balance <u>Dec. 31, 2016</u>	<u>Accrued</u>	<u>Received</u>	Balance <u>Dec. 31, 2017</u>
Federal Grants:				
NJ Department of Transportation Grant	\$ 25,000.00		\$ 25,000.00	
NJ Department of Transportation Grant		\$ 220,000.00	149,905.50	\$ 70,094.50
Municipal Aid Grant		83,842.91	83,842.91	
Small Cities Grant	100,000.00			100,000.00
Highway Traffic Safety Grants:				
Distracted Driving		5,500.00	5,500.00	
Impaired Driving Countermeasure		10,500.00	10,500.00	
Total Federal Grants	<u>125,000.00</u>	<u>319,842.91</u>	<u>274,748.41</u>	<u>170,094.50</u>
State Grants:				
Body Armor Replacement	399.00	1,865.87	1,865.87	399.00
Clean Cities Coalition	274.90			274.90
Clean Communities Grant		15,573.47	15,573.47	
Delanco Township	3,620.00			3,620.00
Hazardous Discharge Site Remediation Grant	80,113.55			80,113.55
Municipal Drug Alliance (C.A.S.A.)	94,944.04	14,235.00	8,582.97	100,596.07
Recycling Tonnage Grant		17,753.40	17,753.40	
Relocation Assistance	9,212.00			9,212.00
State Highway Safety Grant	2,500.00			2,500.00
Total State Grants	<u>191,063.49</u>	<u>49,427.74</u>	<u>43,775.71</u>	<u>196,715.52</u>
Total All Grants	<u>\$ 316,063.49</u>	<u>\$ 369,270.65</u>	<u>\$ 318,524.12</u>	<u>\$ 366,810.02</u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-23

**FEDERAL AND STATE GRANT FUND
SCHEDULE OF RESERVE FOR FEDERAL AND STATE GRANTS - UNAPPROPRIATED**

Year Ended December 31, 2017

	<u>Balance Dec. 31, 2016</u>	<u>Grants Receivable</u>	<u>Realized as Miscellaneous Revenue</u>	<u>Balance Dec. 31, 2017</u>
Program:				
Federal Grants:				
Highway Traffic Safety Grants:				
Impaired Driving Countermeasure		\$ 10,500.00		\$ 10,500.00
Distracted Driving		5,500.00	\$ 5,500.00	
NJ Department of Transportation Grant		220,000.00	220,000.00	
Municipal Aid Grant		<u>83,842.91</u>		<u>83,842.91</u>
Total Federal Grants	<u>-</u>	<u>319,842.91</u>	<u>225,500.00</u>	<u>94,342.91</u>
State Grants:				
Body Armor Replacement Fund	\$ 1,863.38	1,865.87	3,729.25	
Clean Communities Grant		15,573.47	15,573.47	
Drunk Driving Enforcement Grant	5,617.20		5,617.20	
Municipal Drug Alliance (C.A.S.A.)		14,235.00	14,235.00	
Recycling Tonnage Grant		<u>17,753.40</u>	<u>10,597.65</u>	<u>7,155.75</u>
Total State Grants	<u>7,480.58</u>	<u>49,427.74</u>	<u>49,752.57</u>	<u>7,155.75</u>
Total All Grants	<u>\$ 7,480.58</u>	<u>\$ 369,270.65</u>	<u>\$ 275,252.57</u>	<u>\$ 101,498.66</u>
Realized as Miscellaneous Revenue			\$ 275,252.57	
Local Match - Municipal Alliance			<u>3,558.75</u>	
			<u>\$ 278,811.32</u>	

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-24

**FEDERAL AND STATE GRANT FUND
SCHEDULE OF RESERVE FOR FEDERAL AND STATE GRANTS - APPROPRIATED**

Year Ended December 31, 2017

Program:	Balance Dec. 31, 2016	Transferred from 2017 Budget Appropriation	Prior Year Encumbrances Canceled	Decreased	Balance Dec. 31, 2017
Federal Grants:					
Highway Traffic Safety Grants:					
Distracted Driving	\$ 5,000.00	\$ 5,500.00		\$ 10,500.00	
Click It or Ticket Grant	6,250.00			1,540.00	\$ 4,710.00
Drive Sober or Get Pulled Over	3,585.10				3,585.10
NJ Department of Transportation Grant		220,000.00		220,000.00	
Small Cities Grant	100,000.00			34,170.80	65,829.20
Riverside Cracks Down	0.17				0.17
Help America Vote	377.00				377.00
Total Federal Grants	115,212.27	225,500.00	-	266,210.80	74,501.47
State Grants:					
Alcohol Education and Rehabilitation	4,508.48			2,983.47	1,525.01
Body Armor Replacement Grant	3,071.68	3,729.25		917.04	5,883.89
Clean Communities Grant	26,137.67	15,573.47		41,239.96	471.18
Cultural Heritage Grant	2,246.00				2,246.00
Domestic Violence	6,990.00				6,990.00
Drunk Driving Enforcement Grant	29,107.73	5,617.20		4,751.03	29,973.90
Hazardous Discharge Site Remediation Grant	287,356.17		\$ 460.00	460.00	287,356.17
Municipal Drug Alliance (C.A.S.A.)	107,754.73	17,793.75	954.75	12,639.32	113,863.91
NADDI Grant	5,000.00				5,000.00
Recycling Tonnage Grant	8,634.94	10,597.65		9,341.00	9,891.59
Relocation Assistance	3,549.55				3,549.55
Reserve for Stormwater Grant	10,680.34				10,680.34
State Highway Safety Grant	14,977.28			14,977.28	
Total State Grants	510,014.57	53,311.32	1,414.75	87,309.10	477,431.54
Total All Grants	\$ 625,226.84	\$ 278,811.32	\$ 1,414.75	\$ 353,519.90	\$ 551,933.01
Grant Awards		\$ 275,252.57			
Township Matching Funds		3,558.75			
		<u>\$ 278,811.32</u>			
Disbursed				\$ 336,307.26	
Reserve for Encumbrances				<u>17,212.64</u>	
				<u>\$ 353,519.90</u>	

