

**TOWNSHIP OF MANTUA
COUNTY OF GLOUCESTER
REPORT OF AUDIT
FOR THE YEAR 2005**

TOWNSHIP OF MANTUATABLE OF CONTENTS

<u>Exhibit No.</u>		<u>Page No.</u>
<u>PART I</u>		
	Independent Auditor's Report	2
	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	4
<u>CURRENT FUND</u>		
A	Statements of Assets, Liabilities, Reserves and Fund Balances-- Regulatory Basis	6
A-1	Statements of Operations and Changes in Fund Balance-- Regulatory Basis	8
A-2	Statement of Revenues--Regulatory Basis	9
A-3	Statement of Expenditures--Regulatory Basis	11
<u>TRUST FUND</u>		
B	Statements of Assets, Liabilities, Reserves and Fund Balance-- Regulatory Basis	18
B-1	Statement of Revenues--Regulatory Basis	19
B-2	Statement of Expenditures--Regulatory Basis	20
<u>GENERAL CAPITAL FUND</u>		
C	Statements of Assets, Liabilities, Reserves and Fund Balances-- Regulatory Basis	21
	Notes to Financial Statements	22
<u>SUPPLEMENTAL EXHIBITS</u>		
<u>CURRENT FUND</u>		
SA-1	Statement of Current Cash--Chief Financial Officer	38
SA-2	Statement of Current Cash--Tax Collector	39
SA-3	Statement of Taxes Receivable and Analysis of Property Tax Levy	40
SA-4	Schedule of Change Funds	41
SA-5	Statement of Tax Title Liens	41
SA-6	Statement of Revenue Accounts Receivable	42
SA-7	Statement of Appropriation Reserves	43
SA-8	Statement of Due State of New Jersey--Veterans' and Senior Citizens' Deductions	46
SA-9	Statement of Prepaid Taxes	47
SA-10	Statement of Tax Overpayments	47
SA-11	Statement of County Taxes Payable	48
SA-12	Statement of Amount Due to County for Added and Omitted Taxes	48
SA-13	Statement of Local School District Tax	49
SA-14	Statement of Regional High School District Tax	50
SA-15	Statement of Municipal Open Space Tax	51
SA-16	Statement of Amount Due to Municipal Open Space for Added and Omitted Taxes	51

TOWNSHIP OF MANTUATABLE OF CONTENTS (CONT'D)

<u>Exhibit No.</u>		<u>Page No.</u>
<u>CURRENT FUND (CONT'D)</u>		
SA-17	Federal and State Grant Fund--Statement of Federal and State Grants Receivable	52
SA-18	Federal and State Grant Fund--Statement of Reserve for Federal and State Grants--Unappropriated	53
SA-19	Federal and State Grant Fund--Statement of Reserve for Federal and State Grants--Appropriated	54
<u>TRUST FUND</u>		
SB-1	Statement of Trust Cash--Chief Financial Officer	56
SB-2	Animal Control Fund--Statement of Due to State of New Jersey--Department of Health	57
SB-3	Animal Control Fund--Statement of Due Current Fund	57
SB-4	Animal Control Fund--Statement of Reserve for Animal Control Fund	58
SB-5	Municipal Open Space Fund--Statement of Reserve for Future Use	59
SB-6	Trust Other Fund--Statement of Due from Developers	59
SB-7	Trust Other Fund--Statement of Due to Current Fund	60
SB-8	Trust Other Fund--Statement of Miscellaneous Trust Reserves	61
<u>GENERAL CAPITAL FUND</u>		
SC-1	Statement of General Capital Cash--Chief Financial Officer	63
SC-2	Analysis of General Capital Cash	64
SC-3	Statement of Deferred Charges to Future Taxation--Funded	65
SC-4	Statement of Deferred Charges to Future Taxation--Unfunded	66
SC-5	Statement of Due From/To Current Fund	67
SC-6	Statement for General Capital Reserves	67
SC-7	Statement of Due from Federal and State Grant Fund	68
SC-8	Statement of Due from State of New Jersey	68
SC-9	Statement of Contracts Payable	69
SC-10	Statement of Capital Improvement Fund	69
SC-11	Statement of Improvement Authorizations	70
SC-12	Statement of General Serial Bonds	71
SC-13	Statement of Green Trust Loan Payable	72
SC-14	Statement of Bonds and Notes Authorized But Not Issued	73
<u>PART 2</u>		
<u>SCHEDULE OF FINDINGS AND RECOMMENDATIONS</u>		
	Schedule of Financial Statement Findings	75
	Summary Schedule of Prior Year Audit Findings and Questioned Costs As Prepared by Management	77
	<u>OFFICIALS IN OFFICE AND SURETY BONDS</u>	78
	<u>APPRECIATION</u>	79

TOWNSHIP OF MANTUA
PART 1
REPORT OF AUDIT OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Committee
Township of Mantua
Mantua, New Jersey 08051

We have audited the accompanying statements of assets, liabilities, reserves and fund balance-- regulatory basis of the various funds of the Township of Mantua, in the County of Gloucester, State of New Jersey as of December 31, 2005 and 2004, and the related statements of operations and changes in fund balance-- regulatory basis for the years then ended, and the related statement of revenues-- regulatory basis, and statement of expenditures-- regulatory basis for the year ended December 31, 2005. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as discussed in the following paragraph, we conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The financial statements referred to above do not include the general fixed assets account group, as required by N.J.A.C. 5:30-5.6, because a record of general fixed assets was not maintained by the Township. The amount that should be recorded in the general fixed assets account group is not known.

The financial statements previously referred to have been prepared in conformity with accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Accordingly, the financial statements do not represent financial position and results of operations in conformity with accounting principles generally accepted in the United States of America. The more significant of these practices are described in Note 1 to the financial statements.

In our opinion, because of the requirement that the Township prepare its financial statements on the basis of accounting discussed in the preceding paragraph, the financial statements referred to above do not present fairly the financial position of the Township of Mantua, in the County of Gloucester, State of New Jersey, as of December 31, 2005 and 2004, or the results of its operations and changes in fund balance for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Furthermore, in our opinion, except for the effect on the financial statements of the omission described in the third paragraph, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance-- regulatory basis of the various funds of the Township of Mantua, in the County of Gloucester, State of New Jersey, as of December 31, 2005 and 2004, and the results of its operations and changes in fund balance of such funds for the years then ended, and the revenues-- regulatory basis, expenditures-- regulatory basis of the various funds, for the year ended December 31, 2005 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated July 21, 2006 on our consideration of the Township of Mantua, in the County of Gloucester, State of New Jersey's internal control over financial reporting and 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Mantua's basic financial statements. The supplementary financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements of each of the respective individual funds and account group taken as a whole.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Michael J. Welding
Certified Public Accountant
Registered Municipal Accountant

Woodbury, New Jersey
July 21, 2006

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Honorable Mayor and
Members of the Township Committee
Township of Mantua
Mantua, New Jersey 08051

We have audited the financial statements (regulatory basis) of the Township of Mantua, in the County of Gloucester, State of New Jersey, as of and for the year ended December 31, 2005, and have issued our report thereon dated July 21, 2006, which indicated that the financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. In our report, our opinion was qualified because the financial statements did not include the general fixed assets account group as required by New Jersey Administrative Code. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and in compliance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Township of Mantua's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted one matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Township's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying Schedule of Findings and Recommendations as finding number 2005-1.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of Mantua's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under Government Auditing Standards and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs which are described in the accompanying Schedule of Findings and Recommendations as finding numbers 2005-1, 2005-2, and 2005-3.

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Michael J. Welding
Certified Public Accountant
Registered Municipal Accountant

Woodbury, New Jersey
July 21, 2006

TOWNSHIP OF MANTUA
CURRENT FUND

Statements of Assets, Liabilities, Reserves, and Fund Balances - Regulatory Basis
As of December 31, 2005 and 2004

	<u>Ref.</u>	<u>2005</u>	<u>2004</u>
Assets:			
Regular Fund:			
Cash:			
Treasurer	SA-1	\$ 5,379,340.78	4,568,244.94
Change Fund	SA-4	<u>550.00</u>	<u>500.00</u>
		<u>5,379,890.78</u>	<u>4,568,744.94</u>
Receivables and Other Assets with Full Reserves:			
Due from State of New Jersey:			
Senior Citizens' and Veterans' Deductions	SA-8	<u>13,011.29</u>	<u>14,916.08</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	SA-3	607,915.48	620,951.12
Tax Title Liens Receivable	SA-5	472,998.60	426,157.07
Property Acquired for Taxes - Assessed Valuation		1,161,500.00	1,161,500.00
Revenue Accounts Receivable	SA-6	36,315.12	28,033.01
Due from Trust Other Fund	SB-7	2,395.93	7,443.27
Due from General Capital Fund	SC-5	<u>38,371.50</u>	<u>-</u>
		<u>2,319,496.63</u>	<u>2,244,084.47</u>
		<u>7,712,398.70</u>	<u>6,827,745.49</u>
Federal and State Grant Fund:			
Cash	SA-1	362,950.41	-
Due from Current Fund	SA-1	-	86,715.17
Grants Receivable	SA-17	<u>145,001.51</u>	<u>249,825.51</u>
		<u>507,951.92</u>	<u>336,540.68</u>
		<u>\$ 8,220,350.62</u>	<u>\$ 7,164,286.17</u>

(Continued)

TOWNSHIP OF MANTUA
CURRENT FUND

Statements of Assets, Liabilities, Reserves, and Fund Balances - Regulatory Basis
As of December 31, 2005 and 2004

	Ref.	2005	2004
Liabilities, Reserves and Fund Balance:			
Regular Fund:			
Appropriation Reserves	A-3,SA-7	\$ 153,820.14	299,907.93
Reserve for Encumbrances	A-3,SA-7	460,021.12	367,970.81
Accounts Payable	SA-1; SA-7	16,429.90	14,356.68
Prepaid Taxes	SA-9	193,836.29	159,990.21
Tax Overpayments	SA-10	19,350.98	143,526.85
Due County for Added and Omitted Taxes	SA-12	98,760.59	127,013.98
Local District School Taxes Payable	SA-13	486,230.47	364.47
Regional High School District Taxes Payable	SA-14	0.20	-
Due to Mantua Township Municipal Utilities Authority		635.17	635.17
Due to Federal and State Grant Fund	SA-1	-	86,715.17
Due to Trust Other Fund	SB-7	-	6,115.96
Due to General Capital Fund	SC-5	-	59,140.50
Due to Municipal Clerk	SA-1	2,628.55	
Reserve for Tax Sale Premiums	A-1; SA-1	25,500.00	20,949.50
Reserve for Storm Basin Maintenance		10,000.00	10,000.00
Reserve for Police K-9		1,450.00	1,450.00
		<u>1,468,663.41</u>	<u>1,298,137.23</u>
Reserves for Receivables	A	2,319,496.63	2,244,084.47
Fund Balance	A-1	<u>3,924,238.66</u>	<u>3,285,523.79</u>
		<u>7,712,398.70</u>	<u>6,827,745.49</u>
Federal and State Grant Fund:			
Due General Capital Fund	SC-7	150,521.80	84,396.80
Unappropriated Reserves	SA-18	130,349.69	49,479.44
Appropriated Reserves	SA-19	195,207.44	177,661.21
Reserve for Encumbrances	SA-19	25,539.24	23,669.48
Reserve for Matching Funds for Grants	A-3	6,333.75	1,333.75
		<u>507,951.92</u>	<u>336,540.68</u>
		<u>\$ 8,220,350.62</u>	<u>\$ 7,164,286.17</u>

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

TOWNSHIP OF MANTUA
CURRENT FUND
 Statements of Operations and Changes in Fund Balance - Regulatory Basis
 For the Years Ended December 31, 2005 and 2004

	2005	2004
Revenue and Other Income Realized:		
Fund Balance Utilized	\$ 2,968,000.00	2,955,000.00
Miscellaneous Revenues Anticipated	3,145,780.55	3,178,829.70
Receipts from Delinquent Taxes	632,367.30	549,416.78
Receipts from Current Taxes	28,872,087.76	26,225,036.52
Nonbudget Revenues	193,285.38	173,566.08
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	318,848.32	276,181.33
Reserves Cancelled	-	5,382.47
County for Added and Omitted Taxes Canceled	30.00	-
Interfund Returned	5,047.34	70,765.00
Tax Overpayments Canceled	10,889.47	4,413.83
Interfund Payable Canceled	-	926.70
Tax Title Lien Premiums Canceled	8,149.50	-
Federal and State Grant Fund Adjustment	-	5.00
	<u>36,154,485.62</u>	<u>33,439,523.41</u>
Expenditures:		
Budget and Emergency Appropriations:		
Appropriations Within "CAPS"		
Operations:		
Salaries and Wages	3,954,898.22	3,700,307.56
Other Expenses	2,259,194.77	2,119,215.00
Deferred Charges and Statutory Expenditures	315,000.00	293,000.00
Appropriations Excluded from "CAPS"		
Operations:		
Salaries and Wages	113,166.54	172,734.06
Other Expenses	1,767,186.32	2,171,773.08
Capital Improvements	81,500.00	81,000.00
Municipal Debt Service	1,214,023.62	916,437.76
Deferred Charges	900.00	32,220.00
County Taxes	6,898,876.75	5,847,548.26
Due County for Added and Omitted Taxes	98,760.59	127,013.98
Local District School Tax	9,589,560.00	8,202,180.00
Regional High School Tax	6,062,501.56	7,011,354.67
Municipal Open Space Tax	141,038.12	68,297.81
Due Municipal Open Space for Added and Omitted Taxes	1,735.87	1,512.82
Prior Year Senior Citizens' and Veterans' Deductions Disallowed	250.00	-
Refund of Prior Year Revenue	10,806.89	-
Interfund Created	38,371.50	5,382.47
	<u>32,547,770.75</u>	<u>30,749,977.47</u>
Statutory Excess to Fund Balance	3,606,714.87	2,689,545.94
Fund Balance January 1	<u>3,285,523.79</u>	<u>3,550,977.85</u>
	6,892,238.66	6,240,523.79
Decreased by:		
Utilization as Anticipated Revenue	<u>2,968,000.00</u>	<u>2,955,000.00</u>
Fund Balance December 31	<u>\$ 3,924,238.66</u>	<u>\$ 3,285,523.79</u>

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

TOWNSHIP OF MANTUA
CURRENT FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2005

