

**TOWNSHIP OF MANTUA  
COUNTY OF GLOUCESTER  
REPORT OF AUDIT  
FOR THE YEAR ENDED DECEMBER 31, 2006**

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**TOWNSHIP OF MANTUA**  
**PART 1**  
**REPORT OF AUDIT OF FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**

## **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, 2006 and 2005, 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, 2006. 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.

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

In our opinion, because of the effects on the financial statements of the requirement that the Township prepare its financial statements in accordance with the accounting practices discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township of Mantua, in the County of Gloucester, State of New Jersey, as of December 31, 2006 and 2005, or the results of its operations and changes in fund balance for the years then ended.

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, 2006 and 2005, and the results of its operations and changes in fund balance of such funds-- regulatory basis for the years then ended, and the revenues-- regulatory basis, expenditures-- regulatory basis of the various funds, for the year ended December 31, 2006 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 September 13, 2007 on our consideration of the Township of Mantua, in the County of Mantua, 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  
September 13, 2007

**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, 2006, and have issued our report thereon dated September 13, 2007, 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 as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified one deficiency in internal control over financial reporting that we consider to be significant deficiency.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Township's ability to initiate, authorize, record, process, or report financial data reliably in accordance with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey such that there is more than a remote likelihood that a misstatement of the Township's financial statements that is more than inconsequential will not be prevented or detected by the Township's internal control over financial reporting. We consider the deficiency described in the accompanying Schedule of Findings and Recommendations to be a significant deficiency in internal control over financial reporting: 2006-1.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be presented or detected by the Township's internal control. Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. We believe that the significant deficiency 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 findings no.: 2006-1, 2006-2 and 2006-3.

This report is intended solely for the information and use of the management of the Township and the Division of Local Government Services, Department of Community Affairs 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  
September 13, 2007

**TOWNSHIP OF MANTUA**  
**CURRENT FUND**

Statements of Assets, Liabilities, Reserves, and Fund Balances - Regulatory Basis  
As of December 31, 2006 and 2005

	<u>Ref.</u>	<u>2006</u>	<u>2005</u>
<b>Assets:</b>			
<b>Regular Fund:</b>			
Cash:			
Treasurer	SA-1	\$ 5,445,413.05	\$ 5,742,291.19
Change Fund	A	<u>550.00</u>	<u>550.00</u>
		<u>5,445,963.05</u>	<u>5,742,841.19</u>
Receivables and Other Assets with Full Reserves:			
Due from State of New Jersey:			
Senior Citizens' and Veterans' Deductions	SA-8	<u>25,244.21</u>	<u>13,011.29</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	SA-3	942,265.24	607,915.48
Tax Title Liens Receivable	SA-4	504,535.71	472,998.60
Property Acquired for Taxes - Assessed Valuation	SA-5	1,215,500.00	1,161,500.00
Revenue Accounts Receivable	SA-6	31,434.91	36,315.12
Due from Animal Control	SB-4	3,808.66	-
Due from Trust Other Fund	SB-8	2,808.24	2,395.93
Due from General Capital Fund	SC-5	<u>150,521.80</u>	<u>38,371.50</u>
		<u>2,850,874.56</u>	<u>2,319,496.63</u>
Deferred Charges:			
Special Emergency Authorizations	A-3	<u>221,000.00</u>	<u>-</u>
		<u>8,543,081.82</u>	<u>8,075,349.11</u>
Federal and State Grant Fund:			
Due from Current Fund	SA-17	324,332.15	362,950.41
Grants Receivable	SA-18	<u>161,788.89</u>	<u>145,001.51</u>
		<u>486,121.04</u>	<u>507,951.92</u>
		<u>\$ 9,029,202.86</u>	<u>\$ 8,583,301.03</u>

(Continued)

**TOWNSHIP OF MANTUA  
CURRENT FUND**

Statements of Assets, Liabilities, Reserves, and Fund Balances - Regulatory Basis  
As of December 31, 2006 and 2005

	<u>Ref.</u>	<u>2006</u>	<u>2005</u>
Liabilities, Reserves and Fund Balance:			
Regular Fund:			
Appropriation Reserves	A-3,SA-7	\$ 617,137.19	\$ 153,820.14
Reserve for Encumbrances	A-3,SA-7	343,248.20	460,021.12
Accounts Payable	SA-1		16,429.90
Prepaid Taxes	SA-9	193,137.59	193,836.29
Tax Overpayments	SA-10	26,544.03	19,350.98
Due County for Added and Omitted Taxes	SA-12	185,001.78	98,760.59
Local District School Taxes Payable	SA-13	876,756.47	486,230.47
Regional High School District Taxes Payable	SA-14	124,150.46	0.20
Due to Mantua Township Municipal Utilities Authority		635.17	635.17
Due to Federal and State Grant Fund	SA-17	324,332.15	362,950.41
Due to Municipal Clerk	SA-1		2,628.55
Reserve for Tax Sale Premiums	SA-1	172,000.00	25,500.00
Reserve for Storm Basin Maintenance	A	10,000.00	10,000.00
Reserve for Scholarships	SA-1	2,500.00	-
Reserve for Sewell Boys & Girls Club	SA-1	1,105.00	-
Reserve for Police K-9	SA-1	2,120.00	1,450.00
		<u>2,878,668.04</u>	<u>1,831,613.82</u>
Reserves for Receivables	A	2,850,874.56	2,319,496.63
Fund Balance	A-1	<u>2,813,539.22</u>	<u>3,924,238.66</u>
		<u>8,543,081.82</u>	<u>8,075,349.11</u>
Federal and State Grant Fund:			
Due General Capital Fund	SC-6	175,521.80	150,521.80
Unappropriated Reserves	SA-19	63,243.17	130,349.69
Appropriated Reserves	SA-20	207,036.58	195,207.44
Reserve for Encumbrances	SA-20	28,985.74	25,539.24
Reserve for Matching Funds for Grants	A-3, SA-17	11,333.75	6,333.75
		<u>486,121.04</u>	<u>507,951.92</u>
		<u>\$ 9,029,202.86</u>	<u>\$ 8,583,301.03</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, 2006 and 2005