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SB-1

**TRUST FUNDS
SCHEDULE OF CASH AND RECONCILIATION – TREASURER**

Year Ended December 31, 2017

	<u>Animal Control</u>	<u>Other</u>
Balance Dec. 31, 2016	\$ 23,529.73	\$ 155,750.86
Increased by Receipts:		
Reserve for Animal Control Expenditures	\$ 8,756.80	
Due State of New Jersey	918.00	
Due Current Fund		\$ 100,319.11
Reserve for Trust Other Funds		111,207.67
Net Payroll and Payroll Deductions Payable		2,612,763.53
	<u>9,674.80</u>	<u>2,824,290.31</u>
	33,204.53	2,980,041.17
Decreased by Disbursements:		
Expenditures Under R.S. 4:19-15.11	16,540.21	
Due State of New Jersey	921.00	
Due Current Fund		121,821.76
Reserve for Encumbrances	103.46	29,296.75
Reserve for Trust Other Funds		31,544.36
Net Payroll and Payroll Deductions Payable		2,633,688.61
	<u>17,564.67</u>	<u>2,816,351.48</u>
Balance Dec. 31, 2017	<u>\$ 15,639.86</u>	<u>\$ 163,689.69</u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SB-2

**TRUST FUNDS
SCHEDULE OF CASH AND RECONCILIATION - COLLECTOR**

Year Ended December 31, 2017

Balance Dec. 31, 2016		\$ 245,449.45
Increased by Receipts:		
Reserve for Tax Title Liens	\$ 765,459.03	
Due Current Fund	<u>90,590.25</u>	
		<u>856,049.28</u>
		1,101,498.73
Decreased by Disbursements:		
Reserve for Tax Title Liens	864,892.97	
Due Current Fund	<u>97,754.93</u>	
		<u>962,647.90</u>
Balance Dec. 31, 2017		<u>\$ 138,850.83</u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SB-3

**TRUST FUNDS
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES**

Year Ended December 31, 2017

<hr/>		
Balance Dec. 31, 2016		\$ 23,295.07
Increased by:		
Receipts	\$ 8,756.80	
Due Current Fund	<u>79.80</u>	
		<u>8,836.60</u>
		32,131.67
Decreased by:		
Expenditures Under R.S.4:19- 15.11:		
Disbursements	16,540.21	
Encumbrances	<u>270.00</u>	
		<u>16,810.21</u>
Balance Dec. 31, 2017		<u><u>\$ 15,321.46</u></u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2015	\$ 15,112.80
2016	<u>11,170.00</u>
	<u><u>\$ 26,282.80</u></u>

Note: R.S. 4:19-15.11

"... there shall be transferred from such special account to the general funds of the municipality any amount then in such account which is in excess of the total amount paid into said special account during the last two fiscal years next preceding."

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SB-4

TRUST FUNDS

SCHEDULE OF DUE TO STATE OF NEW JERSEY – ANIMAL CONTROL

Year Ended December 31, 2017

Balance Dec. 31, 2016	\$	5.40
Increased by:		
Receipts:		
Dog License Fees Collected		<u>918.00</u>
		923.40
Decreased by:		
Disbursed to State of New Jersey		<u>921.00</u>
Balance Dec. 31, 2017	\$	<u><u>2.40</u></u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SB-5

**TRUST FUNDS
SCHEDULE OF DUE TO CURRENT FUND – ANIMAL CONTROL**

Year Ended December 31, 2017

Balance Dec. 31, 2016	\$	125.80
Decreased by:		
Current Fund Received on Behalf of Animal Control Fund		<u>79.80</u>
Balance Dec. 31, 2017	\$	<u><u>46.00</u></u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SB-6

**TRUST FUNDS
SCHEDULE OF DUE TO CURRENT FUND – TRUST OTHER**

Year Ended December 31, 2017

Balance Dec. 31, 2016			\$ 110,545.80
Increased by:			
Receipts:			
Treasurer:			
Interest Earned	\$ 9.11		
Interfund Receipt	100,060.00		
Prior Year Outstanding Checks Canceled	<u>250.00</u>		
		\$ 100,319.11	
Collector:			
Interfund Receipts		<u>90,590.25</u>	
			\$ 190,909.36
Current Fund Disbursed on Behalf of Trust Other			<u>60,365.20</u>
			<u>251,274.56</u>
			361,820.36
Decreased by:			
Disbursed:			
Treasurer - Interfunds Returned	121,821.76		
Collector - Interfunds Returned	<u>97,754.93</u>		
			219,576.69
Current Fund Received on Behalf of Police Outside Services Receivable			64,755.88
Current Fund Received on Behalf of Trust Other			<u>11,385.43</u>
			<u>295,718.00</u>
Balance Dec. 31, 2017			<u>\$ 66,102.36</u>
<u>Analysis of Balance December 31, 2017</u>			
Treasurer:			
Accumulated Absences			\$ 605.16
Payroll Trust			5,832.51
Police Outside Services			50,394.12
Public Defender Trust			(1,144.16)
Escrow Planning Board			6,835.62
K-9 Unit Trust			1,900.70
Explorer's Program			500.00
Federal Law Enforcement Fund			600.00
Collector:			
Tax Title Lien Redemptions			<u>578.41</u>
			<u>\$ 66,102.36</u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SB-7