	Anticipated <u>Budget</u>	Special <u>NJSA 40A:4-87</u>	<u>Realized</u>	<u>Excess</u>
Fund Balance Anticipated	\$ 2,968,000.00	-	\$ 2,968,000.00	-
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	10,000.00		10,175.00	\$ 175.00
Other	11,000.00		14,047.00	3,047.00
Fees and Permits	32,533.58		29,190.25	(3,343.33)
Fines and Costs:				
Municipal Court	240,500.00		267,948.68	27,448.68
Interest and Costs on Taxes	104,000.00		115,412.88	11,412.88
Interest on Investments and Deposits	33,000.00		169,012.09	136,012.09
Legislative Initiative Municipal Block Grant	55,745.00		55,745.00	
Consolidated Municipal Property Tax Relief Aid	440,438.00		440,438.00	
Supplemental Gross Receipts and Franchise Tax	55,030.00		55,030.00	
Energy Receipts Tax (P.L. 1997, Chapters 162 & 167)	1,079,819.00		1,079,819.00	
Municipal Homeland Security	70,000.00		70,000.00	
Extraordinary Aid	200,000.00		200,000.00	
Uniform Construction Code Fees	189,350.00		183,645.00	(5,705.00)
Optional JIF Safety Award	1,000.00			(1,000.00)
Uniform Fire Safety Act	12,500.00		20,233.51	7,733.51
Cable Television Franchise Fees	49,000.00		52,419.81	3,419.81
MUA Surplus as per N.J.S.A. 40A: 5A-12.1	120,940.00		120,940.00	
Public and Private Revenues Offset With Appropriations:				
Recycling Tonnage Grant	5,158.02		5,158.02	
Drunk Driving Enforcement Fund	6,924.49		6,924.49	
Alcohol Education and Rehabilitation Fund	1,339.91		1,339.91	
Municipal Alliance on Alcoholism and Drug Abuse	15,510.00		15,510.00	
Buckle Up South Jersey Grant		\$ 2,000.00	2,000.00	
Clean Communities Program	14,106.89		14,106.89	
Livable Communities Grant	115,600.00		115,600.00	
Safe and Secure Communities	30,000.00		30,000.00	
COPS Fast Hiring Grant	41,666.00		41,666.00	
COPS in Schools Grant		23,362.00	23,362.00	
Office of Emergency Management Grant	2,405.72		2,405.72	
Body Armor Grant	3,351.30		3,351.30	
NJEDA - Struthers Dunn	300.00		300.00	
	<u>2,941,217.91</u>	<u>25,362.00</u>	<u>3,145,780.55</u>	<u>179,200.64</u>
Receipts from Delinquent Taxes	<u>591,698.04</u>	-	<u>632,367.30</u>	<u>40,669.26</u>
Subtotal General Revenues	6,500,915.95	25,362.00	6,746,147.85	219,869.90
Amount to be Raised by Taxes for Support to Municipal Budget - Local Tax for Municipal Purposes	<u>4,693,453.44</u>	-	<u>7,587,762.91</u>	<u>2,894,309.47</u>
Budget Totals	11,194,369.39	25,362.00	14,333,910.76	3,114,179.37
Nonbudget Revenues	-	-	193,285.38	193,285.38
	<u>\$ 11,194,369.39</u>	<u>\$ 25,362.00</u>	<u>\$ 14,527,196.14</u>	<u>\$ 3,307,464.75</u>

(Continued)

TOWNSHIP OF MANTUA
CURRENT FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2005

Analysis of Realized Revenue:

Allocation of Current Tax Collections:

Revenue from Collections	\$ 28,872,087.76
Less:	
Allocated to School, County, and Municipal Open Space Taxes	22,792,472.89
Balance for Support of Municipal Budget Revenues	6,079,614.87
Add:	
Reserve for Uncollected Taxes Appropriation	1,508,148.04
Amount for Support of Municipal Budget Appropriations	\$ 7,587,762.91

Receipts from Delinquent Taxes:

Delinquent Tax Collections	\$ 624,075.76
Tax Title Lien Collections	8,291.54
	\$ 632,367.30

Analysis of Non-Budget Revenue

<u>Treasurer Receipts:</u>	
Sale of Municipal Property	\$ 34,332.00
Recycling Rebates	10,215.01
Copy, Map, and Book Fees	1,758.65
Uniform Fire Safety Penalty	62.50
Uniform Fire Safety Registration	6,650.00
Senior Citizen & Veteran Administrative Fee	4,515.00
Payment In Lieu of Taxes	111,589.96
Off Duty Police Administration Cost	10,567.51
Refund of Prior Year Expenditures	8,087.06
DMV Inspection Fees	1,603.50
Miscellaneous	1,063.59
	190,444.78
Revenue Accounts Receivable	2,840.60
	\$ 193,285.38

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

TOWNSHIP OF MANTUA

CURRENT FUND

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2005

	Appropriations		Paid or Charged	Expended		Unexpended Balance Cancelled
	Original Budget	Budget After Modification		Encumbered	Reserved	
OPERATIONS WITHIN "CAPS:"						
Department of Administration and Finance:						
General Administration						
Salaries and Wages	\$ 80,222.60	\$ 67,808.60	\$ 55,471.85	\$ 12,335.12	\$ 1.63	
Other Expenses						
Codification of Ordinances						
Miscellaneous	5,000.00	5,000.00	5,000.00			
Mayor and Committee	36,750.00	32,325.00	28,810.12	1,817.04	1,697.84	
Salaries and Wages	18,943.61	18,943.61	18,943.61			
Other Expenses	11,200.00	7,700.00	6,131.44	1,500.00	68.56	
Municipal Clerk						
Salaries and Wages	35,100.00	31,276.00	31,275.04		0.96	
Other Expenses	3,600.00	2,400.00	2,324.69	72.26	3.05	
Municipal Code Enforcement						
Salaries and Wages	28,735.82	28,735.82	28,735.76		0.06	
Other Expenses	3,750.00	1,900.00	1,830.42	5.21	64.37	
Financial Administration:						
Salaries and Wages	74,500.00	74,500.00	74,495.84		4.16	
Other Expenses	22,350.00	20,550.00	20,197.71	305.46	46.83	
Audit Services:						
Other Expenses	48,950.00	48,950.00		48,950.00		
Revenue Administration:						
Salaries and Wages	72,950.00	69,490.00	69,489.50		0.50	
Other Expenses	16,450.00	13,025.00	12,522.41	167.65	334.94	
Tax Assessment Administration:						
Salaries and Wages	75,470.00	73,070.00	73,055.21		14.79	
Other Expenses	14,304.00	11,804.00	8,811.49	2,676.24	316.27	
Legal Services and Costs:						
Salaries and Wages	10,000.00	10,000.00	9,999.96		0.04	
Other Expenses	45,000.00	53,200.00	44,539.11	4,527.25	4,133.64	
Rent Leveling Board						
Salaries and Wages	1,576.75	1,576.75	1,576.75			
Other Expenses	2,250.00	1,650.00	861.40		788.60	
Veterans Commission						
Other Expenses	2,000.00	710.00	707.80		2.20	

(Continued)

TOWNSHIP OF MANTUA

CURRENT FUND

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2005

	Appropriations		Paid or Charged	Expended		Unexpended Balance Cancelled
	Original Budget	Budget After Modification		Encumbered	Reserved	
OPERATIONS WITHIN "CAPS" (CONT'D)						
Department of Administration and Finance (Cont'd):						
Engineering Services and Costs:						
Other Expenses	\$ 30,000.00	\$ 36,000.00	\$ 28,531.60	\$ 3,112.50	\$ 4,355.90	
Economic Development						
Other Expenses	19,000.00	19,000.00	18,846.46	16.16	137.38	
Historical Commission						
Other Expenses	4,000.00	3,000.00	1,440.00	1,555.00	5.00	
Planning Board						
Salaries and Wages	11,677.83	11,677.83	10,460.95		1,216.88	
Other Expenses	7,450.00	134,275.00	130,860.14	102.07	3,312.79	
Zoning Board of Adjustment:						
Salaries and Wages	23,236.61	22,216.61	22,206.95		9.66	
Other Expenses	9,800.00	9,800.00	6,953.67	540.00	2,306.33	
Public Safety Functions:						
Police						
Salaries and Wages						
Regular	1,963,667.60	1,940,517.60	1,905,894.78		34,622.82	
Crossing Guard	78,653.60	77,153.60	77,126.02		27.58	
Other Expenses	244,720.00	243,220.00	207,520.26	32,042.98	3,656.76	
Office of Emergency Management						
Other Expenses	1,000.00	613.00	363.11		249.89	
Municipal Prosecutor						
Salaries and Wages	13,433.47	12,333.47	12,314.02		19.45	
Public Safety Inspector						
Salaries and Wages	2,037.41	2,037.41	2,031.63		5.78	
Other Expenses	2,700.00	750.00	716.39		33.61	
Fire						
Other Expenses	25,500.00	25,500.00	14,079.81	8,600.56	2,819.63	
Aid to Volunteer Fire Company						
Center City Fire Company	30,000.00	30,000.00	30,000.00			
Barnsboro Fire Company	30,000.00	30,000.00	30,000.00			
Sewell Fire Company	30,000.00	30,000.00	30,000.00			
Mantua Fire Company	30,000.00	30,000.00	30,000.00			

(Continued)

TOWNSHIP OF MANTUA

CURRENT FUND

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2005

	Appropriations		Paid or Charged	Expended		Unexpended Balance Cancelled
	Original Budget	Budget After Modification		Encumbered	Reserved	
OPERATIONS WITHIN "CAPS" (CONT'D)						
Public Safety Functions (Cont'd):						
Fire Department (Uniform Fire Safety Act P.L. 1983 Ch. 383):						
Salaries and Wages	\$ 17,845.58	\$ 17,845.58	\$ 17,305.88	\$	\$ 539.70	
Other Expenses	7,250.00	7,250.00	5,545.99	13.12	1,690.89	
Aid to Volunteer Ambulance Companies Association	46,000.00	46,000.00	46,000.00			
Department of Public Works:						
Streets and Roads Maintenance:						
Salaries and Wages	368,450.74	410,850.74	410,813.73		37.01	
Other Expenses	96,334.42	93,834.42	75,569.13	12,877.65	5,387.64	
Garbage and Trash Removal						
Salaries and Wages	798,301.47	715,801.47	715,779.38		22.09	
Other Expenses	95,440.00	95,440.00	87,602.03	3,404.88	4,433.09	
Public Buildings and Grounds						
Salaries and Wages	43,225.00	46,325.00	46,297.67		27.33	
Other Expenses	70,050.00	70,050.00	66,205.41	3,219.64	624.95	
Insurance						
Surety Bond Premiums	1,500.00	1,500.00	450.00		1,050.00	
Other Insurance Premiums	15,000.00	9,600.00	9,529.49		70.51	
Unemployment Compensation	14,000.00	14,000.00	10,537.63		3,462.37	
Health & Human Services Functions:						
Welfare/Administration of Public Assistance						
Other Expenses	1,500.00	1,500.00	200.00	1,293.29	6.71	
Environmental Committee						
Other Expenses	3,200.00	1,800.00	720.00	1,000.00	80.00	
Senior Citizen Public Transportation						
Salaries and Wages	26,733.05	27,383.05	27,148.60	227.80	6.65	
Other Expenses	4,100.00	4,100.00	4,029.73	27.30	42.97	
Public Health Services						
Salaries and Wages	8,679.98	7,749.98	7,271.83		478.15	
Other Expenses	940.00	790.00	783.94		6.06	
Park & Recreation Functions:						
Recreation Services and Programs:						
Other Expenses	33,500.00	26,500.00	13,971.44	12,158.40	370.16	

(Continued)

TOWNSHIP OF MANTUA

CURRENT FUND

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2005

	Appropriations		Paid or Charged	Expended		Unexpended Balance Cancelled
	Original Budget	Budget After Modification		Encumbered	Reserved	
OPERATIONS WITHIN "CAPS" (CONT'D)						
Celebration of Public Events						
Other Expenses	\$ 14,000.00	\$ 14,000.00	\$ 13,956.79	\$	43.21	
Construction Official						
Salaries and Wages	129,107.56	129,107.56	128,358.73		748.83	
Other Expenses	38,100.00	21,600.00	17,208.65	\$ 1,432.45	2,958.90	
Sub-Code Officials						
Plumbing Inspector						
Salaries and Wages	9,315.00	9,315.00	9,311.82		3.18	
Other Expenses	500.00					
Electrical Inspector						
Salaries and Wages	15,266.76	15,266.76	15,266.63		0.13	
Other Expenses	700.00	700.00	439.68	100.00	160.32	
Housing Inspector						
Salaries and Wages	6,270.68	5,170.68	5,152.50		18.18	
Other Expenses	400.00	100.00	41.60	10.88	47.52	
Fire Protection Official						
Salaries and Wages	6,147.93	6,147.93	6,147.93			
Other Expenses	450.00	450.00	128.00		322.00	
Municipal Court						
Salaries and Wages	115,206.47	115,206.47	99,803.22		15,403.25	
Other Expenses	33,950.00	16,950.00	11,270.02	2,765.95	2,914.03	
Hepatitis B Vaccination Program / OSHA						
Public Defender						
Salaries and Wages	4,479.05	4,479.05	4,479.00		0.05	
Unclassified:						
Gasoline	80,000.00	122,300.00	105,275.80	10,519.31	6,504.89	
Electricity	75,000.00	90,000.00	82,192.02	7,807.98		
Telephone and Telegraph	22,000.00	20,100.00	19,951.82	55.75	92.43	
Heating Oil	25,000.00	20,000.00	12,800.92	4,179.94	3,019.14	
Street Lighting	84,500.00	96,500.00	81,089.29	14,670.85	739.86	
Landfill/Solidwaste Disposal Costs	732,670.00	692,670.00	546,786.49	140,972.45	4,911.06	
Total Operations Within "CAPS"	6,214,092.99	6,214,092.99	5,759,800.69	337,811.14	116,481.16	-
Detail:						
Salaries and Wages	4,039,234.57	3,954,898.22	3,902,331.76	12,664.99	39,901.47	
Other Expenses	2,174,858.42	2,259,194.77	1,857,468.93	325,146.15	76,579.69	

(Continued)

TOWNSHIP OF MANTUA

CURRENT FUND

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2005

	Appropriations		Paid or Charged	Expended		Unexpended Balance Cancelled
	Original Budget	Budget After Modification		Encumbered	Reserved	
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS":</u>						
Statutory Expenditures:						
Contribution to:						
Social Security System (O.A.S.I.)	\$ 315,000.00	\$ 315,000.00	\$ 301,652.62	-	\$ 13,347.38	-
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"	315,000.00	315,000.00	301,652.62	-	13,347.38	-
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	6,529,092.99	6,529,092.99	6,061,453.31	\$ 337,811.14	129,828.54	-
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>						
Public Defender	120,750.00	120,750.00		120,750.00		
LOSAP						
Insurance:						
Liability Insurance	183,067.00	183,067.00	181,343.00		1,724.00	
Workers Compensation Insurance	244,040.00	244,040.00	244,040.00			
Employee Group Health Insurance	987,000.00	987,000.00	977,912.55	1,459.98	7,627.47	
Public Employees' Retirement System	12,324.60	12,324.60	12,324.60			
Consol. Police & Fire Pension Fund	48,392.80	48,392.80	48,392.80			
Snow Emergency EO#48: N.J.S. 40A:4-45.3bb						
Salaries and Wages	9,214.05	9,214.05			9,214.05	
Other Expenses	3,962.58	3,962.58			3,962.58	
Public and Private Programs Offset by Revenues:						
Matching Share for Grants	5,000.00	5,000.00	5,000.00			
Municipal Alliance Program for Alcoholism & Drug Abuse						
State Share	15,510.00	15,510.00	15,510.00			
Township Share	3,877.50	3,877.50	3,877.50			
Office of Emergency Management	2,405.72	2,405.72	2,405.72			
JIF Safety Award	1,000.00	1,000.00	1,000.00			
Reserve for Recycling Grant	5,158.02	5,158.02	5,158.02			
Buckle Up South Jersey Grant (40A:4-87 \$2,000.00)		2,000.00	2,000.00			
COPS in Schools Grant (40A:4-87 \$23,362.00)		23,362.00	23,362.00			