	2006	2005
<u>Revenue and Other Income Realized:</u>		
Fund Balance Utilized	\$ 3,218,000.00	\$ 2,968,000.00
Miscellaneous Revenues Anticipated	3,196,933.70	3,145,780.55
Receipts from Delinquent Taxes	630,098.95	632,367.30
Receipts from Current Taxes	31,492,418.11	28,872,087.76
Nonbudget Revenues	212,476.51	193,285.38
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	215,033.24	318,848.32
County for Added and Omitted Taxes Canceled	-	30.00
Interfund Returned	-	5,047.34
Tax Overpayments Canceled	-	10,889.47
Tax Title Lien Premiums Canceled	-	8,149.50
Statutory Excess - Animal Control Fund	3,808.66	-
	<u>38,968,769.17</u>	<u>36,154,485.62</u>
<u>Expenditures:</u>		
Budget and Emergency Appropriations:		
Appropriations Within "CAPS"		
Operations:		
Salaries and Wages	4,203,786.69	3,954,898.22
Other Expenses	2,551,762.00	2,259,194.77
Deferred Charges and Statutory Expenditures	335,000.00	315,000.00
Appropriations Excluded from "CAPS"		
Operations:		
Salaries and Wages	102,986.06	113,166.54
Other Expenses	1,993,308.80	1,767,186.32
Capital Improvements	123,900.00	81,500.00
Municipal Debt Service	1,221,667.78	1,214,023.62
Deferred Charges	-	900.00
County Taxes	7,436,197.28	6,898,876.75
Due County for Added and Omitted Taxes	185,001.78	98,760.59
Local District School Tax	10,900,602.00	9,589,560.00
Regional High School Tax	7,764,611.25	6,062,501.56
Municipal Open Space Tax	143,472.76	141,038.12
Municipal Open Space Added and Omitted Taxes	3,300.94	1,735.87
Prior Year Senior Citizens' and Veterans' Deductions Disallowed	500.00	250.00
Refund of Prior Year Revenue	-	10,806.89
Interfund Created	116,371.27	38,371.50
	<u>37,082,468.61</u>	<u>32,547,770.75</u>
Excess in Revenues	1,886,300.56	3,606,714.87

(Continued)

**TOWNSHIP OF MANTUA**  
**CURRENT FUND**

Statements of Operations and Changes in Fund Balance - Regulatory Basis  
For the Years Ended December 31, 2006 and 2005

	<u>2006</u>	<u>2005</u>
Adjustments to Income Before Fund Balance -		
Expenditures Included Above Which Are by Statute Deferred		
Charges to Budget of Succeeding Year	\$ 221,000.00	\$ -
Statutory Excess to Fund Balance	2,107,300.56	3,606,714.87
Fund Balance January 1	<u>3,924,238.66</u>	<u>3,285,523.79</u>
	6,031,539.22	6,892,238.66
Decreased by:		
Utilization as Anticipated Revenue	<u>3,218,000.00</u>	<u>2,968,000.00</u>
Fund Balance December 31	<u>\$ 2,813,539.22</u>	<u>\$ 3,924,238.66</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, 2006

	Anticipated Budget	Special NJSA 40A:4-87	Realized	Excess
Fund Balance Anticipated	\$ 3,218,000.00	-	\$ 3,218,000.00	-
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	10,000.00		10,140.00	\$ 140.00
Other	15,000.00		18,784.00	3,784.00
Fees and Permits	30,800.00		28,318.25	(2,481.75)
Fines and Costs:				
Municipal Court	267,000.00		242,622.25	(24,377.75)
Interest and Costs on Taxes	124,000.00		132,353.29	8,353.29
Interest on Investments and Deposits	160,000.00		314,315.67	154,315.67
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	
Uniform Construction Code Fees	183,707.00		346,903.00	163,196.00
Uniform Fire Safety Act	20,000.00		22,973.26	2,973.26
Cable Television Franchise Fees	52,000.00		53,611.36	1,611.36
MUA Surplus as per N.J.S.A. 40A: 5A-12.1	124,724.00		124,724.00	
Public and Private Revenues Offset With Appropriations:				
ADA Compliance Grant - Sewell Boys & Girls Club	25,000.00		25,000.00	
Aggressive Driver Enforcement Program		\$ 4,000.00	4,000.00	
Recycling Tonnage Grant	3,978.59		3,978.59	
Drunk Driving Enforcement Fund	6,828.30	10,707.05	17,535.35	
Alcohol Education and Rehabilitation Fund	2,157.76	3,949.78	6,107.54	
Municipal Alliance on Alcoholism and Drug Abuse	15,510.00		15,510.00	
Clean Communities Program	542.80	15,359.65	15,902.45	
Safe and Secure Communities	90,000.00		90,000.00	
Body Armor Grant	4,972.69		4,972.69	
Hazardous Discharge Remediation Site		15,000.00	15,000.00	
JIF Safety Award	2,150.00		2,150.00	
Optional JIF Safety Award	1,000.00		1,000.00	
	<u>2,840,403.14</u>	<u>49,016.48</u>	<u>3,196,933.70</u>	<u>307,514.08</u>
Receipts from Delinquent Taxes	<u>626,233.72</u>	<u>-</u>	<u>630,098.95</u>	<u>3,865.23</u>
Subtotal General Revenues	6,684,636.86	49,016.48	7,045,032.65	311,379.31
Amount to be Raised by Taxes for Support to Municipal Budget - Local Tax for Municipal Purposes	<u>5,149,106.09</u>	<u>-</u>	<u>6,626,701.73</u>	<u>1,477,595.64</u>
Budget Totals	11,833,742.95	49,016.48	13,671,734.38	1,788,974.95
Nonbudget Revenues	<u>-</u>	<u>-</u>	<u>212,476.51</u>	<u>212,476.51</u>
	<u>\$ 11,833,742.95</u>	<u>\$ 49,016.48</u>	<u>\$ 13,884,210.89</u>	<u>\$ 2,001,451.46</u>

(Continued)

**TOWNSHIP OF MANTUA**  
**CURRENT FUND**  
Statement of Revenues - Regulatory Basis  
For the Year Ended December 31, 2006

Analysis of Realized Revenue:Allocation of Current Tax Collections:

Revenue from Collections	\$	31,492,418.11
Less:		
Allocated to School, County, and Municipal Open Space Taxes		26,433,186.01
Balance for Support of Municipal Budget Revenues		5,059,232.10
Add:		
Reserve for Uncollected Taxes Appropriation		1,567,469.63
Amount for Support of Municipal Budget Appropriations	\$	6,626,701.73

Receipts from Delinquent Taxes:

Delinquent Tax Collections	\$	606,124.36
Tax Title Lien Collections		23,974.59
	\$	630,098.95

Analysis of Non-Budget Revenue

## Treasurer Receipts:

Miscellaneous	\$	1,560.63
Off Duty Police Administration Cost		12,414.46
Payment In Lieu of Taxes		159,318.21
Recycling Rebates		10,778.22
Refund of Prior Year Expenditures		16,107.49
Senior Citizen & Veteran Administrative Fee		4,210.00
Uniform Fire Safety Penalty		962.50
Uniform Fire Safety Registration		6,700.00

Total Municipal Treasurer	\$	212,051.51
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## Tax Collector Receipts:

Tax Searches		100.00
Duplicate Tax Certificates		325.00

Total Tax Collector		425.00
	\$	212,476.51

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, 2006

	Appropriations		Paid or Charged	Expended		Unexpended Balance Cancelled
	Original Budget	Budget After Modification		Encumbered	Reserved	
<b>OPERATIONS WITHIN "CAPS"</b>						
Department of Administration and Finance:						
General Administration						
Salaries and Wages	\$ 84,349.94	\$ 81,849.94	\$ 30,370.89	\$ 51,336.22	\$ 142.83	\$
Other Expenses						
Codification of Ordinances						
Miscellaneous	5,000.00	26,000.00	5,000.00		21,000.00	
Mayor and Committee	36,575.00	44,075.00	38,123.98	540.34	5,410.68	
Salaries and Wages	19,606.64	19,606.64	19,606.25		0.39	
Other Expenses	8,550.00	8,550.00	8,266.14	283.86	0.00	
Municipal Clerk						
Salaries and Wages	33,637.50	33,637.50	33,637.50			
Other Expenses	3,700.00	3,700.00	2,790.71	237.73	671.56	
Municipal Code Enforcement						
Salaries and Wages	29,741.57	27,541.57	27,510.73		30.84	
Other Expenses	2,750.00	2,750.00	1,219.02		1,530.98	
Financial Administration:						
Salaries and Wages	77,109.00	77,109.00	77,108.54		0.46	
Other Expenses	22,350.00	22,350.00	19,499.14	258.02	2,592.84	
Audit Services:						
Other Expenses	48,950.00	48,950.00			48,950.00	
Revenue Administration:						
Salaries and Wages	71,921.73	71,921.73	71,921.42		0.31	
Other Expenses	16,450.00	16,450.00	11,410.90	1,448.18	3,590.92	
Tax Assessment Administration:						
Salaries and Wages	77,075.05	77,075.05	76,337.38		737.67	
Other Expenses	14,190.00	15,190.00	12,958.27	1,197.31	1,034.42	
Legal Services and Costs:						
Salaries and Wages	10,000.00	10,000.00	9,999.96		0.04	
Other Expenses	50,000.00	83,950.00	60,470.51	7,350.00	16,129.49	
Rent Leveling Board						
Salaries and Wages	1,632.38	1,632.38	1,627.31		5.07	
Other Expenses	2,250.00	1,500.00	918.90		581.10	
Veterans Commission						
Other Expenses	2,000.00	2,000.00	1,974.51		25.49	
Engineering Services and Costs:						
Other Expenses	35,000.00	41,000.00	35,523.59	558.00	4,918.41	

TOWNSHIP OF MANTUA  
CURRENT FUND

Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2006

	Appropriations		Paid or Charged	Expended		Unexpended Balance Cancelled
	Original Budget	Budget After Modification		Encumbered	Reserved	
<b>OPERATIONS WITHIN "CAPS" (CONTD)</b>						
Department of Administration and Finance (Cont'd):						
Economic Development						
Other Expenses	\$ 20,500.00	\$ 20,500.00	\$ 20,070.46	\$ 275.00	\$ 154.54	
Historical Commission						
Other Expenses	4,000.00	1,500.00			1,500.00	
Planning Board						
Salaries and Wages	12,086.56	12,086.56	11,747.25		339.31	
Other Expenses	5,000.00	205,000.00	113,079.65	34,751.10	57,169.25	
Zoning Board of Adjustment:						
Salaries and Wages	24,049.88	24,049.88	23,630.54		419.34	
Other Expenses	7,800.00	7,800.00	5,455.92	130.60	2,213.48	
Public Safety Functions:						
Police						
Salaries and Wages						
Regular	2,004,614.87	2,004,614.87	1,959,361.61		45,253.26	
Crossing Guard	86,519.40	86,519.40	80,105.90		6,413.50	
Other Expenses	244,920.00	244,920.00	198,224.62	43,376.34	3,319.04	
Office of Emergency Management						
Other Expenses	1,000.00	1,000.00	22.76		977.24	
Municipal Prosecutor						
Salaries and Wages	13,903.64	13,903.64	13,903.54		0.10	
Public Safety Inspector						
Salaries and Wages	2,000.00	2,000.00	2,000.00			
Other Expenses	2,700.00	2,700.00	675.79		2,024.21	
Fire						
Other Expenses	33,500.00	33,500.00	16,036.25	12,460.50	5,003.25	
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			
Fire Department (Uniform Fire Safety Act P.L. 1983 Ch. 383):						
Salaries and Wages	18,466.27	18,466.27	18,466.27			
Other Expenses	7,850.00	7,850.00	7,028.43	20.80	800.77	
Aid to Volunteer Ambulance Companies Association	51,000.00	51,000.00	44,000.00		7,000.00	

(Continued)

**TOWNSHIP OF MANTUA**  
**CURRENT FUND**

Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2006

	Appropriations		Paid or Charged	Expended		Unexpended Balance Cancelled
	Original Budget	Budget After Modification		Encumbered	Reserved	
<b>OPERATIONS WITHIN "CAPS" (CONTD)</b>						
Department of Public Works:						
Streets and Roads Maintenance:						
Salaries and Wages	\$ 477,981.06	\$ 467,981.06	\$ 455,544.44	\$	12,436.62	
Other Expenses	97,150.00	97,150.00	83,148.35	3,075.50	10,926.15	
Garbage and Trash Removal						
Salaries and Wages	850,279.87	780,279.87	734,386.12		45,893.75	
Other Expenses	103,680.00	103,680.00	86,433.51	4,233.80	13,012.69	
Public Buildings and Grounds						
Salaries and Wages	51,992.88	51,992.88	46,547.21		5,445.67	
Other Expenses	73,950.00	73,950.00	69,217.92	4,724.53	7.55	
Insurance						
Surety Bond Premiums	1,500.00	1,500.00	400.00		1,100.00	
Other Insurance Premiums	12,500.00	12,500.00	10,103.01		2,396.99	
Unemployment Compensation	14,000.00	14,000.00	12,678.11		1,321.89	
Health & Human Services Functions:						
Welfare/Administration of Public Assistance	2,000.00	2,000.00	500.00	1,500.00		
Environmental Committee						
Other Expenses	3,200.00	1,200.00	1,134.80		65.20	
Senior Citizen Public Transportation						
Salaries and Wages	30,915.67	25,915.67	24,937.00	83.16	895.51	
Other Expenses	4,500.00	2,500.00	1,049.79	60.07	1,390.14	
Public Health Services						
Salaries and Wages	8,983.78	8,983.78	8,425.17		558.61	
Other Expenses	1,150.00	1,150.00	810.60	75.00	264.40	
Park & Recreation Functions:						
Recreation Services and Programs:						
Other Expenses	46,500.00	46,500.00	19,545.78	1,737.83	25,216.39	
Celebration of Public Events						
Other Expenses	14,000.00	14,000.00	14,000.00			
Construction Official						
Salaries and Wages	135,154.46	142,009.46	142,009.00		0.46	
Other Expenses	24,100.00	16,478.00	9,144.77	413.05	6,920.18	

(Continued)