**TRUST FUNDS
SCHEDULE OF CHANGES IN TRUST OTHER RESERVES**

Year Ended December 31, 2017

Reserve	Balance Dec. 31, 2016	Increased			Decreased			Balance Dec. 31, 2017
		Receipts	Due Current Fund	Accounts Receivable	Disbursements	Due Current Fund	Encumbrances	
Reserve for Developers' Escrow Deposits	\$ 60,316.34	\$ 29,778.98		\$ 25,976.28	\$ 16,579.00	\$ 7,310.00	\$ 28,302.53	\$ 63,880.07
Reserve for POAA	1,056.33	48.00						1,104.33
Reserve for Public Defender	1,888.80	2,728.20			3,250.00		250.00	1,117.00
Reserve for Police Outside Services		22,086.15	\$ 11,385.43	19,913.62		53,055.20	330.00	
Reserve for Special Law Enforcement Funds	5,179.63	15,851.30			5,700.00			15,330.93
Reserve for Premiums Received at Tax Sale	180,300.00	89,200.00			163,200.00			106,300.00
Reserve for Tax Title Lien Redemptions	57,406.36	676,259.03			701,692.97			31,972.42
Reserve for Explorer's Program Donations	5,532.81	4,176.21			5,080.36		800.00	3,828.66
Reserve for Donations - K-9 Unit		245.83						245.83
Reserve for Donations- Community Policing		5,000.00			935.00			4,065.00
Reserve for Uniform Fire Safety		100.00						100.00
Reserve for Affordable Housing		16,193.00						16,193.00
Reserve for Recreation Trust Fund	70.00							70.00
Reserve for Storm Recovery	5,000.00							5,000.00
Reserve for Accumulated Sick Leave	15,000.00	15,000.00						30,000.00
	<u>\$ 331,750.27</u>	<u>\$ 876,666.70</u>	<u>\$ 11,385.43</u>	<u>\$ 45,889.90</u>	<u>\$ 896,437.33</u>	<u>\$ 60,365.20</u>	<u>\$ 29,682.53</u>	<u>\$ 279,207.24</u>
Treasurer		\$ 111,207.67			\$ 31,544.36			
Collector		765,459.03			864,892.97			
		<u>\$ 876,666.70</u>			<u>\$ 896,437.33</u>			

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SB-8

**TRUST FUNDS
SCHEDULE OF PAYROLL DEDUCTIONS PAYABLE**

Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 30,372.23
Increased by:	
Receipts:	
Net Pay and Payroll Deductions Payable	<u>2,612,763.53</u>
	2,643,135.76
Decreased by:	
Disbursed:	
Net Pay and Payroll Deductions Payable	<u>2,633,688.61</u>
Balance Dec. 31, 2017	<u><u>\$ 9,447.15</u></u>

Analysis of Balance December 31, 2017

Pension	\$ 434.10
DCRP	344.43
Social Security	103.32
Deferred Compensation	3,595.00
Flexible Spending Accounts	2,504.66
Dues	(504.33)
Miscellaneous	<u>2,969.97</u>
	<u><u>\$ 9,447.15</u></u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SB-9

**TRUST OTHER FUNDS
SCHEDULE OF RESERVE FOR ENCUMBRANCES**

Year Ended December 31, 2017

Balance Dec. 31, 2016		\$ 42,912.62
Increased by:		
Encumbrances Created		
Explorer's Program	\$ 800.00	
Public Defender	250.00	
Police Outside Services	330.00	
Escrow Planning Board	<u>28,302.53</u>	
		<u>29,682.53</u>
		72,595.15
Decreased by:		
Disbursed		<u>29,296.75</u>
Balance Dec. 31, 2017		<u>\$ 43,298.40</u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SB-10

**TRUST OTHER FUNDS
SCHEDULE OF POLICE OUTSIDE SERVICES RECEIVABLE**

Year Ended December 31, 2017

Balance Dec. 31, 2016		\$ 95,301.99
Increased by:		
Police Outside Services Charges		<u>19,913.62</u>
		115,215.61
Decreased by:		
Receipts - Current Fund		<u>64,755.88</u>
Balance Dec. 31, 2017		<u>\$ 50,459.73</u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SB-11

**TRUST OTHER FUNDS
SCHEDULE OF DUE FROM DEVELOPERS**

Year Ended December 31, 2017

Balance Dec. 31, 2016		\$ 19,078.62
Increased by:		
Escrow Charges		<u>25,976.28</u>
Balance Dec. 31, 2017		<u>\$ 45,054.90</u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-1

**GENERAL CAPITAL FUND
SCHEDULE OF GENERAL CAPITAL CASH**

Year Ended December 31, 2017

Balance Dec. 31, 2016		\$ 641,119.58
Increased by Receipts:		
Grant Receivable	\$ 62,500.00	
Reserve for Payment of Debt	3,817.55	
Current Fund Budget Appropriation:		
Capital Improvement Fund	17,500.00	
Bond Anticipation Notes	<u>3,420,300.00</u>	
		<u>3,504,117.55</u>
		4,145,237.13
Decreased by Disbursements:		
Improvement Authorizations	339,184.98	
Contracts Payable	25,286.56	
Reserve for Encumbrances	23,284.50	
Bond Anticipation Notes	<u>2,544,300.00</u>	
		<u>2,932,056.04</u>
Balance Dec. 31, 2017		<u><u>\$ 1,213,181.09</u></u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-2