(Continued)

TOWNSHIP OF MANTUA

CURRENT FUND

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2005

	Appropriations		Paid or Charged	Expended		Unexpended Balance Cancelled
	Original Budget	Budget After Modification		Encumbered	Reserved	
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>						
Public and Private Programs Offset by Revenues (Cont'd):						
Communities Program (c. 220, PL 1993)	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00			
Clean Communities Grant	14,106.89	14,106.89	14,106.89			
Livable Communities Grant	115,600.00	115,600.00	115,600.00			
Cops Fast Hiring Grant	41,666.00	41,666.00	41,666.00			
Drunk Driving Enforcement Fund	6,924.49	6,924.49	6,924.49			
Body Armor Grant	3,351.30	3,351.30	3,351.30			
Alcohol Education Rehabilitation Fund	1,339.91	1,339.91	1,339.91			
NJEDA Grant - Struthers Dunn	300.00	300.00	300.00			
	1,854,990.86	1,880,352.86	1,735,614.78	\$ 122,209.98	\$ 22,528.10	-
<u>TOTAL OPERATIONS - EXCLUDED FROM "CAPS"</u>						
Detail:						
Salaries and Wages	87,805.54	113,166.54	113,166.54			
Other Expenses	1,767,185.32	1,767,186.32	1,622,448.24	122,209.98	22,528.10	
<u>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</u>						
Capital Improvement Fund	75,000.00	75,000.00	75,000.00			
Capital Improvement Fund Projects:	6,500.00	6,500.00	5,036.50		1,463.50	
Sanitary Landfill Closure (NUSA 40:2-22H)						
	81,500.00	81,500.00	80,036.50	-	1,463.50	-
<u>TOTAL CAPITAL IMPROVEMENTS</u>						
<u>MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</u>						
Payment of Bond Principal	765,000.00	765,000.00	765,000.00			\$ 5,609.17
Interest on Bonds	427,695.00	427,695.00	422,085.83			
Green Trust Loan Program:						
Loan Repayment for Principal	21,047.65	21,047.65	21,047.65			104.71
Loan Repayment for Interest	5,994.85	5,994.85	5,890.14			
	1,219,737.50	1,219,737.50	1,214,023.62	-	-	5,713.88
<u>TOTAL MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</u>						

(Continued)

TOWNSHIP OF MANTUA
CURRENT FUND
 Statement of Expenditures - Regulatory Basis
 For the Year Ended December 31, 2005

	Appropriations		Budget After Modification	Paid or Charged	Expended		Unexpended Balance Cancelled
	Original Budget				Encumbered	Reserved	
<u>DEFERRED CHARGES - MUNICIPAL - EXCLUDED FROM "CAPS"</u>							
Deferred Charges Future Taxation Unfunded:							
O-21-04 Various General Improvement	\$ 900.00	\$ 900.00	\$ 900.00	\$ 900.00			
TOTAL MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"	900.00	900.00	900.00	900.00	-	-	-
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"	3,157,128.36	3,182,490.36	3,182,490.36	3,030,574.90	\$ 122,209.98	\$ 23,991.60	\$ 5,713.88
SUBTOTAL GENERAL APPROPRIATIONS	9,686,221.35	9,711,583.35	9,711,583.35	9,092,028.21	460,021.12	153,820.14	5,713.88
Reserve for Uncollected Taxes	1,508,148.04	1,508,148.04	1,508,148.04	1,508,148.04	-	-	-
TOTAL GENERAL APPROPRIATIONS	\$ 11,194,369.39	\$ 11,219,731.39	\$ 11,219,731.39	\$ 10,600,176.25	\$ 460,021.12	\$ 153,820.14	\$ 5,713.88
Adopted Budget		\$ 11,194,369.39					
Appropriation by NJSA 40A:4-87		25,362.00					
		\$ 11,219,731.39					
Due Federal and State Grant Fund:							
Federal and State Grants Appropriated			\$ 266,601.83				
Matching Funds for Grants			5,000.00				
Due General Capital Fund:							
Deferred Charges to Future Taxation Unfunded			900.00				
Capital Improvement Fund			75,000.00				
Reserve for Uncollected Taxes			1,508,148.04				
Reimbursed			(88,305.06)				
Disbursed			8,832,831.44				
			\$ 10,600,176.25				

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

TOWNSHIP OF MANTUA
TRUST FUND

Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
As of December 31, 2005 and 2004

	Ref.	<u>2005</u>	<u>2004</u>
Assets:			
Animal Control Fund:			
Cash - Chief Financial Officer	SB-1	\$ 10,183.49	\$ 8,054.77
Due from Municipal Clerk	SB-1; SB-4	<u>2,583.20</u>	<u> </u>
		<u>12,766.69</u>	<u>8,054.77</u>
Municipal Open Space Fund			
Cash - Chief Financial Officer	SB-1	<u>276,946.61</u>	<u>135,807.07</u>
Other Funds:			
Cash - Chief Financial Officer	SB-1	379,179.78	413,601.41
Due from Developers	SB-6	<u>93,214.54</u>	<u>64,223.74</u>
		<u>472,394.32</u>	<u>477,825.15</u>
		<u>\$ 762,107.62</u>	<u>\$ 621,686.99</u>
Liabilities, Reserves and Fund Balance:			
Animal Control Fund:			
Reserve for Animal Control Fund Expenditures	SB-4	\$ <u>12,766.69</u>	\$ <u>8,054.77</u>
Municipal Open Space			
Reserve for Future Use	SB-5	<u>276,946.61</u>	<u>135,807.07</u>
Other Funds:			
Due to Current Fund	SB-7	2,395.93	1,327.31
Miscellaneous Trust Reserves	SB-8	<u>469,998.39</u>	<u>476,497.84</u>
		<u>472,394.32</u>	<u>477,825.15</u>
		<u>\$ 762,107.62</u>	<u>\$ 621,686.99</u>

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

TOWNSHIP OF MANTUA
 TRUST -- MUNICIPAL OPEN SPACE FUND
 Statement of Revenues--Regulatory Basis
 For the Year Ended December 31, 2005

	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Amount to be Raised by Taxation	\$ 141,038.12	\$ 142,773.99	\$ 1,735.87
Miscellaneous Revenue Not Anticipated	<u> </u>	<u>3,365.55</u>	<u>3,365.55</u>
	<u>\$ 141,038.12</u>	<u>\$ 146,139.54</u>	<u>\$ 5,101.42</u>

Analysis of Amount to be Raised by Taxation:

Collections \$ 142,773.99

Analysis of Miscellaneous Revenue Not Anticipated:

Interest on Deposits \$ 3,365.55

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

TOWNSHIP OF MANTUA
TRUST -- MUNICIPAL OPEN SPACE FUND
Statement of Expenditures--Regulatory Basis
For the Year Ended December 31, 2005

	Original Budget	Budget After Modification	Expended		Unexpended Balance Canceled
			Disbursed	Reserved	
Development of Lands for Recreation and Conservation:					
Other Expenses	\$ 141,038.12	\$ 5,000.00	\$ 5,000.00	\$ -	\$ 136,038.12
Reserve for Future Use	\$ 141,038.12	\$ 141,038.12	\$ 5,000.00	\$ -	\$ 136,038.12

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

TOWNSHIP OF MANTUA
GENERAL CAPITAL FUND
 Statements of Assets, Liabilities, Reserves and Fund Balances -- Regulatory Basis
 As of December 31, 2005 and 2004

Assets:	Ref.	2005	2004
Cash	SC-1	\$ 1,011,138.90	\$ 1,401,019.86
Due from State of New Jersey	SC-8	337,500.00	525,000.00
Deferred Charges to Future Taxation:			
Funded	SC-3	9,928,694.88	10,714,742.53
Unfunded	SC-4	1,126,700.00	900.00
Due from Current Fund	SC-5		59,140.50
Due from Federal and State Grant Fund	SC-7	150,521.80	84,396.80
		<u>\$ 12,554,555.58</u>	<u>\$ 12,785,199.69</u>
Liabilities, Reserves and Fund Balance:			
Due to Current Fund	SC-5	\$ 38,371.50	
Contracts Payable	SC-9	875,055.24	\$ 346,881.16
Capital Improvement Fund	SC-10	28,285.81	12,585.81
Improvement Authorizations:			
Funded	SC-11	1,000,795.48	1,688,838.50
Unfunded	SC-11	665,380.98	900.00
General Capital Reserves	SC-6	6,120.00	9,400.00
General Serial Bonds	SC-12	9,650,000.00	10,415,000.00
Green Trust Loan Payable	SC-13	278,694.88	299,742.53
Fund Balance	C	11,851.69	11,851.69
		<u>\$ 12,554,555.58</u>	<u>\$ 12,785,199.69</u>

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

TOWNSHIP OF MANTUA
Notes to Financial Statements
For the Year Ended December 31, 2005

Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Description of Financial Reporting Entity - The Township of Mantua was incorporated on February 23, 1853 and is located in southwest New Jersey approximately twenty miles southeast of the City of Philadelphia. The population according to the 2000 census is 14,217.

The Township has a Mayor-Council form of government known as the Mayor-Council Plan A under the Optional Municipal Charter Law of 1960, popularly known as the Faulkner Act. The Mayor is separately elected. Executive and administrative responsibility rests with the Mayor, who is assisted by the Township Administrator.

Component Units - The financial statements of the component units of the Township of Mantua are not presented in accordance with Governmental Accounting Standards Board Statement No. 14. If the provisions of GASBS No. 14 had been complied with, the financial statements of the following component units would have been either blended or discretely presented with the financial statements of the Township, the primary government:

Mantua Municipal Utilities Authority
397 Main Street
Mantua, New Jersey 08051

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

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

Current Fund - The Current Fund accounts for resources and expenditures for governmental operations of a general nature, including Federal and State grant funds.

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

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

Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

Budgets and Budgetary Accounting - The Township of Mantua must adopt an annual budget for its current and open space funds in accordance with N.J.S.A. 40A:4 et seq. N.J.S.A. 40A:4-5 requires the governing body to introduce and approve the annual municipal budget no later than February 10 of each year. At introduction, the governing body shall fix the time and place for a public hearing on the budget and must advertise the time and place at least ten days prior to the hearing in a newspaper published and circulating in the municipality. The public hearing must not be held less than twenty-eight days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with N.J.S.A. 40A:4-9. Amendments to adopted budgets, if any, are detailed in the statements of revenues and expenditures.

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

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

Cash, Cash Equivalents and Investments - Cash and cash equivalents include petty cash, change funds and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Investments are stated at cost. Consequently, unrealized gain or loss on investments has not been recorded in accordance with Governmental Accounting Standards Board Statement No. 31.

New Jersey municipal units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or in the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of investments which may be purchased by New Jersey municipal units. In addition, other State statutes permit investments in obligations issued by local 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 the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the Governmental Units.

The cash management plan adopted by the Township of Mantua requires it to deposit funds in public depositories protected from loss under the provisions of the Act.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

Inventories of Supplies - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various statements of assets, liabilities, reserves and fund balance.

General Fixed Assets - Accounting for Governmental Fixed Assets, as required by N.J.A.C. 5:30-5.6, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and Budget Circular A-87 (Attachment B, Section 19), except that the useful life of such property is at least five years. The Township has adopted a capitalization threshold of \$5,000, the maximum amount allowed by the Circular. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at their estimated fair market value on the acquisition date. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation. The Township is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements and transfers of fixed assets. In addition, a Statement of General Fixed Assets, reflecting the activity for the year, must be included in the Township's basic financial statements.

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

Foreclosed Property - Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. Ordinarily it is the intention of the municipality to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason the value of foreclosed property has not been included in the General Fixed Assets Account Group. If such property is converted to a municipal use, it will be recorded in the General Fixed Assets Account Group.

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

Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

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 Balance included in the current fund represent amounts available for anticipation as revenue in future years budgets, with certain restrictions.

Revenues - Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Revenue from Federal and State grants are realized when anticipated as such in the Township's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the Township's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Township which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

Property Tax Revenues - Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1. The amount of tax levied includes not only the amount required in support of the Township's annual budget, but also the amounts required in support of the budgets of the County of Gloucester, Township of Mantua School District, and Clearview Regional High School 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 Mantua School District and the Clearview County Regional High School District. Operations is charged for the Township's share of the amount required to be raised by taxation for both districts for the period from July 1 to June 30, increased by the amount deferred at December 31, 2004 and decreased by the amount deferred at December 31, 2005.

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

Reserve for Uncollected Taxes - The inclusion of the "Reserve for Uncollected Taxes" appropriation in the Township's annual budget protects the Township from taxes not paid currently. The Reserve, the minimum amount of which is determined on the percentage of collections experienced in the immediate preceding year, with certain exceptions, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations.

Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

Expenditures - Expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when paid. However, for charges to amounts appropriated for "other expenses", an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed in accordance with N.J.A.C. 5:30-5.2. When encumbered charges are paid, the amount encumbered is simultaneously liquidated in its original amount. Encumbrances are offset by an account entitled reserve for encumbrances. The reserve is classified as a cash liability under New Jersey municipal accounting. At December 31, this reserve represents the portion of appropriation reserves that has been encumbered and is subject to the same statutory provisions as appropriation reserves.

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

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

Note 2: **CASH AND CASH EQUIVALENTS**

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits may not be returned to it. The Township's formal policy regarding custodial credit risk is the same as described in Note 1, N.J.S.A. 17:9-41 et seq. and included in its cash management plan. The Township shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act. As of December 31, 2005 the Township's bank balance of \$7,725,321.96 was insured or collateralized as follows:

Insured	\$220,437.59
Collateralized under GUDPA	<u>7,504,884.37</u>
	<u>\$7,725,321.96</u>

Note 3: **PROPERTY TAXES**

The following is a five-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four years.