TOWNSHIP OF MANTUA  
CURRENT FUND

Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2006

	Appropriations		Paid or Charged	Expended		Unexpended Balance Cancelled
	Original Budget	Budget After Modification		Encumbered	Reserved	
<b>OPERATIONS WITHIN "CAPS" (CONTD)</b>						
Sub-Code Officials						
Plumbing Inspector						
Salaries and Wages	\$ 9,641.03	\$ 10,808.03	\$ 10,807.81	\$	0.22	
Other Expenses	500.00	100.00			100.00	
Electrical Inspector						
Salaries and Wages	17,266.00	17,266.00	17,266.00			
Other Expenses	700.00	99.00			99.00	
Housing Inspector						
Salaries and Wages	6,550.83	6,550.83	4,085.00		2,465.83	
Other Expenses	400.00	400.00	320.00		80.00	
Fire Protection Official						
Salaries and Wages	6,363.11	6,964.11	6,964.11		432.72	
Other Expenses	450.00	450.00	17.28			
Municipal Court						
Salaries and Wages	118,384.75	118,384.75	108,944.56		9,440.19	
Other Expenses	36,200.00	18,200.00	9,954.14	\$ 624.63	7,621.23	
Hepatitis B Vaccination Program / OSHA						
Public Defender	3,000.00	3,000.00		2,400.00	600.00	
Salaries and Wages	4,635.82	4,635.82	4,635.70		0.12	
Unclassified:						
Gasoline	120,000.00	168,500.00	135,608.76	16,112.50	16,778.74	
Electricity	95,000.00	100,000.00	92,576.19	6,024.66	1,399.15	
Telephone and Telegraph	22,000.00	23,000.00	22,824.93		175.07	
Heating Oil	25,000.00	24,000.00	14,925.92		9,074.08	
Street Lighting	100,000.00	95,000.00	78,209.76	9,627.09	7,163.15	
Landfill/Solidwaste Disposal Costs	720,170.00	720,170.00	588,671.91	15,625.00	105,873.09	
<b>Total Operations Within "CAPS"</b>	<b>6,552,548.69</b>	<b>6,755,548.69</b>	<b>6,005,912.29</b>	<b>220,540.82</b>	<b>529,095.58</b>	
<b>Detail:</b>						
Salaries and Wages	4,284,863.69	4,203,786.69	4,021,887.21	51,419.38	177,869.73	
Other Expenses	2,267,685.00	2,551,762.00	1,984,025.08	169,121.44	351,225.85	

(Continued)

**TOWNSHIP OF MANTUA  
CURRENT FUND**

Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2006

	Appropriations		Expended		Unexpended Balance Cancelled
	Original Budget	Budget After Modification	Paid or Charged	Encumbered Reserved	
<b>DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS":</b>					
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)	\$ 335,000.00	\$ 335,000.00	\$ 315,858.06	\$ 19,141.94	
<b>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"</b>	<b>6,887,548.69</b>	<b>7,090,548.69</b>	<b>6,321,770.35</b>	<b>220,540.82</b>	<b>548,237.52</b>
<b>OPERATIONS EXCLUDED FROM "CAPS"</b>					
LOSAP	120,750.00	120,750.00		120,750.00	
Insurance:					
Liability Insurance	191,479.00	191,479.00	176,284.00	15,195.00	
Workers Compensation Insurance	266,751.00	266,751.00	266,751.00		
Employee Group Health Insurance	1,132,750.74	1,150,750.74	1,119,284.69	1,957.38	29,508.67
Public Employees' Retirement System	35,164.00	35,164.00	35,164.00		
Consol. Police & Fire Pension Fund	111,366.00	111,366.00	111,366.00		
Municipal Services Reimbursed	10,000.00	10,000.00		10,000.00	
Public and Private Programs Offset by Revenues:					
Matching Share for Grants	5,000.00	5,000.00	5,000.00		
ADA Compliance Grant - Sewell Boys & Girls Club	25,000.00	25,000.00	25,000.00		
Aggressive Driver Enforcement Program (40A:4-87)	4,000.00	4,000.00	4,000.00		
Alcohol Education Rehabilitation Fund	2,157.76	2,157.76	2,157.76		
Alcohol Education Rehabilitation Fund (40A:4-87)	3,949.78	3,949.78	3,949.78		
Body Armor Grant	4,972.69	4,972.69	4,972.69		
Clean Communities Grant	542.80	542.80	542.80		
Clean Communities Grant (40A:4-87)	15,359.65	15,359.65	15,359.65		
Drunk Driving Enforcement Fund	6,828.30	6,828.30	6,828.30		
Drunk Driving Enforcement Fund (40A:4-87)	10,707.05	10,707.05	10,707.05		
Hazardous Discharge Site Remediation (40A:4-87)	15,000.00	15,000.00	15,000.00		
JIF Safety Award	2,150.00	2,150.00	2,150.00		
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		
Optional JIF Safety Award	1,000.00	1,000.00	1,000.00		
Recycling Tonnage Grant	3,978.59	3,978.59	3,978.59		

**TOWNSHIP OF MANTUA  
CURRENT FUND**

Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2006

	Appropriations		Paid or Charged	Expended		Unexpended Balance Cancelled
	Original Budget	Budget After Modification		Encumbered	Reserved	
<b>OPERATIONS EXCLUDED FROM "CAPS"</b>						
Public and Private Programs Offset by Revenues (Cont'd):						
Safe and Secure Communities Program	\$ 90,000.00	\$ 90,000.00	\$ 90,000.00			
<b>TOTAL OPERATIONS - EXCLUDED FROM "CAPS"</b>	<b>2,078,294.86</b>	<b>2,096,294.86</b>	<b>1,918,883.81</b>	<b>\$ 122,707.38</b>	<b>\$ 54,703.67</b>	
Detail:						
Salaries and Wages	102,986.06	102,986.06	102,986.06			
Other Expenses	1,975,308.80	1,993,308.80	1,815,897.75	122,707.38	54,703.67	
<b>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</b>						
Capital Improvement Fund	100,000.00	100,000.00	100,000.00			
Capital Improvement Fund Projects:						
Sanitary Landfill Closure (NJSA 40:2-22H)	6,500.00	6,500.00	3,754.00		2,746.00	
Park Equipment	7,400.00	7,400.00	5,950.00		1,450.00	
Municipal Building	10,000.00	10,000.00			10,000.00	
<b>TOTAL CAPITAL IMPROVEMENTS</b>	<b>123,900.00</b>	<b>123,900.00</b>	<b>109,704.00</b>		<b>14,196.00</b>	
<b>MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</b>						
Payment of Bond Principal	795,000.00	795,000.00	795,000.00			
Interest on Bonds	403,607.75	403,607.75	399,730.00			3,877.75
Green Trust Loan Program:						
Loan Repayment for Principal	21,470.70	21,470.70	21,470.70			
Loan Repayment for Interest	5,467.80	5,467.80	5,467.08			0.72
<b>TOTAL MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</b>	<b>1,225,546.25</b>	<b>1,225,546.25</b>	<b>1,221,667.78</b>			<b>3,878.47</b>
<b>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"</b>	<b>3,427,741.11</b>	<b>3,445,741.11</b>	<b>3,250,255.59</b>	<b>\$ 122,707.38</b>	<b>\$ 68,899.67</b>	<b>3,878.47</b>
<b>SUBTOTAL GENERAL APPROPRIATIONS</b>	<b>10,315,289.80</b>	<b>10,536,289.80</b>	<b>9,572,025.94</b>	<b>343,248.20</b>	<b>617,137.19</b>	<b>3,878.47</b>
Reserve for Uncollected Taxes	1,567,469.63	1,567,469.63	1,567,469.63			
<b>TOTAL GENERAL APPROPRIATIONS</b>	<b>\$ 11,882,759.43</b>	<b>\$ 12,103,759.43</b>	<b>\$ 11,139,495.57</b>	<b>\$ 343,248.20</b>	<b>\$ 617,137.19</b>	<b>\$ 3,878.47</b>