**GENERAL CAPITAL FUND
ANALYSIS OF GENERAL CAPITAL CASH AND INVESTMENTS**

Year Ended December 31, 2017

	Balance (Deficit) Dec. 31, 2016	Receipts		Disbursements			Transfers		Balance (Deficit) Dec. 31, 2017
		Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Bond Anticipation Notes	Miscellaneous	From	To	
Fund Balance	\$ 25,242.17								\$ 25,242.17
Reserve to Pay Debt	50,224.82		\$ 3,817.55						54,042.37
Capital Improvement Fund	6,346.00		17,500.00			\$ 17,500.00			6,346.00
Due Federal and State Grant Fund							\$ 8,256.45		8,256.45
Federal and State Grants Receivable	(225,000.00)		62,500.00						(162,500.00)
Reserve for Encumbrances	63,825.33							61,503.44	102,044.27
Contracts Payable	40,770.04							63,194.36	78,677.84
Reserve for Improvements	29,451.00								29,451.00
Grants Awarded - Reserved for Future Improvements	100,600.00								100,600.00
Due Bank									
Improvement Authorizations:									
1994-11 Various Improvements	15,000.00								15,000.00
07/15/02 Resurfacing Various Streets & Roads, Improvements to Drainage, AA Field, Lighting & Landscaping	(20,970.00)	\$ 20,900.00							(70.00)
2003-08 Resurfacing Various Streets & Roads, Acquisition of Equipment and Improvements to Public Works Building	(90,472.00)	90,400.00							(72.00)
2004-05 Improvements to Public Works Building, Acquisition of Real Property and Ambulance, & Various Improvements to Franklin St. Parking Lot	94,045.00								94,045.00
2006-05 Improvements to Parks, Reconstruction and Repair to Filmore, Taylor, Kossuth & Fairview Streets, Acquisition of Dump Truck and Installation of Inlets & Basins	(100,534.00)								(100,534.00)
2006-17 Acquisition of Certain Parcels of Real Property to Facilitate the Golden Triangle Redevelopment Plan	228,368.43	332,300.00		\$ 1,350.00	\$ 332,300.00				227,018.43
2007-01 Various Capital Improvements	11,294.86			1,467.00					9,827.86
2007-19 Acquisition of Real Property and Rehabilitation & Renovation of Municipal Building	3,149.00								3,149.00
2008-10 Filmore, Taylor, & Kossuth Streets Reconstruction, Acquisition of Animal Control Truck & Ambulance	(5,091.68)	115,050.00			115,050.00			0.40	(5,091.28)
2009-01 Acquisition of Police Vehicle		31,850.00			31,850.00				
2009-07 Various Capital Improvements	(257,212.00)	257,200.00							(12.00)
2010-16 Various Capital Improvements		94,000.00			94,000.00				
2011-02 Various Capital Improvements	(175,013.77)	191,810.00			16,810.00		8,256.85		(6,270.62)
2012-04 Various Capital Improvements, Rehabilitation & Acquisition of Equipment	268,086.91	488,770.00		2,451.00	488,770.00				265,635.91
2013-03 Various Capital Improvements & Acquisition of Equipment	12,620.95	201,368.00		5,000.00	201,368.00				7,620.95
2014-07 Various Capital Improvements & Acquisition of Equipment	82,315.97	314,152.00		17,470.00	314,152.00				64,845.97
2015-09 Various Capital Improvements	151,013.40	560,500.00		23,769.90	560,500.00		32.50		127,211.00
2016-08 Various Capital Improvements	333,059.15	389,500.00		212,707.53	389,500.00		91,489.36		28,862.26
2016-17 Refunding Issue									
2017-04 Various Capital Improvements		332,500.00		74,969.55			33,175.94	17,500.00	241,854.51
	\$ 641,119.58	\$ 3,420,300.00	\$ 83,817.55	\$ 339,184.98	\$ 2,544,300.00	\$ 48,571.06	\$ 150,454.65	\$ 150,454.65	\$ 1,213,181.09

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-3

**GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED**

Year Ended December 31, 2017

Balance Dec. 31, 2016		\$ 1,705,000.00
Increased by:		
Refunding Bonds Issued		<u>1,488,000.00</u>
		3,193,000.00
Decreased by:		
2017 Budget Appropriations:		
Serial Bonds	\$ 157,000.00	
Capital Leases	66,000.00	
Defeased Through Refunding Bonds Issued	<u>1,520,000.00</u>	
		<u>1,743,000.00</u>
Balance Dec. 31, 2017		<u><u>\$ 1,450,000.00</u></u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-4

**GENERAL CAPITAL FUND
SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE**

Year Ended December 31, 2017

Balance Dec. 31, 2016		\$ 225,000.00
Decreased by:		
Receipts		<u>62,500.00</u>
Balance Dec. 31, 2017		<u><u>\$ 162,500.00</u></u>
Analysis of Balance December 31, 2017		
County Grants:		
County Parks		<u>\$ 162,500.00</u>
Balance Dec. 31, 2017		<u><u>\$ 162,500.00</u></u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-5

**GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION – UNFUNDED**

Year Ended December 31, 2017

Ordinance Number	Improvement Description	Balance Dec. 31, 2016	2017 Authorizations	Notes Funded by Budget Appropriation	Balance Dec. 31, 2017	Analysis of Balance Dec. 31, 2017		
						Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorizations
07/15/02	Resurfacing Various Streets & Roads, Drainage Improvements, Field Improvements to AA Field, and Lighting & Landscaping Improvements	\$ 32,442.00			\$ 32,442.00	\$ 20,900.00	\$ 70.00	\$ 11,472.00
2003-08	Resurfacing Various Streets & Roads, Acquisition of Equipment & Improvements to Public Works Building	295,221.00			295,221.00	90,400.00	72.00	204,749.00
2004-05	Improvements to Public Works Building, Acquisition of Real Property from NJ Transit, Acquisition of Ambulance and Various Improvements to Franklin St Parking Lot	171,000.00			171,000.00			171,000.00
2006-17	Acquisition of Certain Parcels of Real Property to Facilitate the Golden Triangle Redevelopment Plan	1,295,940.90		\$ 7,258.90	1,288,682.00	332,300.00		956,382.00
2008-10	Filmore, Taylor, & Kossuth Streets Reconstruction, Acquisition of Animal Control Truck & Ambulance	126,139.00			126,139.00	115,050.00	5,091.28	5,997.72
2009-01	Acquisition of Police Vehicle	33,250.00		31.00	33,219.00	31,850.00		1,369.00
2009-07	Various Capital Improvements	257,212.00			257,212.00	257,200.00	12.00	
2010-16	Various Capital Improvements	95,000.00		30.00	94,970.00	94,000.00		970.00
2011-02	Various Capital Improvements	330,600.00		126,350.00	204,250.00	191,810.00	8,271.66	4,168.34
2012-04	Various Capital Improvements, Rehabilitation & Acquisition of Equipment	544,137.10		55,367.10	488,770.00	488,770.00		
2013-03	Various Capital Improvements & Acquisition of Equipment	215,833.00		14,465.00	201,368.00	201,368.00		
2014-07	Various Capital Improvements & Acquisition of Equipment	332,500.00		18,348.00	314,152.00	314,152.00		
2015-09	Various Capital Improvements	589,000.00		28,500.00	560,500.00	560,500.00		
2016-08	Various Capital Improvements	389,500.00			389,500.00	389,500.00		
2016-17	Refunding Issue	240,000.00			240,000.00			240,000.00
2017-04	Various Capital Improvements		\$ 332,500.00		332,500.00	332,500.00		
		<u>\$ 4,947,775.00</u>	<u>\$ 332,500.00</u>	<u>\$ 250,350.00</u>	<u>\$ 5,029,925.00</u>	<u>\$ 3,420,300.00</u>	<u>\$ 13,516.94</u>	<u>\$ 1,596,108.06</u>
Improvement Authorizations Unfunded								\$ 2,318,244.90
Less Unexpended Proceeds of Bond Anticipation Notes								
Ordinance Number:								
2010-16								\$ 1.24
2012-04								265,635.91
2013-03								7,370.95
2014-07								64,845.97
2015-09								120,711.00
2016-08								28,862.26
2017-04								234,709.51
								<u>\$ 722,136.84</u>
								<u>\$ 1,596,108.06</u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-6

**GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND**

Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 6,346.00
Increased by:	
Receipts - 2017 Budget Appropriation	<u>17,500.00</u>
	23,846.00
Decreased by:	
Appropriation to Finance	
Improvement Authorizations	<u>17,500.00</u>
Balance Dec. 31, 2017	<u><u>\$ 6,346.00</u></u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-7

**GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS**

Year Ended December 31, 2017

Ordinance Number	Improvement Description	Date	Ordinance		Authorizations	Paid or Charged	Balance Dec. 31, 2017		
			Amount	Funded			Funded	Unfunded	
1994-11	Various Capital Improvements	10/10/94	\$ 565,000.00	\$ 15,000.00			\$ 15,000.00		
07/15/02	Resurfacing Various Streets & Roads, Drainage Improvements, Field Improvements to AA Field, and Lighting & Landscaping Improvements	07/23/01	485,000.00					\$ 11,472.00	
2003-08	Resurfacing Various Streets & Roads, Acquisition of Equipment & Improvements to Public Works Building	09/15/03	427,500.00					204,749.00	
2004-05	Improvements to Public Works Building, Acquisition of Real Property from NJ Transit, Acquisition of Ambulance and Various Improvements to Franklin St Parking Lot	10/18/04	747,500.00	94,044.00			94,044.00	171,000.00	
2006-17	Acquisition of Certain Parcels of Real Property to Facilitate the Golden Triangle Redevelopment Plan	07/26/06	1,675,000.00	127,833.23		\$ 1,350.00	126,483.23	956,382.00	
2007-01	Various Capital Improvements	03/19/07	855,500.00	11,295.86		1,467.00	9,828.86		
2007-19	Acquisition of Real Property and Rehabilitation & Renovation of Municipal Building	11/29/07	1,000,000.00	3,150.00			3,150.00		
2008-10	Filmore, Taylor, & Kossuth Streets Reconstruction, Acquisition of Animal Control Truck & Ambulance	10/20/08	286,410.00					5,997.72	
2009-01	Acquisition of Police Vehicle	03/16/09	35,000.00					1,369.00	
2010-16	Various Capital Improvements	08/16/10	280,000.00					971.24	
2011-02	Various Capital Improvements	02/23/11	748,000.00			8,256.45		4,168.34	
2012-04	Various Capital Improvements, Rehabilitation & Acquisition of Equipment	05/21/12	1,101,800.00			2,451.00		265,635.91	
2013-03	Various Capital Improvements & Acquisition of Equipment	11/25/13	571,000.00	250.00		5,000.00	250.00	7,370.95	
2014-07	Various Capital Improvements & Acquisition of Equipment	10/06/14	771,000.00			17,470.00		64,845.97	
2015-09	Various Capital Improvements	08/31/15	650,000.00	1,250.00		23,802.40	6,500.00	120,711.00	
2016-08	Various Capital Improvements	06/20/16	410,000.00	5,500.00		304,196.89		28,862.26	
2016-17	Refunding Issue	12/19/16	240,000.00					240,000.00	
2017-04	Various Capital Improvements	06/19/17	350,000.00		\$ 350,000.00	108,145.49	7,145.00	234,709.51	
				<u>\$ 258,323.09</u>	<u>\$ 2,444,462.13</u>	<u>\$ 350,000.00</u>	<u>\$ 472,139.23</u>	<u>\$ 262,401.09</u>	<u>\$ 2,318,244.90</u>
Deferred Charges to Future Taxation Unfunded Capital Improvement Fund						\$ 332,500.00			
						17,500.00			
						<u>\$ 350,000.00</u>			
Disbursements						\$ 339,184.98			
Due Federal and State Grant Fund						8,256.45			
Contracts Payable						63,194.36			
Reserve for Encumbrances						61,503.44			
						<u>\$ 472,139.23</u>			

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-8

GENERAL CAPITAL FUND
SCHEDULE OF CONTRACTS PAYABLE

Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 40,770.04
Increased by:	
Charges to Improvement Authorizations	<u>63,194.36</u>
	103,964.40
Decreased by:	
Disbursements	<u>25,286.56</u>
Balance Dec. 31, 2017	<u>\$ 78,677.84</u>

Schedule of Contracts Payable December 31, 2017

<u>Vendor</u>	<u>Ordinance Number</u>	<u>Amount</u>
Pennoni Associates	2014-07	\$ 1,965.54
Pennoni Associates	2015-09	13,517.94
Paving Plus, LLC	2016-08	17,584.71
Think Pavers Hardscaping, LLC	2016-08	32,930.00
RVT Construction, Inc.	2017-04	<u>12,679.65</u>
		<u>\$ 78,677.84</u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-9

GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES

Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 63,825.33
Increased by:	
Charges to Improvement Authorizations	<u>61,503.44</u>
	125,328.77
Decreased by:	
Disbursements	<u>23,284.50</u>
Balance Dec. 31, 2017	<u>\$ 102,044.27</u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-10

GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL LEASE PAYABLE

Year Ended December 31, 2017

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2016</u>	<u>Paid By Budget Appropriation</u>	<u>Balance Dec. 31, 2017</u>
Burlington County Bridge Commission Lease	07/16/02	\$ 1,420,000.00	5.250%	\$ 66,000.00	\$ 66,000.00	\$ -
				<u>\$ 66,000.00</u>	<u>\$ 66,000.00</u>	<u>\$ -</u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-11

**GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS**

Year Ended December 31, 2017

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds Outstanding Dec. 31, 2017</u>		<u>Rate</u>	<u>Balance Dec. 31, 2016</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2017</u>
			<u>Date</u>	<u>Amount</u>					
2007 Bond Series	12/15/07	\$ 2,532,000.00	Not Applicable			\$ 1,639,000.00		\$ 1,639,000.00	
2017 Refunding Bond	03/28/17	1,488,000.00	08/15/18	\$ 124,000.00	3.000%				
			08/15/19	127,000.00	4.000%				
			02/15/20	67,000.00	4.000%				
			08/15/20	67,000.00	4.000%				
			08/15/21	136,000.00	4.000%				
			08/15/22	139,000.00	4.000%				
			08/15/23	148,000.00	4.000%				
			08/15/24	151,000.00	4.000%				
			08/15/25	159,000.00	4.000%				
			02/15/26	84,000.00	4.000%				
			08/15/26	84,000.00	4.000%				
			08/15/27	164,000.00	4.000%				
							\$ 1,488,000.00	38,000.00	\$ 1,450,000.00
						<u>\$ 1,639,000.00</u>	<u>\$ 1,488,000.00</u>	<u>\$ 1,677,000.00</u>	<u>\$ 1,450,000.00</u>
Paid by Current Fund Budget Appropriation								\$ 157,000.00	
Defeased Through Refunding Bonds Issued								<u>1,520,000.00</u>	
								<u>\$ 1,677,000.00</u>	
Refund of Existing Bonds									

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-12

**GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES**

Year Ended December 31, 2017

Ordinance Number	Improvement Description	Date of Original Note Issue	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2016	Increased	Decreased	Balance Dec. 31, 2017
2001-04	Resurfacing Various Streets & Roads, Drainage Improvements Field, Lighting & Landscaping Improvements	11/08/17	11/08/17	11/07/18	2.250%		\$ 20,900.00		\$ 20,900.00
2003-08	Resurfacing Various Streets & Roads, Acquisition of Equipment & Improvements to Public Works Building	11/08/17	11/08/17	11/07/18	2.250%		90,400.00		90,400.00
2006-17	Acquisition of Certain Parcels of Real Property to Facilitate the Golden Triangle Redevelopment Plan	12/30/11 12/30/11	11/18/16 11/08/17	11/09/17 11/07/18	2.000% 2.250%	\$ 339,558.90	332,300.00	\$ 339,558.90	332,300.00
2012-04	Various Capital Improvements, Rehabilitation & Acquisition of Equipment	12/27/12 12/27/12	11/18/16 11/08/17	11/09/17 11/07/18	2.000% 2.250%	544,137.10	488,770.00	544,137.10	488,770.00
2013-03	Various Capital Improvements & Acquisition of Equipment	11/25/13 11/25/13	11/18/16 11/08/17	11/09/17 11/07/18	2.000% 2.250%	215,833.00	201,368.00	215,833.00	201,368.00
2014-07	Various Capital Improvements & Acquisition of Equipment	11/21/14 11/21/14	11/18/16 11/08/17	11/09/17 11/07/18	2.000% 2.250%	332,500.00	314,152.00	332,500.00	314,152.00
2008-10	Filmore, Taylor, & Kossuth Streets Reconstruction, Acquisition of Animal Control Truck & Ambulance	11/19/15 11/19/15	11/18/16 11/08/17	11/09/17 11/07/18	2.000% 2.250%	115,050.00	115,050.00	115,050.00	-
2009-01	Acquisition of Police Vehicle	11/19/15 11/19/15	11/18/16 11/08/17	11/09/17 11/07/18	2.000% 2.250%	31,881.00	31,850.00	31,881.00	31,850.00
2009-07	Various Capital Improvements	11/08/17	11/08/17	11/07/18	2.250%		257,200.00		257,200.00
2010-16	Various Capital Improvements	11/19/15 11/19/15	11/18/16 11/08/17	11/09/17 11/07/18	2.000% 2.250%	94,030.00	94,000.00	94,030.00	94,000.00
2011-02	Various Capital Improvements	11/19/15 11/19/15 11/08/17	11/18/16 11/08/17 11/08/17	11/09/17 11/07/18 11/07/18	2.000% 2.250% 2.250%	143,160.00	16,810.00 175,000.00	143,160.00	16,810.00 175,000.00
2015-09	Various Capital Improvements	11/19/15 11/19/15	11/18/16 11/08/17	11/09/17 11/07/18	2.000% 2.250%	589,000.00	560,500.00	589,000.00	560,500.00
2016-08	Various Capital Improvements	11/18/16 11/18/16	11/18/16 11/08/17	11/09/17 11/07/18	2.000% 2.250%	389,500.00	389,500.00	389,500.00	389,500.00
2017-04	Various Capital Improvements	11/08/17	11/08/17	11/07/18	2.250%		332,500.00		332,500.00
						<u>\$ 2,794,650.00</u>	<u>\$ 3,420,300.00</u>	<u>\$ 2,794,650.00</u>	<u>\$ 3,420,300.00</u>
Renewals							\$ 2,544,300.00	\$ 2,544,300.00	
Issued for Cash							876,000.00		
Paid by Budget Appropriation								250,350.00	
						<u>\$ 3,420,300.00</u>	<u>\$ 2,794,650.00</u>		