Comparative Schedule of Tax Rates

	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
Tax Rate	<u>\$4.127</u>	<u>\$3.851</u>	<u>\$3.588</u>	<u>\$3.216</u>	<u>\$2.969</u>
Apportionment of Tax Rate:					
Municipal	\$.665	\$.596	\$.556	\$.499	\$.481
REAP Credit					(.008)
Municipal Open Space	.020	.010	.009	.010	.010
County	.858	.774	.720	.665	.648
County Library	.064	.058	.053	.049	.044
County Open Space	.058	.026	.024	.022	.021
Local School	1.439	1.394	1.299	1.172	1.025
Regional School District	1.023	.993	.926	.799	.739

Assessed Valuation

2005	\$705,190,601.00
2004	682,978,110.00
2003	662,996,717.00
2002	646,226,230.00
2001	636,286,805.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2005	\$29,529,215.92	\$28,872,087.76	97.77%
2004	26,872,176.00	26,225,036.52	97.59%
2003	24,311,635.00	23,722,777.00	97.58%
2002	21,147,170.00	20,210,713.00	95.57%
2001	19,245,295.00	18,746,647.00	97.41%

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2005	\$472,998.60	\$607,915.48	\$1,080,914.08	3.66%
2004	426,157.07	620,951.12	1,047,108.19	3.90%
2003	368,587.00	566,909.00	935,496.00	3.85%
2002	321,452.00	745,295.00	1,066,747.00	5.00%
2001	283,466.00	479,072.00	762,538.00	3.96%

Note 3: **PROPERTY TAXES (CONT'D)**

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

<u>Year</u>	<u>Number</u>
2005	25
2004	28
2003	13
2002	14
2001	13

Note 4: **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, for the current and previous four years was as follows:

<u>Year</u>	<u>Amount</u>
2005	\$1,161,500.00
2004	1,161,500.00
2003	1,495,600.00
2002	1,495,600.00
2001	1,495,600.00

Note 5: **FUND BALANCES APPROPRIATED**

The following schedule details the amount of fund balances available at the end of the current year and four previous years and the amounts utilized in the subsequent year's budgets.

<u>Year</u>	<u>Balance Dec. 31</u>	<u>Utilized In Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
<u>Current Fund</u>			
2005	\$3,924,238.66	\$3,218,000.00	82.00%
2004	3,287,523.79	2,968,000.00	90.28%
2003	3,550,977.85	2,955,000.00	83.31%
2002	3,147,657.27	2,567,000.00	81.55%
2001	1,977,559.11	1,977,000.00	99.98%

Note 6: **INTERFUND RECEIVABLES AND PAYABLES**

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of December 31, 2005:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Fund	\$40,767.43	
Federal and State Grant Fund		\$150,521.80
Trust-- Other Fund		2,395.93
General Capital Fund	<u>150,521.80</u>	<u>38,371.50</u>
	<u>\$191,289.23</u>	<u>\$191,289.23</u>

Note 7: **PENSION PLANS**

The Township of Mantua contributes to two cost-sharing multiple-employer defined benefit pension plans, the Public Employees' Retirement System and the Police and Firemen's Retirement System, which are administered by the New Jersey Division of Pensions and Benefits. These plans provide retirement, death and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:15A and 43:3B for the PERS and N.J.S.A. 43:16A and 43:3B for the PFRS. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System are required to contribute 5% of their annual covered salary. In accordance with Chapter 204, P.L. 1989, plan members enrolled in the Police and Firemen's Retirement System are required to contribute 8.5% of their annual covered salary. The Township is billed annually for its normal contribution plus any accrued liability.

The Township's contributions to the various plans, equal to the required contributions, were as follows:

Public Employees Retirement System

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Funded by State</u>	<u>Paid by Township</u>	
2005	\$60,779.00	\$844.00	\$61,623.00	\$49,298.40	\$12,324.60	(1)
2004	37,205.00	None	37,205.00	37,205.00	None	(1)
2003	11,174.00	4,769.00	15,943.00	15,934.00	None	

(1) Under the provisions of Chapter 108, P.L. 2003 the Township's share of the total normal contribution and accrued liability will increase approximately 20% per year until the Township is paying 100% of the total normal contribution and accrued liability.

Note 7: **PENSION PLANS (CONT'D)****Police and Firemen's Retirement System**

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Funded by State</u>	<u>Paid by Township</u>	
2005	\$108,991.00	\$11,991.00	\$120,982.00	\$72,589.20	\$48,392.80	(1)
2004	70,887.00	None	70,887.00	56,709.60	14,177.40	(1)
2003	58,629.00	None	58,629.00	58,629.00	None	

The accrued liability for employees in the Public Employees Retirement System as of June 30, 2005 was \$493,090.00 payable in annual installments of \$18,965.00 with the last installment due on April 1, 2031. The accrued liability for employees in the Police and Firemen's Retirement System as of June 30, 2005 was \$1,153,089.00 payable in annual installments of \$42,707.00 with the last installment due on April 1, 2032.

(1) Under the provisions of Chapter 108, P.L. 2003 the Township's share of the total normal contribution and accrued liability will increase approximately 20% per year until the Township is paying 100% of the total normal contribution and accrued liability.

Note 8: **OTHER POST EMPLOYMENT BENEFITS**

In addition to the pension benefits described in Note 7, the Township provides post retirement health care benefits, at its cost, to certain police officers and other employees. This entitlement requires that police officers retire from service with the Township, be covered by any collective bargaining agreement between the Township and the Police's Benevolent Association Local 122 and have served at least twenty-five years as a police officer in any capacity and in any jurisdiction in which that service is eligible for credit in the Police and Firemen's Pension System. The entitlement for other employees requires that they retire from service with the Township, be covered by any collective bargaining agreement or be a certified employee and have been employed at least twenty-five years by the Township. The health care benefits will be in a form consistent with that provided to all current employees whose service is covered by any collective bargaining agreement or certified employee.

The Township funds these benefits on a pay-as-you-go basis and therefore does not record accrued expenses related to these benefits. During the year 2005, there were eighteen retired employees who received this benefit resulting in the payment of \$196,768.15 in related health care premiums.

Note 9: **COMPENSATED ABSENCES**

Full-time employees are entitled to twelve paid sick leave days each year. Full-time Police employees are entitled to fifteen paid sick leave days each year. All employees may accumulate and carry forward five vacation days not used.

The Township of Mantua compensates employees for unused sick leave upon termination or retirement over a four year period. The Township of Mantua compensates employees for unused sick leave under the following criteria. For non-police employees, sick leave may be accumulated to a maximum of 365 days and will be paid at 75% of accrued time. For police employees hired before January 1 2002, sick leave may be accumulated to a maximum of 365 days and will be paid at 75% of accrued time. For police employees hired after January 1 2002, sick leave may be accumulated to a maximum of 365 days but will be paid for 100 days at 75% of accrued time. All employees, unused vacation days shall be paid 100%.

Note 9: COMPENSATED ABSENCES (CONT'D)

The Township does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2005, accrued benefits for compensated absences are valued at \$724,672.92.

Note 10: DEFERRED COMPENSATION SALARY ACCOUNT

The Township offers its employees a Deferred Compensation Plan in accordance with Internal Revenue Code Section 457 which has been approved by the Director of the Division of Local Government Services. The Plan, available to all full time employees at their option, permits 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.

Note 11: LENGTH OF SERVICE AWARD PROGRAM

The Township's Length of Service Awards Program (LOSAP) was created by a Township Ordinance adopted on August 14, 2001 pursuant to Section 457 (e)(11)(13) of the Internal Service Code of 1986, as amended, except for provisions added by reason of the Length of Service Award Program as enacted into federal law in 1997. The voters of the Township of Mantua approved the adoption of the LOSAP at the general election held on November 6, 2001, and the first year of eligibility for entrance into the LOSAP by qualified volunteers was calendar year 2002. The LOSAP provides tax deferred income benefits to active volunteer firefighters and emergency medical personnel.

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 LOSAP, the balances and activities of the LOSAP are not reported in the Township's financial statements.

As required by N.J.A.C. 5:30-14.48, the Township must have an annual review of its LOSAP performed in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Note 12: **LEASE OBLIGATIONS**

At December 31, 2005, the Township had lease agreements in effect for the following:

Operating:
 One (1) Postage Machine
 Three (3) Copy Machines

The following is an analysis of operating leases.

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

<u>Year</u>	<u>Amount</u>
2006	\$5,120.16
2007	5,120.16
2008	5,120.16
2009	3,111.76

Rental payments under operating leases for the year 2005 were \$5,120.16.

Note 13: **CAPITAL DEBT****Summary of Debt**

	<u>Year 2005</u>	<u>Year 2004</u>	<u>Year 2003</u>
<u>Issued</u>			
General:			
Bonds and Notes	\$9,928,694.88	\$10,714,742.53	\$7,706,375.44
<u>Authorized but not Issued</u>			
General:			
Bonds and Notes	1,126,700.00	900.00	2,456,620.00
Net Debt	<u>\$11,055,394.88</u>	<u>\$10,715,642.53</u>	<u>\$10,162,995.44</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 indicated a statutory net debt of 1.12%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Regional School District	\$16,858,823.94	\$16,858,823.94	
Local School District	16,695,000.00	16,695,000.00	
General	11,055,394.88		\$11,055,394.88
	<u>\$44,609,218.82</u>	<u>\$33,553,823.94</u>	<u>\$11,055,394.88</u>

Net Debt \$11,055,394.88 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, \$986,909,861.67 equals 1.12%

Note 13: **CAPITAL DEBT (CONT'D)****Borrowing Power Under N.J.S.A.40A:2-6 As Amended**

3 1/2% of Equalized Valuation Basis (Municipal)	\$34,541,845.16
Net Debt	<u>11,055,394.88</u>
Remaining Borrowing Power	<u>\$23,486,450.28</u>

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

<u>Year</u>	<u>General</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2006	\$795,000.00	\$399,730.00	\$1,194,730.00
2007	820,000.00	365,220.00	1,185,220.00
2008	595,000.00	329,552.50	924,552.50
2009	630,000.00	304,580.00	934,580.00
2010	640,000.00	278,342.50	918,342.50
2011-15	3,230,000.00	983,277.50	4,213,277.50
2016-20	2,399,000.00	392,052.50	2,791,052.50
2021-22	541,000.00	25,721.25	566,721.25

Loans Outstanding

<u>Year</u>	<u>Green Acres</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2006	21,470.70	5,467.08	26,937.78
2007	21,902.26	5,035.52	26,937.78
2008	22,342.50	4,595.28	26,937.78
2009	22,791.58	4,146.20	26,937.78
2010	23,249.69	3,688.09	26,937.78
2011-15	88,104.13	12,458.54	100,562.67
2016-20	78,834.02	3,993.98	82,828.00

Note 14: **SCHOOL TAXES**

The Mantua Township Local School District and Clearview Regional High School District Taxes have been raised and the liability deferred by statutes, resulting in the school tax payable set forth in the Current Fund liabilities as follows:

	<u>Local School District</u>		<u>Regional High School District</u>	
	<u>Balance Dec. 31,</u>	<u>Balance Dec. 31,</u>	<u>Balance Dec. 31,</u>	<u>Balance Dec. 31,</u>
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
Balance of Tax	\$5,561,230.47	\$4,513,364.47	\$3,399,139.70	\$2,244,783.50
Deferred	<u>5,075,000.00</u>	<u>4,513,000.00</u>	<u>3,399,139.50</u>	<u>2,244,783.50</u>
	<u>\$486,230.47</u>	<u>\$364.47</u>	<u>\$0.20</u>	<u>---</u>

Note 15: JOINT INSURANCE POOL

The Township of Mantua is a member of the Gloucester, Salem, and Cumberland County Municipal Joint Insurance 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

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.

The Fund provides the Township with the following coverage:

Property - Blanket Building and Grounds
General and Automobile Liability
Fidelity and Performance (Blanket)
Volunteer Emergency Services Liability
Workers' Compensation
Crime Coverage

Contributions to the Fund, are payable in an annual premium and is 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.

The Fund publishes its own financial report for the year ended December 31, 2005, which can be obtained from:

Gloucester, Salem, and Cumberland County Municipal Joint Insurance Fund
P.O. Box 442
Hammonton, New Jersey 08037

Note 16: DEBT SERVICE AGREEMENT

The Township entered into a debt service agreement with the Mantua Municipal Utilities Authority on December 23, 1977 which is amended with each new Authority borrowing. This agreement obligates the Township to advance payment for any debt service deficiency of the Authority. The Authority is obligated, by the agreement, to repay to the Township all advances paid on their behalf, upon the financial ability to do so. At September 30, 2005, the Authority had \$4,642,987.28 in outstanding debt covered by this agreement.

Note 17: LITIGATION

The Township is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the Township, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

 Note 18: **SUBSEQUENT EVENTS**

Subsequent to December 31, the Township of Mantua authorized additional Bonds and Notes as follows:

	<u>Purpose</u>	<u>Date</u>	<u>Amount</u>
General Capital:			
	Bonds and Notes:		
	Reconstruction of Various Streets	March 14, 2006	\$475,000.00
	Purchase of Fire Equipment	March 14, 2006	28,500.00
	Purchase of Police MDT System	March 14, 2006	28,500.00
	Purchase of Automated Refuse System	March 14, 2006	1,140,000.00
	Construction of Curbing and Sidewalk	March 14, 2006	14,250.00
	Purchase of Fire Truck	March 14, 2006	408,500.00
	Purchase of Public Works Equipment	March 14, 2006	33,250.00
			<hr/>
			\$2,128,000.00
			<hr/>

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS
CURRENT FUND

TOWNSHIP OF MANTUA
CURRENT FUND
Statement of Current Cash -- Chief Financial Officer
For the Year Ended December 31, 2005

	Regular Fund	Federal and State Grant Fund
Balance December 31, 2004	\$ 4,568,244.94	-
Increased by Receipts:		
Tax Collector	\$ 29,332,633.07	
Revenue Accounts Receivable	643,948.95	
Miscellaneous Revenue Not Anticipated	190,444.78	
Legislative Initiative Municipal Block Grant	55,745.00	
Consolidated Municipal Property Tax Relief Aid	440,438.00	
Supplemental Gross Receipts and Franchise Tax	55,030.00	
Energy Receipts Tax	1,079,819.00	
Municipal Homeland Security	70,000.00	
Extraordinary Aid	200,000.00	
Uniform Fire Safety Act	20,233.51	
Cable Television Franchise Fees	52,419.81	
MUA Surplus as per N.J.S.A. 40A: 5A-12.1	120,940.00	
Due from State of New Jersey	225,750.00	
Refund of 2005 Appropriations	88,305.06	
Federal and State Grants Receivable		\$ 380,752.58
Due Current Fund		86,715.17
Due Animal Control Fund	328.68	
Due Trust Other Fund	26,553.05	
Due General Capital Fund	1,457,072.87	
Due Municipal Clerk	2,628.55	
Reserve for Tax Sale Premiums	31,300.00	
Reserve for Elections	19,800.00	
Matching Funds for Grants		9,877.50
	<u>34,113,390.33</u>	<u>\$ 477,345.25</u>
	38,681,635.27	477,345.25
Decreased by Disbursements:		
2004 Appropriation Reserves	332,600.52	
2005 Appropriations	8,832,831.44	
Accounts Payable	14,356.68	
County Taxes	6,898,876.75	
County for Added and Omitted Taxes	126,983.98	
Local District School Tax	9,103,694.00	
Regional School District Tax	6,062,501.36	
Municipal Open Space Tax	141,038.12	
Municipal Open Space for Added and Omitted Taxes	1,735.87	
Refund Tax Overpayments	15,890.66	
Federal and State Grants Appropriated		105,519.84
Due Federal and State Grant Fund	86,715.17	
Due Trust Other Fund	16,573.71	
Due General Capital Fund	1,609,361.84	8,875.00
Change Fund	50.00	
Reserve for Tax Sale Premiums	18,600.00	
Reserve for Elections	19,800.00	
Matching Funds for Grants	9,877.50	
Refund of Prior Year Revenue	10,806.89	
	<u>33,302,294.49</u>	<u>114,394.84</u>
Balance December 31, 2005	<u>\$ 5,379,340.78</u>	<u>\$ 362,950.41</u>