(Continued)

**TOWNSHIP OF GREENWICH**  
**CURRENT FUND**  
Statement of Expenditures - Regulatory Basis  
For the Years Ended December 31, 2006 and 2005

	Budget After Modification	Paid or Charged
Special Emergency Authorizations	\$ 221,000.00	
N.J.S.A. 40A: 4-87	49,016.48	
Budget	11,833,742.95	
	\$ 12,103,759.43	
Due Federal and State Grant Fund:		
Federal and State Grants Appropriated		\$ 205,034.12
Matching Funds for Grants		5,000.00
Due General Capital Fund:		
Capital Improvement Fund		56,459.50
Reserve for Uncollected Taxes		1,567,469.63
Cash Disbursements		9,305,532.32
		\$ 11,139,495.57

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, 2006 and 2005

	<u>Ref.</u>	<u>2006</u>	<u>2005</u>
<b>Assets:</b>			
<b>Animal Control Fund:</b>			
Cash - Chief Financial Officer	SB-1	\$ 18,589.16	\$ 10,183.49
Cash - Animal Control Collector	SB-2	<u>2,747.60</u>	<u>2,583.20</u>
		<u>21,336.76</u>	<u>12,766.69</u>
<b>Municipal Open Space Fund</b>			
Cash - Chief Financial Officer	SB-1	<u>418,657.75</u>	<u>276,946.61</u>
<b>Other Funds:</b>			
Cash - Chief Financial Officer	SB-1	595,341.55	379,179.78
Due from Developers	SB-7	<u>141,901.52</u>	<u>93,214.54</u>
		<u>737,243.07</u>	<u>472,394.32</u>
		<u>\$ 1,177,237.58</u>	<u>\$ 762,107.62</u>
<b>Liabilities, Reserves and Fund Balance:</b>			
<b>Animal Control Fund:</b>			
Due to State of New Jersey	SB-3	\$ 11.60	\$ -
Due to Current Fund	SB-4	3,808.66	-
Reserve for Animal Control Fund Expenditures	SB-5	<u>17,516.50</u>	<u>12,766.69</u>
		<u>21,336.76</u>	<u>12,766.69</u>
<b>Municipal Open Space</b>			
Appropriation Reserves	B-2	31,873.00	-
Reserve for Future Use	SB-6	<u>386,784.75</u>	<u>276,946.61</u>
		<u>418,657.75</u>	<u>276,946.61</u>
<b>Other Funds:</b>			
Due to Current Fund	SB-8	2,808.24	2,395.93
Miscellaneous Trust Reserves	SB-9	<u>734,434.83</u>	<u>469,998.39</u>
		<u>737,243.07</u>	<u>472,394.32</u>
		<u>\$ 1,177,237.58</u>	<u>\$ 762,107.62</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, 2006**

	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Amount to be Raised by Taxation	\$ 143,472.76	\$ 146,773.70	\$ 3,300.94
Miscellaneous Revenue Not Anticipated	<u>                    </u>	<u>13,064.44</u>	<u>13,064.44</u>
	<u>\$ 143,472.76</u>	<u>\$ 159,838.14</u>	<u>\$ 16,365.38</u>
 <u>Analysis of Amount to be Raised by Taxation:</u>			
Current Year Levy		\$ 143,472.76	
Added Taxes		<u>3,300.94</u>	
		<u>\$ 146,773.70</u>	
 <u>Analysis of Miscellaneous Revenue Not Anticipated:</u>			
Interest on Investments and Deposits		<u>\$ 13,064.44</u>	

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, 2006**

	Original Budget	Budget After Modification	Expended		Unexpended Balance Canceled
			Paid or Charged	Reserved	
Development of Lands for Recreation and Conservation:					
Other Expenses	\$ 50,000.00	\$ 50,000.00	\$ 18,127.00	\$ 31,873.00	\$ -
Reserve for Future Use	<u>93,472.76</u>	<u>93,472.76</u>			<u>93,472.76</u>
	<u>\$ 143,472.76</u>	<u>\$ 143,472.76</u>	<u>\$ 18,127.00</u>	<u>\$ 31,873.00</u>	<u>\$ 93,472.76</u>

21 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, 2006 and 2005

Assets:	Ref.	2006	2005
Cash	SC-1	\$ 2,350,210.44	\$ 1,011,138.90
Federal and State Aid Receivable	SC-7	126,564.00	337,500.00
Deferred Charges to Future Taxation:			
Funded	SC-3	9,112,224.18	9,928,694.88
Unfunded	SC-4	3,321,200.00	1,126,700.00
Due from Federal and State Grant Fund	SC-6	175,521.80	150,521.80
		<u>\$ 15,085,720.42</u>	<u>\$ 12,554,555.58</u>
Liabilities, Reserves and Fund Balance:			
Due to Current Fund	SC-5	\$ 150,521.80	\$ 38,371.50
Contracts Payable	SC-8	1,148,746.13	875,055.24
Capital Improvement Fund	SC-9	12,785.81	28,285.81
Improvement Authorizations:			
Funded	SC-10	527,487.98	1,000,795.48
Unfunded	SC-10	735,641.05	665,380.98
General Capital Reserves	SC-11	103,869.00	6,120.00
Bond Anticipation Notes	SC-12	3,254,700.00	-
General Serial Bonds	SC-13	8,855,000.00	9,650,000.00
Green Trust Loan Payable	SC-14	257,224.18	278,694.88
Fund Balance	C-1	39,744.47	11,851.69
		<u>\$ 15,085,720.42</u>	<u>\$ 12,554,555.58</u>

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

**TOWNSHIP OF MANTUA**  
**GENERAL CAPITAL FUND**  
Statement of Fund Balance - Regulatory Basis  
For the Year Ended December 31, 2006

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Balance December 31, 2005	\$	11,851.69
Increased by:		
Premium on Bond Anticipation Notes		<u>27,892.78</u>
Balance December 31, 2006	\$	<u><u>39,744.47</u></u>

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

**TOWNSHIP OF MANTUA**  
**Notes to Financial Statements**  
**For the Year Ended December 31, 2006**

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

**Description of Financial Reporting Entity** – The Township of Mantua was incorporated in 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 sewer utility 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.