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-13

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

Year Ended December 31, 2017

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2016</u>	<u>2017 Authorizations</u>	<u>Notes Issued</u>	<u>Balance Dec. 31, 2017</u>
07/15/02	Resurfacing Various Streets & Roads, Drainage Improvements, Field Improvements to AA Field, and Lighting & Landscaping Improvements	\$ 32,442.00		\$ 20,900.00	\$ 11,542.00
2003-08	Resurfacing Various Streets & Roads, Acquisition of Equipment & Improvements to Public Works Building	295,221.00		90,400.00	204,821.00
2004-05	Improvements to Public Works Building, Acquisition of Real Property from NJ Transit, Acquisition of Ambulance and Various Improvements to Franklin St. Parking Lot	171,000.00			171,000.00
2006-17	Acquisition of Certain Parcels of Real Property to Facilitate the Golden Triangle Redevelopment Plan	956,382.00			956,382.00
2008-10	Filmore, Taylor, & Kossuth Streets Reconstruction, Acquisition of Animal Control Truck & Ambulance	11,089.00			11,089.00
2009-01	Acquisition of Police Vehicle	1,369.00			1,369.00
2009-07	Various Capital Improvements	257,212.00		257,200.00	12.00
2010-16	Various Capital Improvements	970.00			970.00
2011-02	Various Capital Improvements	187,440.00		175,000.00	12,440.00
2016-17	Refunding Issue	240,000.00			240,000.00
2017-04	Various Capital Improvements		\$ 332,500.00	332,500.00	
		<u>\$ 2,153,125.00</u>	<u>\$ 332,500.00</u>	<u>\$ 876,000.00</u>	<u>\$ 1,609,625.00</u>

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SE-1

GENERAL FIXED ASSETS ACCOUNT GROUP
SCHEDULE OF INVESTMENTS IN FIXED ASSETS

Year Ended December 31, 2017

	<u>2017</u>	<u>2016</u>
General Fixed Assets:		
Land	\$2,923,500.00	\$2,923,500.00
Buildings & Contents	1,451,308.00	1,451,308.00
Vehicles	1,224,869.39	1,153,200.27
	<hr/>	<hr/>
Total	<u>\$5,599,677.39</u>	<u>5,528,008.27</u>
Total Investment in General Fixed Assets	<u>\$5,599,677.39</u>	<u>5,528,008.27</u>

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

To the Honorable Mayor and Members
of the Township Committee
Township of Riverside
County of Burlington
Riverside, New Jersey 08075

We have audited, in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and requirements of audit prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements of the Township of Riverside (the "Township"), as of and for the year ended December 31, 2017, and the related notes to financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated August 30, 2018, in which we expressed an adverse opinion on the conformity of the financial statements with accounting principles generally accepted in the United States of America due to differences between those principles and accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

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

**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
(CONTINUED)**

Internal Control Over Financial Reporting (Continued)

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, listed as finding 2017-001 described in the accompanying schedule of General Comments and Recommendations.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township'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 Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**Warren A. Broudy, CPA, CGFM, PSA, CGMA
Registered Municipal Accountant
License No. 554**

**MERCADIEN, P.C.
CERTIFIED PUBLIC ACCOUNTANTS**

August 30, 2018

SUPPLEMENTARY INFORMATION

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office at December 31, 2017:

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>	<u>Name of Corporate Surety</u>
George Conard	Mayor		
Lorraine Hatcher	Deputy Mayor		
Jason Frey	Committeeman		
John Bienkowski (Effective 1/1/17 through 11/12/17)	Committeeman		
Robert Prisco	Committeeman		
Mindie Weiner	Tax Collector/Search Officer	\$ 1,000,000	A
Linda Lewis	Treasurer/Chief Financial Officer	\$ 1,000,000	A
Meghan Jack	Township Administrator		
Susan Dydek	Deputy Tax Collector	\$ 50,000	B
Dennis P. McInerney	Municipal Court Judge	\$ 50,000	B
Marianne Ptaszenski	Court Administrator	\$ 50,000	B
Carl Cicali	Tax Assessor		
George Saponaro	Solicitor		
Pennonni Associates	Engineer		

(A) Municipal Excess Liability Joint Insurance Fund

(B) Blanket Surety Bond – Municipal Employees by Municipal Joint Insurance Fund in the amount of \$50,000

All of the bonds were examined and were properly executed.

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

**COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE –
CURRENT FUND**

Year Ended December 31, 2017

	YEAR 2017		YEAR 2016	
	AMOUNT	PERCENT	AMOUNT	PERCENT
Revenue and Other Income Realized				
Fund Balance Utilized	\$202,250.00	1.11%	157,250.00	0.89%
Miscellaneous - From Other Than Local Property Tax Levies	2,516,659.80	13.78%	2,223,600.15	12.65%
Collection of Delinquent Taxes & Tax Title Liens	390,414.63	2.14%	480,960.42	2.74%
Collection of Current Tax Levy	15,147,695.04	82.97%	14,718,299.59	83.72%
Total Income	18,257,019.47	100.00%	17,580,110.16	100.00%
Budget Expenditures - Municipal Purposes	6,400,965.17	36.87%	6,591,191.53	38.01%
County Taxes	1,741,230.15	10.03%	1,724,364.41	9.94%
Local & Regional School Taxes	8,724,344.00	50.26%	8,490,140.00	48.96%
Fire District Taxes	460,211.00	2.65%	460,211.00	2.65%
Other Expenditures	32,291.99	0.19%	74,554.15	0.43%
Total Expenditures	17,359,042.31	100.00%	17,340,461.09	100.00%
	897,977.16		239,649.07	
Expenditures Included Above which are by Statute Deferred Charges to Budget of Succeeding Year			248,000.00	
Statutory Excess to Fund Balance	897,977.16		487,649.07	
Fund Balance January 1	1,700,916.86		1,370,517.79	
Less:				
Utilization as Anticipated Revenue	202,250.00		157,250.00	
Fund Balance December 31	\$2,396,644.02		1,700,916.86	

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

**COMPARISON OF TAX LEVIES AND COLLECTIONS, TAX RATES, DELINQUENT TAXES
AND TAX TITLE LIENS**

Year Ended December 31, 2017

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.