TOWNSHIP OF MANTUA
CURRENT FUND
Statement of Current Cash --Tax Collector
For the Year Ended December 31, 2005

Increased by:

Taxes Receivable	\$ 28,996,201.25
Tax Title Liens Receivable	8,291.54
Prepaid Taxes	193,836.29
Tax Overpayments	18,481.11
Revenue Accounts Receivable	<u>115,822.88</u>

\$ 29,332,633.07

Decreased by:

Payments to Treasurer

\$ 29,332,633.07

TOWNSHIP OF MANTUA

CURRENT FUND

Statement of Taxes Receivable and Analysis of Property Tax Levy
For the Year Ended December 31, 2005

Year	Balance Dec. 31, 2004	2005 Levy	Added Taxes	2004	2005	Due from State of New Jersey	Over- Payments Applied	Cancelled	Transferred To Tax Title Liens	Balance Dec. 31, 2005
2001	\$ 10,855.57				\$ 10,855.57					
2002	17,941.24				17,939.90				\$ 1.34	1,819.26
2003	12,539.54				8,622.19		\$ 2,098.09			1,063.01
2004	579,614.77		\$ 6,110.43		584,560.01			102.18		
	620,951.12	-	6,110.43	-	621,977.67	-	2,098.09	102.18	-	2,883.61
2005		\$ 29,529,215.92	13,835.51	159,990.21	28,374,223.58	\$ 224,095.21	113,778.76	10,749.69	\$ 55,182.11	605,031.87
	\$ 620,951.12	\$ 29,529,215.92	\$ 19,945.94	\$ 159,990.21	\$ 28,996,201.25	\$ 224,095.21	\$ 115,876.85	\$ 10,851.87	\$ 55,182.11	\$ 607,915.48

Analysis of 2005 Property Tax Levy

Tax Yield:	
General Property Tax	\$ 29,103,219.61
Added Taxes (54:4-63.1 et. seq.)	425,996.31
	<u>\$ 29,529,215.92</u>

Local School District Tax	\$ 10,151,560.00
Regional High School Tax	7,216,857.56

County Taxes:	
County Tax	\$ 6,898,876.75
Due County for Added Taxes	98,760.59
	<u>6,997,637.34</u>

Municipal Open Space Tax:	
Municipal Open Space Tax	141,038.12
Municipal Open Space for Added Taxes	1,735.87
	<u>142,773.99</u>

Local Tax for Municipal Purposes	4,694,887.18
Add: Additional Tax Levied	325,499.85
	<u>5,020,387.03</u>
	<u>\$ 29,529,215.92</u>

TOWNSHIP OF MANTUA
CURRENT FUND
 Schedule of Change Funds
 For the Year Ended December 31, 2005

<u>Office</u>	<u>Dec. 31, 2005</u>
Tax Collector	\$ 100.00
Municipal Court	300.00
Construction Office	100.00
Municipal Clerk	50.00
	<hr/>
	550.00
	<hr/> <hr/>

CURRENT FUND
 Statement of Tax Title Liens
 For the Year Ended December 31, 2005

Balance December 31, 2004	\$ 426,157.07
Increased by:	
Transferred from Taxes Receivable	55,182.11
	<hr/>
	481,339.18
Decreased by:	
Received	\$ 8,291.54
Canceled	49.04
	<hr/>
	8,340.58
	<hr/>
Balance December 31, 2005	\$ 472,998.60
	<hr/> <hr/>

TOWNSHIP OF MANTUA
CURRENT FUND

Statement of Revenue Accounts Receivable
For the Year Ended December 31, 2005

	Balance Dec. 31, 2004	Accrued In 2005	Collected	Due from Animal Control Fund	Due from Trust Other Fund	Due from General Capital Fund	Balance Dec. 31, 2005
Miscellaneous Revenue Anticipated:							
Licenses:							
Alcoholic Beverages		\$ 10,175.00	\$ 10,175.00				
Other	\$ 2,670.00	12,742.00	14,047.00				\$ 1,365.00
Fees and Permits:							
Municipal Clerk		13,331.00	12,232.00				1,099.00
Construction Code Official	450.00	10,505.00	10,480.00				475.00
Fire Safety		725.00	725.00				
Police Department		5,858.50	5,343.25				515.25
Tax Search		410.00	410.00				
Fines and Costs:							
Municipal Court	15,464.01	268,920.75	267,948.68				16,436.08
Interest and Costs on Taxes		115,412.88	115,412.88				
Interest on Investments and Deposits:							
Current Fund		134,328.57	134,328.57				
Animal Control Fund		328.68		328.68			
Trust Other Fund		11,047.96			11,047.96		
General Capital Fund		21,123.03				21,123.03	
Municipal Court		1,560.73	1,560.73				
Construction Code Official		485.81	485.81				
Municipal Clerk		119.64	119.64				
Police Department		17.67	17.67				
Uniform Construction Code Fees	9,449.00	190,492.00	183,645.00				16,296.00
Miscellaneous Revenue Not Anticipated:							
Construction Code Official		80.79	62.00				18.79
Municipal Clerk		2,888.60	2,778.60				110.00
	<u>\$ 28,033.01</u>	<u>\$ 800,553.61</u>	<u>\$ 759,771.83</u>	<u>\$ 328.68</u>	<u>\$ 11,047.96</u>	<u>\$ 21,123.03</u>	<u>\$ 36,315.12</u>

Treasurer
Tax Collector

\$ 643,948.95
115,822.88
\$ 759,771.83

TOWNSHIP OF MANTUA
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2005

	Balance December 31, 2004		Balance After Modification	Paid or Charged	Balance Lapsed
	Encumbered	Reserved			
OPERATIONS -- WITHIN "CAPS"					
Administrative and Executive:					
Other Expenses					
Codification of Ordinances	\$ 1,181.02	\$ 1,819.21	\$ 3,000.23	\$ 404.36	\$ 2,595.87
Miscellaneous	4,757.37	3,105.14	7,862.51	4,126.05	3,736.46
Mayor and Council:					
Salaries and Wages		0.60	0.60		0.60
Other Expenses	1,807.78	4,963.18	6,770.96	3,948.78	2,822.18
Municipal Clerk:					
Salaries and Wages		399.21	399.21		399.21
Other Expenses		2,878.39	2,878.39		2,878.39
Municipal Code Enforcement					
Salaries and Wages		0.23	0.23		0.23
Other Expenses	1,339.23	268.56	1,607.79	1,339.23	268.56
Financial Administration:					
Salaries and Wages		3,533.75	3,533.75		3,533.75
Other Expenses	2,000.56	943.95	2,944.51	2,135.71	808.80
Annual Audit	48,950.00		48,950.00	48,325.00	625.00
Tax Assessment Administration:					
Salaries and Wages		1,111.09	1,111.09		1,111.09
Other Expenses	3,738.09	1,171.62	4,909.71	3,737.39	1,172.32
Revenue Administration:					
Salaries and Wages		3,460.24	3,460.24		3,460.24
Other Expenses	1,039.14	148.86	1,188.00	1,054.64	133.36
Legal Services and Costs:					
Salaries and Wages		0.04	0.04		0.04
Other Expenses	662.50	8,534.25	9,196.75	6,005.75	3,191.00
Rent Leveling Board					
Salaries and Wages		0.44	0.44		0.44
Other Expenses		1,319.21	1,319.21		1,319.21
Veterans Commission:					
Other Expenses	1,218.18	23.69	1,241.87	1,227.68	14.19
Engineering Services and Costs:					
Other Expenses		9,300.23	9,300.23	5,277.50	4,022.73
Economic Development:					
Other Expenses	58.48	16.62	75.10		75.10
Historical Commission:					
Other Expenses	1,983.00	754.99	2,737.99	1,953.00	784.99
Planning Board:					
Salaries and Wages		8.15	8.15		8.15
Other Expenses	166.10	2,344.64	2,510.74	2,510.74	
Zoning Board:					
Salaries and Wages		58.36	58.36		58.36
Other Expenses	539.25	803.61	1,342.86	1,342.86	
Construction Code Official					
Salaries and Wages		504.58	504.58		504.58
Other Expenses	1,148.69	5,000.14	6,148.83	908.69	5,240.14
Insurance:					
Other Insurance Premiums		148.59	148.59		148.59
Surety Bond Premiums	100.00		100.00	100.00	
Unemployment Compensation		1,378.21	1,378.21	701.68	676.53

(Continued)

Department of Public Safety:
Fire:

TOWNSHIP OF MANTUA
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2005

	Balance December 31, 2004		Balance After Modification	Paid or Charged	Balance Lapsed
	Encumbered	Reserved			
Other Expenses	\$ 5,461.32	\$ 1,291.88	\$ 6,753.20	\$ 5,461.32	\$ 1,291.88
Public Safety Inspector:					
Salaries and Wages		0.02	0.02		0.02
Other Expenses	1,885.00		1,885.00	1,885.00	
Uniform Fire Safety Act:					
Salaries and Wages		3,302.88	3,302.88		3,302.88
Other Expenses	19.84	1,598.36	1,618.20	19.84	1,598.36
Police:					
Salaries and Wages					
Regular		7,365.12	7,365.12		7,365.12
Crossing Guards		2,950.42	2,950.42		2,950.42
Other Expenses	20,069.64	263.82	20,333.46	20,166.13	167.33
Office of Emergency Management:					
Other Expenses	22.68	734.89	757.57	22.68	734.89
Department of Public Works:					
Streets and Road Maintenance:					
Salaries and Wages		1,123.01	1,123.01		1,123.01
Other Expenses	16,635.47	6,587.20	23,222.67	4,177.21	19,045.46
Solid Waste Collection:					
Salaries and Wages		86,879.98	86,879.98		86,879.98
Other Expenses	8,860.96	18,508.02	27,368.98	9,918.09	17,450.89
Public Building and Grounds					
Salaries and Wages		2,754.93	2,754.93	81.00	2,673.93
Other Expenses	7,190.10	7,290.99	14,481.09	7,385.40	7,095.69
Public Health Services					
Salaries and Wages		548.35	548.35	225.00	323.35
Other Expenses	20.02	202.58	222.60	20.02	202.58
Environmental Commission (N.J.S.A. 40:56A et seq.)					
Other Expenses		3,100.00	3,100.00		3,100.00
Recreation Services and Program					
Other Expenses	13,042.93	659.28	13,702.21	12,963.77	738.44
Senior Citizen Public Transportation					
Other Expenses	342.40		342.40	265.71	76.69
Public Assistance					
Other Expenses	160.00		160.00	160.00	
Unclassified:					
Gasoline	7,356.58	4,079.03	11,435.61	7,356.58	4,079.03
Electricity		3,699.44	3,699.44	62.70	3,636.74
Telephone and Telegraph	109.52	4,106.77	4,216.29	109.52	4,106.77
Heating Oil	4,094.03	2,151.73	6,245.76	4,094.03	2,151.73
Street Lighting	2,005.02	9,016.56	11,021.58	9,403.10	1,618.48
Landfill Solid Waste Disposal					
Other Expenses	84,710.51	29,031.99	113,742.50	80,002.70	33,739.80
Sub - Code Officials:					
Plumbing Inspector					
Salaries and Wages		2,685.72	2,685.72		2,685.72
Other Expenses		363.68	363.68		363.68
Fire Protection Official					
Other Expenses		345.68	345.68		345.68

(Continued)

TOWNSHIP OF MANTUA
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2005

	Balance December 31, 2004		Balance After Modification	Paid or Charged	Balance Lapsed
	Encumbered	Reserved			
Housing Inspector					
Salaries and Wages		\$ 422.50	\$ 422.50		\$ 422.50
Other Expenses		400.00	400.00		400.00
Electrical Inspector					
Salaries and Wages		0.04	0.04		0.04
Other Expenses		298.72	298.72		298.72
Total Operations Within "CAPS"	\$ 242,675.41	255,763.37	498,438.78	\$ 248,878.86	249,559.92
DEFERRED CHARGES AND STATUTORY EXPENDITURES-WITHIN CAPS					
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)		5,753.73	5,753.73	466.63	5,287.10
Total Deferred Charges and Statutory Expenditures - Within "CAPS"	-	5,753.73	5,753.73	466.63	5,287.10
Total General Appropriations for Municipal Purposes within "CAPS"	242,675.41	261,517.10	504,192.51	249,345.49	254,847.02
OPERATIONS EXCLUDED FROM "CAPS"					
Municipal Court:					
Salaries and Wages	750.00	22,161.17	22,911.17	750.00	22,161.17
Other Expenses	1,348.95	16,065.03	17,413.98	1,353.95	16,060.03
Public Defender					
Salaries and Wages		0.61	0.61		0.61
LOSAP	120,750.00		120,750.00	95,400.72	25,349.28
Insurance:					
Liability Insurance	681.93		681.93	681.93	
Employee Group Health Insurance	793.52	0.04	793.56	527.13	266.43
TOTAL OPERATIONS EXCLUDED FROM "CAPS"	124,324.40	38,226.85	162,551.25	98,713.73	63,837.52
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"					
Sanitary Landfill Closure	971.00	163.98	1,134.98	971.20	163.78
TOTAL CAPITAL IMPROVEMENTS	971.00	163.98	1,134.98	971.20	163.78
TOTAL OPERATIONS EXCLUDED FROM "CAPS"	125,295.40	38,390.83	163,686.23	99,684.93	64,001.30
Grand Total	\$ 367,970.81	\$ 299,907.93	\$ 667,878.74	\$ 349,030.42	\$ 318,848.32
Cash Disbursements				\$ 332,600.52	
Accounts Payable				16,429.90	
				<u>\$ 349,030.42</u>	