**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.

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

**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 over expenditures of legally adopted budget appropriations or emergency appropriations made in accordance with N.J.S.A. 40A:4-46 et seq. Deferred charges are subsequently raised as items of appropriation in budgets of succeeding years.

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

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

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

**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, 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 county taxes for the Township of Mantua School District and the Clearview 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, 2005 and decreased by the amount deferred at December 31, 2006.

**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.

**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.

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

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

**Compensated Absences and Post-employment Benefits** - Compensated absences for vacation, sick leave and other compensated absences are recorded and provided for 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 post-employment 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, 2006 the Township's bank balance of \$9,186,420.53 was insured or collateralized as follows:

Insured	\$200,000.00
Collateralized under GUDPA	8,531,736.41
Uninsured & Uncollateralized	<u>454,684.12</u>
	<u>\$9,186,420.53</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>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Tax Rate	<u>\$4.419</u>	<u>\$4.127</u>	<u>\$2.83</u>	<u>\$2.80</u>	<u>\$2.76</u>
Apportionment of Tax Rate:					
Municipal	\$ .717	\$ .665	\$ .596	\$ .556	\$ .481
Municipal Open Space	.020	.020	.010	.009	.010
County	.900	.858	.774	.720	.665
County Library	.072	.064	.058	.053	.049
County Open Space	.066	.058	.026	.024	.022
Local School	1.520	1.439	1.394	1.299	1.172
Regional School District	1.124	1.023	.993	.926	.799

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

2006	\$717,363,781
2005	705,190,601
2004	682,978,110
2003	662,996,717
2002	646,226,230

**Comparison of Tax Levies and Collections**

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2006	\$32,511,478.81	\$31,492,418.11	96.86%
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%

**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>
2006	\$504,535.71	\$942,265.24	\$1,446,800.95	4.45%
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%

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>
2006	31
2005	25
2004	28
2003	13
2002	14

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>
2006	\$1,215,500.00
2005	1,161,500.00
2004	1,161,500.00
2003	1,495,600.00
2002	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>
<b><u>Current Fund</u></b>			
2006	\$2,813,539.22	\$2,600,000.00	92.41%
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%

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, 2006:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Fund	\$157,138.70	\$324,332.15
Federal and State Grant Fund	324,332.15	175,521.80
Trust—Animal Control	-----	3,808.66
Trust-- Other Fund	-----	2,808.24
General Capital Fund	<u>175,521.80</u>	<u>150,521.80</u>
	<u>\$656,992.65</u>	<u>\$656,992.65</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

Note 7: **PENSION PLANS (CONT'D)**

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>	
2006	\$68,946.00	\$18,965.00	\$87,911.00	\$52,746.00	\$35,164.00	(1)
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)

**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>	
2006	\$142,903.00	\$42,707.00	\$185,610.00	\$74,244.00	\$111,366.00	(1)
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)

The accrued liability for employees in the Public Employees Retirement System as of June 30, 2006 was \$935,825.00 payable in annual installments of \$37,433.00 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, 2004 was \$1,762,800.00 payable in annual installments of \$67,800.00 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 employment 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, and be enrolled in the Public Employees' Retirement System for at least 25 years. 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 2006, there were 20 retired employees who received this benefit resulting in the payment of \$248,034.15 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 retirement divided equally 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 but will be paid for 100 days at 75% of accrued time. All employees, unused vacation days shall be paid 100%.

The Township does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2006, accrued benefits for compensated absences are valued at \$738,827.75.

**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. 5:30-14.49, 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, 2006, 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>
2007	\$5,120.16
2008	5,120.16
2009	3,111.76

Rental payments under operating leases for the year 2006 were \$5,120.16.

Note 13: **CAPITAL DEBT**

**Summary of Debt**

<u>Issued</u>	<u>Year 2006</u>	<u>Year 2005</u>	<u>Year 2004</u>
General:			
Bonds and Notes	\$12,366,924.18	\$9,928,694.88	\$10,714,742.53
<b><u>Authorized but not Issued</u></b>			
General:			
Bonds and Notes	\$66,500.00	\$1,126,700.00	\$900.00
Net Debt	\$12,433,424.18	\$11,055,394.88	\$10,162,995.44

**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 1.10%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Regional School District	\$15,930,851.31	\$15,930,851.31	
Local School District	15,534,256.00	15,534,256.00	
General	12,433,424.18	-----	\$12,433,424.18
	\$43,898,531.49	\$31,765,107.31	\$12,433,424.18

Net Debt \$12,433,424.18 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, \$1,134,642,009.00 equals 1.10%.

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)	\$39,712,470.32
Net Debt	<u>12,433,424.18</u>
Remaining Borrowing Power	<u>\$27,279,046.14</u>

A revised Annual Debt Statement should be filed by the Chief Financial Officer.

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

**Bonds and Loans Outstanding**

<u>Year</u>	<u>General</u>		<u>Green Trust</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2007	\$820,000.00	\$365,220.00	\$21,902.26	\$5,035.52	\$1,212,157.78
2008	595,000.00	329,552.50	22,342.50	4,595.28	951,490.28
2009	630,000.00	304,580.00	22,791.58	4,146.20	961,517.78
2010	640,000.00	278,342.50	23,249.69	3,688.09	945,280.28
2011	665,000.00	251,775.00	23,717.00	3,220.77	943,712.77
2012 - 2016	3,065,000.00	854,285.00	81,300.82	10,730.30	4,011,316.12
2017 - 2021	2,269,000.00	288,555.00	61,920.33	2,501.45	2,521,976.78
2022	271,000.00	6,436.25			277,436.25

Note 14: **DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2006, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following fund(s):

	<u>Balance Dec. 31, 2006</u>	<u>2007 Budget Appropriation</u>
Current Fund:		
Special Emergency Authorizations	\$221,000.00	\$44,200.00

The appropriations in the 2007 Budget as adopted are not less than that required by the statutes.

Note 15: **SCHOOL TAXES**

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

	<u>Balance Dec. 31, 2006</u>	<u>2005</u>
<b><u>Township of Mantua School District</u></b>		
Balance of Tax	\$5,951,756.47	\$5,561,230.47
Deferred	<u>5,075,000.00</u>	<u>5,075,000.00</u>
	<u>\$876,756.47</u>	<u>\$486,230.47</u>

Note 15: **SCHOOL TAXES (CONT'D)**

<b><u>Clearview Regional High School District</u></b>	<b><u>Balance Dec. 31,</u></b>	
	<b><u>2006</u></b>	<b><u>2005</u></b>
Balance of Tax	\$3,823,289.96	\$3,399,139.70
Deferred	3,699,139.50	3,399,139.50
	\$124,150.46	\$0.20

Note 16: **CHANGE ORDERS**

During the year 2006, the Township amended contracts by approving the following change orders that resulted in the total amount of change orders executed for these projects to exceed the originally awarded contract price by more than 20 percent:

<b><u>Ordinance No.</u></b>	<b><u>Project Description</u></b>
06-08.4	Purchase of Automatic Refuse System

N.J.A.C. 5:30-11.3 (a) 9 and 10 states that the total number of change orders executed for a particular contract shall not cause the originally awarded contract price to be exceeded by more than twenty percent unless otherwise authorized, and that if proposed change orders do exceed that twenty percent limitation, no work shall be performed or purchases made until the procedures of N.J.A.C. 5:30-11.9 have been completed.