YEAR	TAX LEVY	CURRENTLY	
		CASH COLLECTIONS	PERCENTAGE OF COLLECTION
2017	\$15,732,956.10	15,147,695.04	96.28%
2016	15,297,184.48	14,718,299.59	96.22%
2015	15,042,221.32	14,483,517.77	96.29%
2014	14,550,840.00	13,843,998.00	95.14%
2013	14,250,161.00	13,793,192.00	96.79%

Comparison of Tax Rate Information

	2017	2016	2015
Total Tax Rate	<u>\$3.624</u>	<u>\$3.490</u>	<u>\$3.423</u>
Apportionment of Tax Rate:			
Municipal	1.105	1.053	1.022
County	0.402	0.395	0.398
Local School	2.010	1.937	1.898
Fire District Tax	0.107	0.105	0.105

Net Valuation Taxable:

2017	<u>\$438,314,450.00</u>		
2016		<u>\$438,314,450.00</u>	
2015			<u>\$439,090,250.00</u>

Delinquent Taxes and Tax Title Liens

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

YEAR ENDED DECEMBER 31	AMOUNT OF TAX TITLE LIENS	AMOUNT OF DELINQUENT TAXES	TOTAL DELINQUENT	PERCENTAGE OF TAX LEVY
2017	\$473,377.41	518,477.34	991,854.75	6.30%
2016	416,320.61	398,362.86	814,683.47	5.33%
2015	372,546.40	366,375.96	738,922.36	4.91%

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION AND COMPARATIVE SCHEDULE OF FUND BALANCE

Year Ended December 31, 2017

**Property Acquired by Tax
Title Lien Liquidation**

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

Year	Amount
2017	\$ 154,500.00
2016	154,500.00
2015	154,500.00
2014	154,500.00
2013	154,500.00

Comparative Schedule of Fund Balance

	Current Fund	December 31	Budget of Succeeding Year	Percentage of Fund Balance Used
2017	\$	2,396,644.02	388,000.00	16.19%
2016		1,700,916.86	202,250.00	11.89%
2015		1,370,517.79	157,250.00	11.47%
2014		748,795.00	106,260.00	14.19%
2013		57,688.00	20,324.00	35.23%

To the Honorable Mayor and
Members of the Township Committee
Township of Riverside
Riverside, New Jersey 08075

We have audited the financial statements and transactions of the Township of Riverside in the County of Burlington for the year ended December 31, 2017. In accordance with requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the following are the *General Comments* and *Recommendations* for the year then ended.

GENERAL COMMENTS AND RECOMMENDATIONS

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

N.J.S.A.40A:11-4 - Every contract or agreement, for the performance of any work or furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate of \$17,500 except by contract or agreement.

It is pointed out that the governing body of the municipality has the responsibility of determining whether the expenditures in any category will exceed the statutory minimum within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the solicitor's opinion should be sought before a commitment is made.

The minutes indicate that resolutions were adopted authorizing the awarding of contracts or agreements for "Professional 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.

Contracts and Agreements Requiring Solicitation of Quotations

The examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$2,625 "for the performance of any work or the furnishing or hiring of any materials or supplies", other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of N.J.S.A.40A:11-6.1.

Collection of Interest on Delinquent Taxes

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

On January 2, 2017, the governing body adopted the following resolution authorizing interest to be charged on delinquent taxes:

“BE IT RESOLVED by the Township Committee of the Township of Riverside, County of Burlington, State of New Jersey, the rate of interest charged on delinquent taxes or assessments on any installment made ten (10) days after the date upon which the same became payable, shall not exceed eight (8) percent per annum of the first One Thousand Five Hundred Dollars (\$1,500.00) of the delinquency, and eighteen (18) percent per annum on any amount in excess of One Thousand Five Hundred Dollars (\$1,500.00).

BE IT FURTHER RESOLVED, that where interest on delinquent tax payments is one dollar (\$1.00) or less, payment and collection of said interest is hereby waived.”

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

Delinquent Taxes and Tax Title Liens

The delinquent taxes at December 31, 2017, included 2016, 2015, 2014 and 2010 real estate taxes only.

The last tax sale was held on September 21, 2017 and was complete.

Municipal Court

A separate report of the Municipal Court transactions was filed in accordance with the requirements of the Local Finance Board.

As part of the test of the Municipal Court records, no attempt was made to differentiate between fines due the Township, County, or State, or to pass upon the authenticity of the preparation and procedures for complaints issued.

Examination of Bills

A test check of paid bills was made and each bill, upon proper approval, was considered as a separate and individual contract unless the records disclosed it to be a partial payment or estimate.

Finding 2017-001:

Criteria:

Transfers must be by resolution adopted by vote of not less than two-thirds of the full membership of the governing body, and must be in specific amounts from specific items of appropriation to other specific items of appropriation. Blanket budget transfers are not in compliance with state statutes and must be disregarded.

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

GENERAL COMMENTS AND RECOMMENDATIONS
Year Ended December 31, 2017

Condition:

The Township approved a blanket budget transfer resolution (2017- #135) where a budget transfer for \$36,629 was transferred out of line item "Interest on Bonds" and transferred into line item "Payment of Bond Principal".

Cause:

Oversight of Township personnel to formally ratify the budget transfer at the first council meeting subsequent to the transfer.

Effect:

Disregarding the blanket budget resolution would result in the "Payment of Bond Principal" line item to be over-expended by \$36,629 and be reported as a deferred charge to be raised in the succeeding year's budget. The Township relied on the blanket budget transfer resolution and did not make the adjustment to record a deferred charge on the financial statements.

Recommendation:

The Township should detail all budget transfer resolutions in specific amounts from specific line items of appropriation to other specific line items of appropriation to avoid over-expenditures.

View of Responsible Officials and Planned Corrective Action:

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

Prior Year Findings

In accordance with *Government Auditing Standards*, our procedures included a review of all prior year findings. The previous year findings have been corrected.

**TOWNSHIP OF RIVERSIDE
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

ACKNOWLEDGEMENT

Year Ended December 31, 2017

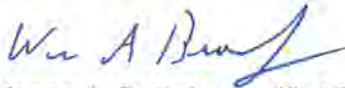
Acknowledgment

We received the complete cooperation of all the Township Officials and employees and we greatly appreciate the courtesies extended to the members of the audit team.

The problems and weaknesses noted in our review were not of such magnitude that they would affect our ability to express an opinion on the financial statements taken as a whole.

Should you have any questions concerning our comments or recommendations, or should you desire any assistance in implementing our recommendations, please call me.

Respectfully submitted,



Warren A. Broudy, Certified Public Accountant
Registered Municipal Accountant No. CR554

August 30, 2018