TOWNSHIP OF MANTUA
CURRENT FUND

Statement of Due State of New Jersey - Veterans' And Senior Citizens' Deductions
For the Year Ended December 31, 2005

Balance December 31, 2004		\$	14,916.08
Increased by:			
Deductions per Tax Billing:			
Senior Citizens	\$	52,500.00	
Veterans		170,500.00	
Deductions Allowed by Collector - 2005 Taxes		<u>7,035.37</u>	
			<u>230,035.37</u>
			244,951.45
Decreased by:			
Deductions Disallowed by Collector - 2005 Taxes		5,940.16	
Deductions Disallowed by Collector - 2004 Taxes		250.00	
Received from State of New Jersey		<u>225,750.00</u>	
			<u>231,940.16</u>
Balance December 31, 2005		\$	<u><u>13,011.29</u></u>
 <u>Analysis of Amount Realized:</u>			
Senior Citizens' and Veterans' Deductions Per Tax Billings	\$	223,000.00	
Senior Citizens' and Veterans'			
Deductions Allowed by Tax Collector - 2005		<u>7,035.37</u>	
			230,035.37
Less:			
Senior Citizens' and Veterans'			
Deductions Disallowed by Tax Collector - 2005			<u>5,940.16</u>
			<u><u>\$ 224,095.21</u></u>

TOWNSHIP OF MANTUA
CURRENT FUND
 Statement of Prepaid Taxes
 For the Year Ended December 31, 2005

Balance December 31, 2004 (2005 Taxes)		\$ 159,990.21
Increased by:		
Collection (2006 Taxes)		193,836.29
		353,826.50
Decreased by:		
Application to 2005 Taxes		159,990.21
Balance December 31, 2005 (2006 Taxes)		\$ 193,836.29

CURRENT FUND
 Statement of Tax Overpayments
 For the Year Ended December 31, 2005

Balance December 31, 2004		\$ 143,526.85
Increased by:		
Overpayments Received		18,481.11
		162,007.96
Decreased by:		
Refunds	\$ 15,890.66	
Canceled	10,889.47	
Overpayments Applied	115,876.85	
		142,656.98
Balance December 31, 2005		\$ 19,350.98

TOWNSHIP OF MANTUA
CURRENT FUND
 Statement of County Taxes Payable
 For the Year Ended December 31, 2005

Increased by:			
2005 Levy:			
County General	\$	6,049,583.07	
County Library		447,087.85	
County Open Space		<u>402,205.83</u>	
			\$ 6,898,876.75
Decreased by:			
Disbursements			<u>\$ 6,898,876.75</u>

CURRENT FUND
 Statement of Amount Due to County for Added and Omitted Taxes
 For the Year Ended December 31, 2005

Balance December 31, 2004		\$ 127,013.98
Increased by:		
Added Taxes -- 2005 (R.S. 54:4-63.1 et seq.)		<u>98,760.59</u>
		225,774.57
Decreased by:		
Disbursements	\$	126,983.98
Canceled		<u>30.00</u>
		<u>127,013.98</u>
Balance December 31, 2005		<u>\$ 98,760.59</u>

TOWNSHIP OF MANTUA
CURRENT FUND
Statement of Local School District Tax
For the Year Ended December 31, 2005

<hr/>		
Balance December 31, 2004		
School Tax Payable	\$ 364.47	
Deferred School Tax Payable	<u>4,513,000.00</u>	
		\$ 4,513,364.47
Increased by:		
Levy-School Year July 1, 2005 to June 30, 2006		<u>10,151,560.00</u>
		14,664,924.47
Decreased by:		
Disbursements		<u>9,103,694.00</u>
Balance December 31, 2005		
School Tax Payable	486,230.47	
Deferred School Tax Payable	<u>5,075,000.00</u>	
		\$ <u><u>5,561,230.47</u></u>
<u>2005 Liability for Local School Tax:</u>		
Tax Paid		\$ 9,103,694.00
Tax Payable December 31, 2005		<u>486,230.47</u>
		9,589,924.47
Less:		
Tax Payable December 31, 2004		<u>364.47</u>
Amount Charged to 2005 Operations		\$ <u><u>9,589,560.00</u></u>

TOWNSHIP OF MANTUA
CURRENT FUND
Statement of Regional High School District Tax
For the Year Ended December 31, 2005

<hr/>		
Balance December 31, 2004		
School Tax Payable	-	
Deferred School Tax Payable	\$ 2,244,783.50	
		\$ 2,244,783.50
Increased by:		
Levy-School Year July 1, 2005 to June 30, 2006		<u>7,216,857.56</u>
		9,461,641.06
Decreased by:		
Disbursements		<u>6,062,501.36</u>
Balance December 31, 2005		
School Tax Payable	0.20	
Deferred School Tax Payable	<u>3,399,139.50</u>	
		<u>\$ 3,399,139.70</u>
<u>2005 Liability for Local School Tax:</u>		
Tax Paid		\$ 6,062,501.36
Tax Payable December 31, 2005		<u>0.20</u>
		6,062,501.56
Less:		
Tax Payable December 31, 2004		<u>-</u>
Amount Charged to 2005 Operations		<u>\$ 6,062,501.56</u>

TOWNSHIP OF MANTUA
CURRENT FUND
Statement of Municipal Open Space Tax
For the Year Ended December 31, 2005

Increased by:		
Levy	\$	141,038.12
Decreased by:		
Disbursements	\$	<u>141,038.12</u>

TOWNSHIP OF MANTUA
CURRENT FUND
Statement of Amount Due to Municipal Open Space for Added and Omitted Taxes
For the Year Ended December 31, 2005

Increased by:		
Added Taxes -- 2004 (R.S. 54:4-63.1 et seq.)	\$	1,735.87
Decreased by:		
Disbursements	\$	<u>1,735.87</u>

TOWNSHIP OF MANTUA
FEDERAL AND STATE GRANT FUND
 Statement of Federal and State Grants Receivable
 For the Year Ended December 31, 2005

Program	Balance Dec. 31, 2004	Accrued	Decreased	Balance Dec. 31, 2005
Federal Grants:				
U.S. Department of Justice:				
COPS in School Grant	\$ 125,000.00	\$ 23,362.00	\$ 125,000.00	\$ 23,362.00
COPS Fast Grant		41,666.00	41,666.00	
Bulletproof Vest Partnership	1,836.01			1,836.01
Occupant Protection Program		4,000.00	4,000.00	
Stormwater Regulation	2,552.00			2,552.00
	<u>129,388.01</u>	<u>69,028.00</u>	<u>170,666.00</u>	<u>27,750.01</u>
Total Federal Grants				
	<u>129,388.01</u>	<u>69,028.00</u>	<u>170,666.00</u>	<u>27,750.01</u>
State Grants:				
Clean Communities		14,649.69	14,649.69	
Hazardous Discharge Site Remediation	76,630.00			76,630.00
Municipal Alliance - 2003	29.00		29.00	
Municipal Alliance - 2004	10,203.00		10,203.00	
Municipal Alliance - 2005		15,510.00	6,039.00	9,471.00
Safe and Secure Communities		90,000.00	90,000.00	
Recycling Tonnage Grant		3,978.59	3,978.59	
Drunk Driving Enforcement Fund		6,828.30	6,828.30	
TRICO JIF Safety Award Funds	20.50			20.50
Ceres Park Improvements	19,130.00			19,130.00
Natural Resource Inventory	2,425.00		2,425.00	
ADA Compliance Grant		25,000.00	25,000.00	
Smart Growth	10,000.00			10,000.00
Buckle Up South Jersey	2,000.00	2,000.00	2,000.00	2,000.00
Livable Communities Pilot Program		115,600.00	115,600.00	
	<u>120,437.50</u>	<u>273,566.58</u>	<u>276,752.58</u>	<u>117,251.50</u>
	<u>120,437.50</u>	<u>273,566.58</u>	<u>276,752.58</u>	<u>117,251.50</u>
	<u>\$ 249,825.51</u>	<u>\$ 342,594.58</u>	<u>\$ 447,418.58</u>	<u>\$ 145,001.51</u>
			\$ 380,752.58	
Cash Receipts			41,666.00	
Canceled			25,000.00	
Due from General Capital Fund			<u>447,418.58</u>	

TOWNSHIP OF MANTUA
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Federal and State Grants -- Unappropriated
For the Year Ended December 31, 2005

<u>Program</u>	<u>Balance Dec. 31, 2004</u>	<u>Federal and State Grants Receivable</u>	<u>Realized as Revenue in 2005 Budget</u>	<u>Balance Dec. 31, 2005</u>
Federal Grants				
U.S. Department of Justice:				
COPS in School Grant		\$ 23,362.00	\$ 23,362.00	
COPS Fast Grant		41,666.00	41,666.00	
Occupant Protection Program		4,000.00		\$ 4,000.00
Emergency Management	\$ 2,405.72		2,405.72	
Total Federal Grants	<u>2,405.72</u>	<u>69,028.00</u>	<u>67,433.72</u>	<u>4,000.00</u>
State Grants:				
Alcohol, Education, Rehabilitation Grant	1,339.91		1,339.91	
Clean Communities		14,649.69	14,106.89	542.80
Drunk Driving Enforcement Fund	6,924.49	6,828.30	6,924.49	6,828.30
Body Armor Grant	3,351.30		3,351.30	
Municipal Alliance on Alcohol and Drug Abuse		15,510.00	15,510.00	
Recycling Tonnage Grant	5,158.02	3,978.59	5,158.02	3,978.59
Safe and Secure Communities	30,000.00	90,000.00	30,000.00	90,000.00
Struthers Dunn Grant	300.00		300.00	
ADA Compliance Grant		25,000.00		25,000.00
Buckle Up South Jersey		2,000.00	2,000.00	
Livable Communities Pilot Program		115,600.00	115,600.00	
Total State Grants	<u>47,073.72</u>	<u>273,566.58</u>	<u>194,290.61</u>	<u>126,349.69</u>
	<u>\$ 49,479.44</u>	<u>\$ 342,594.58</u>	<u>\$ 261,724.33</u>	<u>\$ 130,349.69</u>

TOWNSHIP OF MANTUA
FEDERAL AND STATE GRANT FUND
 Statement of Reserve for Federal and State Grants -- Appropriated
 For the Year Ended December 31, 2005

Program	Balance Dec. 31, 2005		Transferred from 2005 Budget Appropriation	Disbursed	Canceled	Encumbered	Balance Dec. 31, 2005
	Appropriated	Encumbered					
Federal Grants							
U.S. Department of Justice:							
COPS in School Grant	\$ 18,171.33		\$ 23,362.00	\$ 18,171.33			\$ 23,362.00
COPS Fast Grant	3,531.42	\$ 506.11	41,666.00	2,259.24	\$ 41,666.00		1,778.29
Bulletproof Vest Partnership			2,405.72				2,405.72
Emergency Management	10,207.00						10,207.00
Stormwater Regulation							
Total Federal Grants	31,909.75	506.11	67,433.72	20,430.57	41,666.00	-	37,753.01
State Grants:							
Aggressive Driver Enforcement Program	480.00		6,924.49	4,067.18		\$ 3,330.00	480.00
Drunk Driving Enforcement Fund	5,371.00	2,988.05	1,339.91	5,224.72		500.00	2,515.36
Alcohol, Education, Rehabilitation		9,587.87	14,106.89	10,061.35		9,937.91	986.19
Clean Communities Program	310.74	506.11	3,351.30	2,259.24			3,695.50
Body Armor Grant	68,255.00						1,908.91
Hazardous Discharge Site Remediation	2,067.08	8,607.34	19,387.50	21,859.52		7,522.18	68,255.00
Municipal Alliance on Alcohol and Drug Abuse	18,473.76		5,158.02			4,249.15	680.22
Recycling Tonnage Grant	2,011.73	224.00	1,000.00	224.00			19,382.63
TRICO JIF Safety Award Funds	10,255.00			4,494.00			3,011.73
Ceres Park Improvements	1,100.00	1,250.00	30,000.00	2,350.00			5,761.00
Natural Resource Inventory - Ceres Park	4,549.26		300.00	34,549.26			
Safe and Secure Communities	7,575.00						
Struthers Dunn Grant	15,000.00						
Smart Growth							
Buckle Up South Jersey			2,000.00				7,875.00
Livable Communities Pilot Program			115,600.00	100,000.00			15,000.00
Total State Grants	135,448.57	23,163.37	199,168.11	185,089.27	-	25,539.24	147,151.54
Private Grants:							
Sewell Boys & Girls Club	10,302.89						10,302.89
Total Private Grants	\$ 177,661.21	\$ 23,669.48	\$ 266,601.83	\$ 205,519.84	\$ 41,666.00	\$ 25,539.24	195,207.44
Cash Disbursements				\$ 105,519.84			
Due General Capital Fund				100,000.00			
Total Cash Disbursements				\$ 205,519.84			

SUPPLEMENTAL EXHIBITS
TRUST FUND

TOWNSHIP OF MANTUA
TRUST FUND

Statement of Trust Cash - Chief Financial Officer
For the Year Ended December 31, 2005

	Animal Control	Open Space	Other
Balance December 31, 2004	\$ 8,054.77	\$ 135,807.07	\$ 413,601.41
Increased by Receipts:			
Due Municipal Clerk	\$ 8,956.80		\$ 27,621.67
Due Current Fund	328.68		8,800.81
Due Mantua Township MUA		\$ 146,139.54	
2005 Budget Revenue			
Miscellaneous Reserves	<u>9,285.48</u>	<u>146,139.54</u>	<u>5,375,766.86</u>
	17,340.25	281,946.61	5,825,790.75
Decreased by Disbursements:			
Reserve for Animal Control	6,828.08		
Due Current Fund	328.68		26,490.55
Due Mantua Township MUA			8,800.81
2005 Budget Appropriations		5,000.00	
Miscellaneous Reserves			<u>5,411,319.61</u>
	<u>7,156.76</u>	<u>5,000.00</u>	<u>5,446,610.97</u>
Balance December 31, 2005	\$ <u>10,183.49</u>	\$ <u>276,946.61</u>	\$ <u>379,179.78</u>

TOWNSHIP OF MANTUA
TRUST -- ANIMAL CONTROL FUND
Statement of Due to State of New Jersey - Department of Health
For the Year Ended December 31, 2005

Increased by:			
Collected by Municipal Clerk		\$	2,820.00
Decreased by:			
Disbursed by Municipal Clerk		\$	<u>2,820.00</u>

TRUST -- ANIMAL CONTROL FUND
Statement of Due Current Fund
For the Year Ended December 31, 2005

Increased by:			
Receipts -- Interest on Deposits		\$	328.68
Decreased by:			
Disbursements		\$	<u>328.68</u>

TOWNSHIP OF MANTUA
TRUST -- ANIMAL CONTROL FUND
 Statement of Reserve for Animal Control Fund
 For the Year Ended December 31, 2005