N.J.A.C. 5:30-11.9 delineates the required procedures for change orders, which exceed the twenty percent limitation. The Township has complied with all provisions of N.J.A.C. 5:30-11.9.

Note 17: **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

Note 17: **JOINT INSURANCE POOL (CONT'D)**

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, 2006, which can be obtained from:

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

Note 18: **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, 2006 the Authority had \$4,512,228.00 in outstanding debt covered by this agreement.

Note 19: **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 20: **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:			
	Capital Improvements and Acquisition of Equipment	3/27/07	\$1,178,000.00
	Acquisition of Real Property in connection with the Township's Open Space and Recreation Program	7/10/07	930,000.00
			\$2,108,000.00

## **SUPPLEMENTAL EXHIBITS**

**SUPPLEMENTAL EXHIBITS**

**CURRENT FUND**

**TOWNSHIP OF MANTUA**  
**CURRENT FUND**  
Statement of Current Cash -- Chief Financial Officer  
For the Year Ended December 31, 2006

Balance December 31, 2005		\$ 5,742,291.19
Increased by Receipts:		
Tax Collector	\$ 32,068,175.62	
Revenue Accounts Receivable	2,862,859.64	
Miscellaneous Revenue Not Anticipated	212,051.51	
Due from State of New Jersey	210,500.00	
Federal and State Grants Receivable	117,262.72	
Due Trust Other Fund	151.84	
Reserve for Tax Sale Premiums	170,600.00	
Reserve for Scholarships	2,500.00	
Reserve for Police K-9	670.00	
Reserve for Sewell Boys & Girls Club	1,105.00	
	<u>35,645,876.33</u>	
		41,388,167.52
Decreased by Disbursements:		
2005 Appropriation Reserves	398,808.02	
2006 Appropriations	9,305,532.32	
Accounts Payable	16,429.90	
County Taxes	7,436,197.28	
Due County for Added and Omitted Taxes	98,760.59	
Local District School Tax	10,510,076.00	
Regional School District Tax	7,640,460.99	
Municipal Open Space Tax	143,472.76	
Due Municipal Open Space for Added and Omitted Taxes	3,300.94	
Refund Tax Overpayments	29,618.84	
Federal and State Grant Expenditures	164,758.48	
Due General Capital Fund	168,609.80	
Due Municipal Clerk	2,628.55	
Reserve for Tax Sale Premiums	24,100.00	
	<u>35,942,754.47</u>	
Balance December 31, 2006		<u>\$ 5,445,413.05</u>

**TOWNSHIP OF MANTUA**  
**CURRENT FUND**  
Statement of Current Cash --Tax Collector  
For the Year Ended December 31, 2006

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## Increased by:

Taxes Receivable	\$ 31,660,064.61	
Tax Title Liens Receivable	23,974.59	
Prepaid Taxes	193,137.59	
Tax Overpayments	58,220.54	
Revenue Accounts Receivable	132,353.29	
Miscellaneous Revenue Not Anticipated	<u>425.00</u>	
		\$ 32,068,175.62

## Decreased by:

Payments to Treasurer		\$ <u>32,068,175.62</u>
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**TOWNSHIP OF MANTUA**  
CURRENT FUND

Statement of Taxes Receivable and Analysis of Property Tax Levy  
For the Year Ended December 31, 2006

Year	Balance	Collections		Added Taxes	Over- Payments Applied	Cancelled	Transferred To Tax Title Liens	Balance Dec. 31, 2006
	Dec. 31, 2005	2005	2006					
2002	\$ 1.34				\$ 1.34			-
2003	1,819.26		\$ 299.09				\$	1,520.17
2004	1,063.01		691.35		0.51			371.15
2005	605,031.87	\$ 2,193.47	603,352.84		1,781.08	0.06	400.33	1,691.03
	607,915.48	2,193.47	-		1,781.08	1.91	400.33	3,582.35
2006	\$ 32,511,478.81	\$ 193,836.29	31,278,954.25		19,627.57	25,467.06	54,910.75	938,682.89
	\$ 607,915.48	\$ 2,193.47	\$ 31,883,297.53		\$ 21,408.65	\$ 25,468.97	\$ 55,311.08	\$ 942,265.24

Taxes Receivable \$ 31,660,064.61  
Senior Citizen and Veteran Deductions 223,232.92

\$ 31,883,297.53

Analysis of 2006 Property Tax Levy

Tax Yield:

General Property Tax \$ 31,714,695.08  
Added Taxes (54:4-63.1 et. seq.) 796,783.73

\$ 32,511,478.81

Tax Levy:

Local School District Tax \$ 10,900,602.00  
Regional High School Tax 8,064,611.25

7,621,199.06

County Taxes:

County Tax \$ 7,436,197.28  
Due County for Added Taxes 185,001.78

Municipal Open Space Tax:

Municipal Open Space Tax 143,472.76  
Municipal Open Space for Added Taxes 3,300.94

146,773.70

Local Tax for Municipal Purposes

5,149,106.09

Add: Additional Tax Levied

5,778,292.80

\$ 32,511,478.81

**TOWNSHIP OF MANTUA**  
**CURRENT FUND**  
**Statement of Tax Title Liens**  
**For the Year Ended December 31, 2006**

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Balance December 31, 2005		\$ 472,998.60
Increased by:		
Transfers from Tax Title Liens	\$ 55,311.08	
Interest & Costs	<u>200.62</u>	
		<u>55,511.70</u>
		528,510.30
Decreased by:		
Received		<u>23,974.59</u>
Balance December 31, 2006		<u>\$ 504,535.71</u>

**CURRENT FUND**  
**Statement of Property Acquired for Taxes**  
**For the Year Ended December 31, 2006**

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Balance December 31, 2005		\$ 1,161,500.00
Increased by:		
Adjustments to Assessed Valuation		<u>66,000.00</u>
		1,227,500.00
Decreased by:		
Sale of Property	\$ 2,400.00	
Loss on Sale of Property	<u>9,600.00</u>	
		<u>12,000.00</u>
Balance December 31, 2006		<u>\$ 1,215,500.00</u>

**TOWNSHIP OF MANTUA**  
**CURRENT FUND**  
Statement of Revenue Accounts Receivable  
For the Year Ended December 31, 2006