Balance December 31, 2004		\$	8,054.77
Increased by:			
Due From Municipal Clerk:			
Dog License Fees	8,777.00		
Cat License Fees	2,763.00		
			11,540.00
			19,594.77
Decreased by:			
Animal Control Expenditures			
			6,828.08
Balance December 31, 2005		\$	12,766.69

License Fees Collected

<u>Year</u>		<u>Amount</u>
2003	\$	9,299.00
2004		8,739.50
	\$	18,038.50

TOWNSHIP OF MANTUA
TRUST -- MUNICIPAL OPEN SPACE FUND
Statement of Reserve for Future Use
For the Year Ended December 31, 2005

Balance December 31, 2004	\$	135,807.07
Increased by:		
Increased by:		
2005 Revenue Realized		<u>146,139.54</u>
		281,946.61
Decreased by:		
Charges to 2005 Budget Appropriations		<u>5,000.00</u>
Balance December 31, 2005	\$	<u><u>276,946.61</u></u>

Exhibit SB-6

TRUST -- OTHER FUND
Statement of Due from Developers
For the Year Ended December 31, 2005

Balance December 31, 2004	\$	64,223.74
Increased by:		
Applied to Escrow Reserve		<u>28,990.80</u>
Balance December 31, 2005	\$	<u><u>93,214.54</u></u>

TOWNSHIP OF MANTUA
TRUST -- OTHER FUND
Statement of Due to Current Fund
For the Year Ended December 31, 2005

Balance December 31, 2004		\$	1,327.31
Increased by:			
Receipts:			
Interfund Loans Returned	\$	16,573.71	
Interest on Deposits		<u>11,047.96</u>	
			<u>27,621.67</u>
			28,948.98
Decreased by:			
Disbursements:			
Interfund Loans Advanced		26,490.55	
Fire Safety Fines Collected by Current		<u>62.50</u>	
			<u>26,553.05</u>
Balance December 31, 2005		\$	<u><u>2,395.93</u></u>

TOWNSHIP OF MANTUA
TRUST -- OTHER FUND
 Statement of Miscellaneous Trust Reserves
 For the Year Ended December 31, 2005

Reserve	Balance Dec. 31, 2004	Increased		Decreased		Balance Dec. 31, 2005
		Receipts	Due from Developers	Disbursements	Reserve for Encumbrances	
Community Day Donations	\$ 3,031.64	\$ 14,499.99		\$ 9,976.78		\$ 7,554.85
Developers' Escrow	190,239.22	331,343.17	\$ 28,990.80	255,705.88	103,631.72	191,235.59
Forfeited Funds	4,013.84	5,288.02		250.00		9,051.86
Historical Donations	27,233.49	129.07				27,362.56
National Night Out	5,356.01	7,308.22		9,562.75		3,101.48
Net Pay	32,340.89	2,541,541.50		2,540,830.30		711.20
Payroll Deductions Payable	650.82	2,190,176.71		2,217,343.32		5,174.28
Off Duty Police	241.41	117,072.98		98,035.00		19,688.80
Parking Offense Adjudication Act	1,959.10	26.60		40.00		268.01
Public Assistance Trust	4,467.49	424.78				2,343.88
Public Defender Fees	110,742.52	7,980.70		90,258.40		12,448.19
Recreation	1,059.00	23,000.00		1,061.61		43,484.12
Senior Citizen Donations	12,704.37	1,081.00				13,785.37
Street Opening Deposits	79,081.23				(103,631.72)	130,348.89
Encumbrances						62.50
Fire Safety Act Penalties						
Tax Redemption						
	<u>3,376.81</u>	<u>135,891.51</u>		<u>135,891.51</u>		<u>3,376.81</u>
	\$ 476,497.84	\$ 5,375,766.86	\$ 28,990.80	\$ 5,411,319.61	\$ -	\$ 469,998.39

SUPPLEMENTAL EXHIBITS
GENERAL CAPITAL FUND

TOWNSHIP OF MANTUA
GENERAL CAPITAL FUND
Statement of General Capital Cash - Chief Financial Officer
For the Year Ended December 31, 2005

Balance December 31, 2004		\$ 1,401,019.86
Increased by Receipts:		
Due Current Fund	\$ 853,441.91	
Due federal and State Grant Fund	25,000.00	
Due From State of New Jersey	187,500.00	
Improvement Authorization Reimbursement	<u>1,250.00</u>	
		<u>1,067,191.91</u>
		2,468,211.77
Decreased by Disbursements:		
Due Current Fund		<u>1,457,072.87</u>
Balance December 31, 2005		<u><u>\$ 1,011,138.90</u></u>

TOWNSHIP OF MANTUA
GENERAL CAPITAL FUND
Analysis of General Capital Cash
For the Year Ended December 31, 2005

	Balance		Receipts		Disbursements		Transfers		Balance		
	Dec. 31, 2004		Miscellaneous		Miscellaneous		From	To	Dec. 31, 2005		
Fund Balance	\$	11,851.69								\$	11,851.69
Capital Improvement Fund		12,585.81					59,300.00	75,000.00			28,285.81
Contracts Payable		346,881.16					288,348.95	816,523.03			875,055.24
Due from State of New Jersey		(525,000.00)	\$	187,500.00			100,000.00	100,000.00			(337,500.00)
Due Federal & State Grant Fund		(84,396.80)		25,000.00			100,000.00	8,875.00			(150,521.80)
Due Current Fund		(59,140.50)		853,441.91	\$	1,457,072.87	75,900.00	777,042.96			38,371.50
Reserve for Purchase of Park Equipment		1,500.00									1,500.00
Reserve for Park Improvements		7,900.00					3,280.00				4,620.00
Improvement Authorizations:											
98-4.1 Construction of Park		4,424.94									4,424.94
99-2.1 Reconstruction of Various Streets		1,372.44									1,372.44
99-2.2 Purchase of Trash Truck		2,246.50									2,246.50
00-9.6 Improvement to Public Works Garage		472.46									472.46
00-9.10 Purchase of Mobile Data Terminals		1,839.87									1,839.87
00-9.11 Purchase of Terminal Cameras		1,325.98									1,325.98
01-7.3 Acquisition of Dump Truck		127.00									127.00
01-7.7 Improvement to Sewell Boys Club		3,300.00									3,300.00
01-7.11 Improvement to Chestnut Branch Park		85,064.25					14,991.94				70,072.31
02-7.1 Reconstruction of Various Streets		13,421.42					13,421.42				
02-7.2 Acquisition of Park Ground		235,703.91									235,703.91
02-7.3 Purchase of Pole Barn		149,638.71									149,638.71
02-7.4 Purchase of Fuel System		282.57									282.57
02-7.5 Drainage Improvements		6,088.29					6,088.29				
03-8 Renovations to Municipal Buildings		12,470.80					12,400.81				69.99
03-10 Acquisition of Communication Equipment		3,763.25									3,763.25
03-11.1 Reconstruction of Various Streets		90,986.98					90,986.98				
03-11.2 Construction of Bike Path		116,560.07					7,919.10				108,640.97
03-11.3 Improvement to Sewell Boys Club		48,548.91					500.00				48,048.91
03-11.4 Purchase of SCBA Equipment		8.00									8.00
03-11.5 Purchase of Public Works Equipment		45,325.35									45,325.35
04-3 Purchase of Trash Truck		9,440.40									9,440.40
04-5.1 Purchase of Police Furnishings		3,528.33					1,119.88				
04-5.2 Purchase of Police Generator		4,181.20					2,774.70				
04-21.1 Reconstruction of Various Streets		369,908.54					370,808.54				
04-21.2 Construction of Bike Path		137,400.00					16,924.70	900.00			120,475.30
04-21.4 Purchase of Fire Truck		214.00									214.00
04-21.5 Purchase of Trash Truck		159,000.00					152,097.00				6,903.00
04-21.6 Public Works Radio System		5,934.15					3,121.40				2,812.75
04-21.7 Purchase of Public Works Equipment		14,500.00					5,839.10				8,660.90
04-21.8 CBP Improvement		84,396.80					11,955.00				72,441.80
04-21.9 Improvement to Sewell Boys Club		74,000.00									74,000.00
04-21.10 Purchase of Fire Equipment		3,363.38					13,185.12	10,440.96			619.22
05-8.1 Reconstruction of Various Streets				1,250.00			200,000.00	10,000.00			(190,000.00)
05-8.2 Purchase of Fire Equipment							15,840.17	750.00			(13,840.17)
05-8.3 Purchase of Police SUV							23,261.00	1,250.00			(22,011.00)
05-8.4 Purchase of Street Sweeper							164,211.30	103,250.00			(60,961.30)
05-8.5 Construction of Drainage Projects							146,955.55	7,750.00			(139,205.55)
05-8.6 Purchase of Skid Steer Loader/Mower								1,750.00			1,750.00
05-8.7 Purchase of Public Works Equipment							16,035.00	5,500.00			5,500.00
05-18.1 Reconstruction of Various Streets							30,816.00	10,000.00			(6,035.00)
05-18.2 Purchase of Finger Printing System								1,550.00			(29,266.00)
05-18.3 Improvement to Sewell Community Center								17,500.00			17,500.00
	\$	1,401,019.86	\$	1,067,191.91	\$	1,457,072.87	\$	1,948,081.95	\$	1,011,138.90	

TOWNSHIP OF MANTUA
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation -- Funded
For the Year Ended December 31, 2005

Balance December 31, 2004		\$ 10,714,742.53
Decreased by:		
2005 Budget Appropriation:		
Serial Bonds	\$ 765,000.00	
Green Trust Loan	<u>21,047.65</u>	
		<u>786,047.65</u>
Balance December 31, 2005		<u>\$ 9,928,694.88</u>

TOWNSHIP OF MANTUA
GENERAL CAPITAL FUND
 Statement of Deferred Charges to Future Taxation -- Unfunded
 For the Year Ended December 31, 2005

Ordinance Number	Improvement Description	Balance Dec. 31, 2004	2005 Authorizations	Funded By Budget Appropriation	Balance Dec. 31, 2005	Analysis of Balance Dec. 31, 2005	
						Expended	Unexpended Improvement Authorization
04-21.1	Reconstruction of Various Streets	\$ 900.00	\$ 190,000.00	\$ 900.00	\$ 190,000.00	\$ 190,000.00	
05-8.1	Reconstruction of Various Streets		14,250.00		14,250.00	13,840.17	\$ 409.83
05-8.2	Purchase of Fire Equipment		23,750.00		23,750.00	22,011.00	1,739.00
05-8.3	Purchase of Police SUV		61,750.00		61,750.00	60,961.30	788.70
05-8.4	Purchase of Street Sweeper		147,250.00		147,250.00	139,205.55	8,044.45
05-8.5	Construction of Drainage Projects		33,250.00		33,250.00		33,250.00
05-8.6	Purchase of Skid Steer Loader/Mower		104,500.00		104,500.00		104,500.00
05-8.7	Purchase of Public Works Equipment		190,000.00		190,000.00	6,035.00	183,965.00
05-18.1	Reconstruction of Various Streets		29,450.00		29,450.00	29,266.00	184.00
05-18.2	Purchase of Finger Printing System		332,500.00		332,500.00		332,500.00
05-18.3	Improvement to Sewell Community Center						
		\$ 900.00	\$ 1,126,700.00	\$ 900.00	\$ 1,126,700.00	\$ 461,319.02	\$ 665,380.98

TOWNSHIP OF MANTUA
GENERAL CAPITAL FUND
Statement of Due From / To Current Fund
For the Year Ended December 31, 2005

Balance December 31, 2004 (Due From)		\$	59,140.50
Increased by:			
Capital Improvement Fund	\$		75,000.00
Deferred Charges To Future Taxation Unfunded			900.00
Disbursements:			
Transfers to Current Fund		<u>1,457,072.87</u>	
			<u>1,532,972.87</u>
			1,592,113.37
Decreased by:			
Disbursed by Current Fund:			
Contracts Payable		277,907.99	
Reserve for Park Repairs		3,280.00	
Improvement Authorizations		495,854.97	
Receipts:			
Interest on Deposits		21,123.03	
Transfers from Current Fund		<u>832,318.88</u>	
			<u>1,630,484.87</u>
Balance December 31, 2005 (Due To)		\$	<u><u>38,371.50</u></u>

Exhibit SC-6

GENERAL CAPITAL FUND
Statement for General Capital Reserves
For the Year Ended December 31, 2005

<u>Improvement Description</u>	<u>Balance</u> <u>Dec. 31, 2004</u>	<u>Disbursed by</u> <u>Current Fund</u>	<u>Balance</u> <u>Dec. 31, 2005</u>
Purchase of Park Equipment	\$ 1,500.00		\$ 1,500.00
Park Repairs	<u>7,900.00</u>	\$ <u>3,280.00</u>	<u>4,620.00</u>
	<u>\$ 9,400.00</u>	<u>\$ 3,280.00</u>	<u>\$ 6,120.00</u>

TOWNSHIP OF MANTUA
GENERAL CAPITAL FUND
Statement of Due from Federal and State Grant Fund
For the Year Ended December 31, 2005

Balance December 31, 2004		\$	84,396.80
Increased by:			
Due from Federal and State Grants Appropriated			100,000.00
			184,396.80
Decreased by:			
Improvement Authorization Disbursed by the Federal and State Grant Fund		\$ 8,875.00	
ADA Compliance Grant Due to Federal and State Grants Receivable		25,000.00	
			33,875.00
Balance December 31, 2005		\$	150,521.80

Exhibit SC-8

GENERAL CAPITAL FUND
Statement of Due From State of New Jersey
For the Year Ended December 31, 2005

Balance December 31, 2004		\$	525,000.00
Increased by:			
Department of Community Affairs - Livable Communities Grant			100,000.00
			625,000.00
Decreased by:			
Cash Receipts		\$ 187,500.00	
Due from Federal and State Grant Fund		100,000.00	
Cash Receipts			287,500.00
Balance December 31, 2005		\$	337,500.00
Analysis:			
New Jersey Department of Transportation:			
Heilig Road		\$	37,500.00
Local Bike Program - Ordinance 03-11			150,000.00
Local Bike Program - Ordinance 04-21			150,000.00
		\$	337,500.00

TOWNSHIP OF MANTUA
GENERAL CAPITAL FUND
Statement of Contracts Payable
For the Year Ended December 31, 2005

Balance December 31, 2004	\$	346,881.16
Increased by:		
Charges to Improvement Authorizations		816,523.03
		1,163,404.19
Decreased by:		
Disbursed by Current Fund	\$	277,907.99
Canceled		10,440.96
		288,348.95
Balance December 31, 2005	\$	875,055.24

Exhibit SC-10

GENERAL CAPITAL FUND
Statement of Capital Improvement Fund
For the Year Ended December 31, 2005

Balance December 31, 2004	\$	12,585.81
Increased by:		
Due From Current Fund -- Budget Appropriation		75,000.00
		87,585.81
Decreased by:		
Appropriated to Finance Improvement Authorizations		59,300.00
Balance December 31, 2005	\$	28,285.81

TOWNSHIP OF MANTUA
GENERAL CAPITAL FUND
Statement of Improvement Authorizations
For the Year Ended December 31, 2005

Ordinance Number	Improvement Description	Ordinance		Balance December 31, 2004		2005 Authorizations	Contracts Payable Cancelled	Paid or Charged	Balance December 31, 2005	
		Date	Amount	Funded	Unfunded				Funded	Unfunded
98-4.1	Construction of Park	2/24/98	\$ 160,000.00	\$ 4,424.94					4,424.94	
98-2.1	Reconstruction of Various Streets	2/23/99	1,258,677.00	1,372.44					1,372.44	
99-2.2	Purchase of Trash Truck	2/23/99	109,223.00	2,246.50					2,246.50	
00-9.6	Improvement to Public Works Garage	6/13/00	95,600.00	472.46					472.46	
00-9.10	Purchase of Mobile Data Terminals	6/13/00	54,000.00	1,839.87					1,839.87	
00-9.11	Purchase of Terminal Cameras	6/13/00	20,000.00	1,325.98					1,325.98	
01-7.3	Acquisition of Dump Truck	5/8/01	35,500.00	127.00					127.00	
01-7.7	Improvement to Sewell Boys Club	5/8/01	15,000.00	3,300.00					3,300.00	
01-7.11	Improvement to Chestnut Branch Park	5/8/01	315,000.00	85,064.25				14,991.94	70,072.31	
02-7.1	Reconstruction of Various Streets	5/14/02	340,000.00	13,421.42				13,421.42		
02-7.2	Acquisition of Park Ground	5/14/02	250,000.00	235,703.91					235,703.91	
02-7.3	Purchase of Pole Barn	5/14/02	150,000.00	149,638.71					149,638.71	
02-7.4	Purchase of Fuel System	5/14/02	20,000.00	282.57					282.57	
02-7.5	Drainage Improvements	5/14/02	80,000.00	6,088.29					6,088.29	
03-8	Renovations to Municipal Buildings	3/11/03	1,300,000.00	12,470.80				12,400.81		
03-10	Acquisition of Communication Equipment	5/13/03	21,000.00	3,763.25					3,763.25	
03-11.1	Reconstruction of Various Streets	6/9/03	200,000.00	90,986.98				90,986.98		
03-11.2	Construction of Bike Path	6/9/03	150,000.00	116,560.07				7,919.10	108,640.97	
03-11.3	Improvement to Sewell Boys Club	6/9/03	50,000.00	48,548.91				500.00	48,048.91	
03-11.4	Purchase of SCBA Equipment	6/9/03	12,000.00	8.00					8.00	
03-11.5	Purchase of Public Works Equipment	6/9/03	150,000.00	45,325.35					45,325.35	
04-3	Purchase of Police Truck	2/24/04	160,000.00	9,440.40					9,440.40	
04-5.1	Purchase of Police Furnishings	3/23/04	185,000.00	3,528.33					3,528.33	
04-5.2	Purchase of Police Generator	3/23/04	35,000.00	4,181.20					4,181.20	
04-21.1	Reconstruction of Various Streets	7/27/04	400,000.00	369,908.54	900.00			370,808.54	370,808.54	
04-21.2	Construction of Bike Path	7/27/04	150,000.00	137,400.00				16,924.70	120,475.30	
04-21.4	Purchase of Fire Truck	7/27/04	350,000.00	214.00					214.00	
04-21.5	Purchase of Trash Truck	7/27/04	160,000.00	159,000.00				152,097.00	6,903.00	
04-21.6	Public Works Radio System	7/27/04	35,000.00	5,934.15				3,121.40	2,812.75	
04-21.7	Purchase of Public Works Equipment	7/27/04	15,000.00	14,500.00				5,839.10	8,660.90	
04-21.8	CBP Improvement	7/27/04	100,000.00	84,396.80				11,955.00	72,441.80	
04-21.9	Improvement to Sewell Boys Club	7/27/04	75,000.00	74,000.00					74,000.00	
04-21.10	Purchase of Fire Equipment	7/27/04	20,000.00	3,363.38				13,185.12	619.22	
05-8.1	Reconstruction of Various Streets	5/24/05	200,000.00			\$ 200,000.00		200,000.00		
05-8.2	Purchase of Fire Equipment	5/24/05	15,000.00			15,000.00		14,590.17		\$ 409.83
05-8.3	Purchase of Police SUV	5/24/05	25,000.00			25,000.00		23,261.00		1,739.00
05-8.4	Purchase of Street Sweeper	5/24/05	165,000.00			165,000.00		164,211.30		788.70
05-8.5	Construction of Drainage Projects	5/24/05	155,000.00			155,000.00		146,955.55		8,044.45
05-8.6	Purchase of Skid Steer Loader/Mower	5/24/05	35,000.00			35,000.00			1,750.00	33,250.00
05-8.7	Purchase of Public Works Equipment	5/24/05	110,000.00			110,000.00			5,500.00	104,500.00
05-18.1	Reconstruction of Various Streets	11/22/05	200,000.00			200,000.00		16,035.00		183,965.00
05-18.2	Purchase of Finger Printing System	11/22/05	31,000.00			31,000.00		30,816.00		184.00
05-18.3	Improvement to Sewell Community Center	11/22/05	350,000.00			350,000.00			17,500.00	332,500.00
			\$ 1,688,838.50	\$ 900.00	\$ 1,286,000.00	\$ 1,320,003.00	\$ 10,440.96	\$ 1,320,003.00	\$ 1,000,795.48	\$ 665,380.98
	Deferred Charges to Future Taxation - Unfunded				\$ 1,126,700.00					
	Capital Improvement Fund				59,300.00					
	Due from NJ DCA - Livable Communities Grant				100,000.00					
	Due Current Fund							\$ 495,854.97		
	Due Federal and State Grant Fund							8,875.00		
	Contracts Payable							816,523.03		
	Reimbursements							(1,250.00)		
					\$ 1,286,000.00			\$ 1,320,003.00		

TOWNSHIP OF MANTUA
GENERAL CAPITAL FUND
 Statement of General Serial Bonds
 For the Year Ended December 31, 2005

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding			Interest Rate	Balance Dec. 31, 2004	Decreased	Balance Dec. 31, 2005
			Date	Amount	December 31, 2005				
General Improvements Series of 1997	7/1/97	\$ 1,845,000.00	7/1/06	\$ 230,000.00	4.750%	\$ 685,000.00	\$ 215,000.00	\$ 470,000.00	
	7/1/07	240,000.00	4.750%						
General Improvements Series of 1999	6/1/99	2,500,000.00	6/1/06	165,000.00	4.700%				
	6/1/07	170,000.00	4.700%						
	6/1/08	185,000.00	4.700%						
	6/1/09-10	200,000.00	4.700%						
	6/1/11-12	205,000.00	4.700%						
	6/1/13-14	210,000.00	4.700%						
General Improvements Series of 2002	5/15/02	4,631,000.00	5/15/06-09	200,000.00	4.250%				
	5/5/2010-12	220,000.00	4.250%						
	5/15/13	240,000.00	4.250%						
	5/15/14	240,000.00	4.375%						
	5/15/15	240,000.00	4.500%						
	5/15/16	240,000.00	4.625%						
	5/15/17	260,000.00	4.625%						
	5/15/18-19	260,000.00	4.750%						
	5/15/20-21	270,000.00	4.750%						
	5/15/22	271,000.00	4.750%						
General Improvements Series of 2004	8/1/04	3,589,000.00	8/1/06-08	200,000.00	3.500%				
	8/1/09-10	220,000.00	3.500%						
	8/1/11-12	240,000.00	3.500%						
	8/1/13-14	250,000.00	3.500%						
	8/1/15-16	260,000.00	3.625%						
	8/1/17-18	280,000.00	3.750%						
8/1/19	289,000.00	4.000%							
							\$ 10,415,000.00	\$ 765,000.00	\$ 9,650,000.00

TOWNSHIP OF MANTUA
GENERAL CAPITAL FUND
 Statement of Green Trust Loan Payable
 For the Year Ended December 31, 2005

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Decreased	Balance Dec. 31, 2004	Balance Dec. 31, 2005
			Date	Amount				
Development of Multit-Purpose Park	4/28/98	\$ 100,500.00	2006	\$ 7,609.18	2.00%			
			2007	7,762.12	2.00%			
			2008	7,918.14	2.00%			
			2009	8,077.29	2.00%			
			2010	8,239.65	2.00%			
			2011	8,405.26	2.00%	\$ 7,459.25	\$ 55,470.89	\$ 48,011.64
Chestnut Branch Park			2006	13,861.52	2.00%			
			2007	14,140.14	2.00%			
		296,000.00	2008	14,424.36	2.00%			
			2009	14,714.29	2.00%			
			2010	15,010.04	2.00%			
			2011	15,311.74	2.00%			
			2012	15,619.51	2.00%			
			2013	15,933.47	2.00%			
			2014	16,253.72	2.00%			
			2015	16,580.43	2.00%			
			2016	16,913.69	2.00%			
			2017	17,253.66	2.00%			
			2018	17,600.46	2.00%			
			2019	17,954.22	2.00%			
		2020	9,111.99	2.00%		13,588.40	230,683.24	
						<u>244,271.64</u>	<u>230,683.24</u>	
						\$ <u>299,742.53</u>	\$ <u>278,694.88</u>	

TOWNSHIP OF MANTUA
GENERAL CAPITAL FUND
 Statement of Bonds and Notes Authorized But Not Issued
 For the Year Ended December 31, 2005

Ordinance Number	Improvement Description	Balance Dec. 31, 2004	2005 Authorizations	Funded by Budget Appropriation	Balance Dec. 31, 2005
04-21.1	Reconstruction of Various Streets	\$ 900.00		900.00	
05-8.1	Reconstruction of Various Streets		190,000.00		\$ 190,000.00
05-8.2	Purchase of Fire Equipment		14,250.00		14,250.00
05-8.3	Purchase of Police SUV		23,750.00		23,750.00
05-8.4	Purchase of Street Sweeper		61,750.00		61,750.00
05-8.5	Construction of Drainage Projects		147,250.00		147,250.00
05-8.6	Purchase of Skid Steer Loader/Mower		33,250.00		33,250.00
05-8.7	Purchase of Public Works Equipment		104,500.00		104,500.00
05-18.1	Reconstruction of Various Streets		190,000.00		190,000.00
05-18.2	Purchase of Finger Printing System		29,450.00		29,450.00
05-18.3	Improvement to Sewell Community Center		332,500.00		332,500.00
		\$ 900.00	\$ 1,126,700.00	\$ 900.00	\$ 1,126,700.00

TOWNSHIP OF MANTUA

PART 2

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

FOR THE YEAR ENDED DECEMBER 31, 2005

TOWNSHIP OF MANTUA
Schedule of Findings and Recommendations
For the Year Ended December 31, 2005

Schedule of Financial Statement Findings

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

Finding No. 2005-1

Condition

The Township does not maintain a fixed asset accounting system in accordance with N.J.A.C. 5:30-5.6

Criteria

N.J.A.C. 5:30-5.6 requires that municipalities maintain a fixed asset accounting system that shall include asset descriptions, estimated or historical costs and other such information as shall be required by the governing body and updated each year with any additions or deletions.

Effect

The Township does not maintain a complete fixed asset accounting system to account for Township owned property.

Cause

Township officials have not updated the fixed asset accounting system in recent years.

Recommendation

That a general fixed asset accounting system be maintained in accordance with N.J.A.C. 5:30-5.6.

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.

Finding No. 2005-2

Condition

An audit of compliance with the Local Public Contracts Law revealed that three Professional Services contracts were not advertised in the Township's official newspaper and that several bid documents were not on file at the Township.

Criteria

The Local Public Contracts Law requires that Professional Service contracts that exceed the statutory threshold be advertised in the Township's official newspaper and that all required bid documents be maintained in the Township for the required retention period.

Effect

The Township did not comply with the Local Public Contracts Law.

Cause

Oversight by the responsible official to ensure that the Township comply with the Local Public Contracts Law.

Recommendation

That proper control be established to ensure compliance with all facets of the regulations set forth by N.J.S.A. 40A:11, The Local Public Contracts Law.

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.

TOWNSHIP OF MANTUA
Schedule of Findings and Recommendations
For the Year Ended December 31, 2005

Schedule of Financial Statement Findings (cont'd)

Finding No. 2005-3

Condition

Several Business Registration Certificates were not on file for vendors who were paid in excess of the statutory quote threshold.

Criteria

New Jersey Statutes and New Jersey Local Finance Notice 2004-17 require that Business Registration Certificates be requested and maintained from all vendors paid in excess of the quote threshold.

Effect

The Township did not comply with the New Jersey Statute purchasing requirements.

Cause

The responsible official was not fully aware of the requirement.

Recommendation

That New Jersey Business Registration Certificates be requested and maintained for vendors paid in excess of the statutory quote threshold.

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.

TOWNSHIP OF MANTUA
Summary Schedule of Prior Year Audit Findings
And Questioned Costs as Prepared by Management

This section identifies the status of prior year findings related to the financial statements that are required to be reported in accordance with Government Auditing Standards.

FINANCIAL STATEMENT FINDINGS

Finding No. 2004-1

Condition

The Township does not maintain a fixed asset accounting system in accordance with N.J.A.C. 5:30-5.6

Current Status

The condition remains unchanged as evidenced by finding 2005-1.

Planned Corrective Action

The Township plans to have a completed fixed asset listing prepared in the 2006 year.

TOWNSHIP OF MANTUA
Officials in Office and Surety Bonds

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

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>
Timothy Chell	Mayor	
Walter F. Lenkowski	Committeeman, Deputy Mayor	
Peter Scirrotto	Committeeman	
Lorraine Beckett	Committeewomen	
Sharon Lawrence	Committeewomen	
Michael A. Angelini	Solicitor	
Richard H. Subers	Acting Clerk, Administrator	
Shawn Menzies	Acting Clerk, Municipal Search Officer, Voter Registrar	
Lisa McArthur	Registrar of Vital Statistics and Assistant Deputy Clerk	
Gayle L. Tschopp	Chief Financial Officer / Treasurer	\$300,000.00*
Marsha McMullen	Construction Code Clerk	
Bonnie Coleman	Tax Collector, Tax Search Officer	125,000.00*
Sandra Elliott	Tax Assessor	
J.R. Powell	Municipal Court Judge	13,000.00*
Marie McDonald	Court Administrator	20,000.00*
Lenore Worrell	Deputy Court Administrator	20,000.00*

*The Hartford Fire Insurance Company

19000

APPRECIATION

I express my appreciation for the assistance and courtesies rendered by the Township officials during the course of the audit.

Respectfully submitted,

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Michael J. Welding
Certified Public Accountant
Registered Municipal Accountant