	Balance Dec. 31, 2005	Accrued In 2006	Collected	Balance Dec. 31, 2006
Miscellaneous Revenue Anticipated:				
Licenses:				
Alcoholic Beverages		\$ 10,140.00	\$ 10,140.00	
Other	\$ 1,365.00	17,419.00	18,784.00	
Fees and Permits	1,724.25	26,594.00	28,318.25	
Fines and Costs:				
Municipal Court	16,436.08	243,112.29	242,622.25	\$ 16,926.12
Interest and Costs on Taxes		132,353.29	132,353.29	
Interest on Investments and Deposits		314,315.67	314,315.67	
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	
Uniform Construction Code Fees	16,789.79	344,622.00	346,903.00	14,508.79
Uniform Fire Safety Act			22,973.26	
Cable Television Franchise Fees			53,611.36	
MUA Surplus as per N.J.S.A. 40A: 5A-21.1		124,724.00	124,724.00	
	<u>\$ 36,315.12</u>	<u>\$ 2,914,312.25</u>	<u>\$ 2,995,777.08</u>	<u>\$ 31,434.91</u>
Treasurer			\$ 2,862,859.64	
Tax Collector			132,353.29	
Interfunds			<u>564.15</u>	
			<u>\$ 2,995,777.08</u>	

**TOWNSHIP OF MANTUA**  
**CURRENT FUND**  
Statement of Appropriation Reserves  
For the Year Ended December 31, 2006

	Balance December 31, 2005		Balance After Modification	Paid or Charged	Balance Lapsed
	Encumbered	Reserved			
<b>OPERATIONS -- WITHIN "CAPS"</b>					
Administrative and Executive:					
Salaries and Wages	\$ 12,335.12	\$ 1.63	\$ 12,336.75	\$ 12,335.13	\$ 1.62
Other Expenses	1,817.04	1,697.84	3,514.88	3,514.88	
Mayor and Council:					
Other Expenses	1,500.00	68.56	1,568.56	1,500.00	68.56
Municipal Clerk:					
Salaries and Wages		0.96	0.96		0.96
Other Expenses	72.26	3.05	75.31	72.26	3.05
Municipal Code Enforcement					
Salaries and Wages		0.06	0.06		0.06
Other Expenses	5.21	64.37	69.58	5.21	64.37
Financial Administration:					
Salaries and Wages		4.16	4.16		4.16
Other Expenses	305.46	46.83	352.29	305.46	46.83
Audit Services:					
Other Expenses	48,950.00		48,950.00	48,950.00	
Tax Assessment Administration:					
Salaries and Wages		14.79	14.79		14.79
Other Expenses	2,676.24	316.27	2,992.51	2,676.24	316.27
Revenue Administration:					
Salaries and Wages		0.50	0.50		0.50
Other Expenses	167.65	334.94	502.59	167.65	334.94
Legal Services and Costs:					
Salaries and Wages		0.04	0.04		0.04
Other Expenses	4,527.25	4,133.64	8,660.89	8,660.89	
Rent Leveling Board					
Other Expenses		788.60	788.60		788.60
Veterans Commission:					
Other Expenses		2.20	2.20		2.20
Engineering Services and Costs:					
Other Expenses	3,112.50	4,355.90	7,468.40	7,468.40	
Economic Development:					
Other Expenses	16.16	137.38	153.54	16.16	137.38
Historical Commission:					
Other Expenses	1,555.00	5.00	1,560.00	1,555.00	5.00
Planning Board:					
Salaries and Wages		1,216.88	1,216.88		1,216.88
Other Expenses	102.07	3,312.79	3,414.86	474.57	2,940.29
Zoning Board:					
Salaries and Wages		9.66	9.66		9.66
Other Expenses	540.00	2,306.33	2,846.33	623.96	2,222.37
Insurance:					
Other Insurance Premiums		70.51	70.51		70.51
Surety Bond Premiums		1,050.00	1,050.00	1,050.00	
Unemployment Compensation		3,462.37	3,462.37	1,389.24	2,073.13
Department of Public Safety:					
Fire:					
Other Expenses	8,600.56	2,819.63	11,420.19	6,630.56	4,789.63
Public Safety Inspector:					
Salaries and Wages		5.78	5.78		5.78
Other Expenses		33.61	33.61		33.61
Uniform Fire Safety Act:					
Salaries and Wages		539.70	539.70		539.70
Other Expenses	13.12	1,690.89	1,704.01		1,704.01

(Continued)

**TOWNSHIP OF MANTUA**  
**CURRENT FUND**  
Statement of Appropriation Reserves  
For the Year Ended December 31, 2006

	Balance December 31, 2005		Balance After Modification	Paid or Charged	Balance Lapsed
	Encumbered	Reserved			
Department of Public Safety (Cont'd):					
Police:					
Salaries and Wages					
Regular		\$ 34,622.82	\$ 34,622.82		\$ 34,622.82
Crossing Guards		27.58	27.58		27.58
Other Expenses	\$ 32,042.98	3,656.76	35,699.74	\$ 31,388.18	4,311.56
Office of Emergency Management:					
Other Expenses		249.89	249.89		249.89
Municipal Prosecutor:					
Salaries and Wages		19.45	19.45		19.45
Department of Public Works:					
Streets and Road Maintenance:					
Salaries and Wages		37.01	37.01		37.01
Other Expenses	12,877.65	5,387.64	18,265.29	10,853.18	7,412.11
Garbage and Trash Collection:					
Salaries and Wages		22.09	22.09		22.09
Other Expenses	3,404.88	4,433.09	7,837.97	2,930.07	4,907.90
Public Building and Grounds					
Salaries and Wages		27.33	27.33		27.33
Other Expenses	3,219.64	624.95	3,844.59	3,148.42	696.17
Public Health Services					
Salaries and Wages		478.15	478.15	200.00	278.15
Other Expenses		6.06	6.06		6.06
Environmental Commission (N.J.S.A. 40:56A et seq.)					
Other Expenses	1,000.00	80.00	1,080.00		1,080.00
Recreation Services and Program					
Other Expenses	12,158.40	370.16	12,528.56	11,251.65	1,276.91
Senior Citizen Public Transportation					
Salaries and Wages	227.80	6.65	234.45	227.80	6.65
Other Expenses	27.30	42.97	70.27		70.27
Public Assistance					
Other Expenses	1,293.29	6.71	1,300.00	1,293.29	6.71
Celebration of Public Events:					
Other Expenses		43.21	43.21		43.21
Unclassified:					
Gasoline	10,519.31	6,504.89	17,024.20	15,660.53	1,363.67
Electricity	7,807.98		7,807.98	5,435.36	2,372.62
Telephone and Telegraph	55.75	92.43	148.18	55.75	92.43
Heating Oil	4,179.94	3,019.14	7,199.08	4,179.94	3,019.14
Street Lighting	14,670.85	739.86	15,410.71	9,664.80	5,745.91
Landfill Solid Waste Disposal					
Other Expenses	140,972.45	4,911.06	145,883.51	107,545.31	38,338.20
Construction Official					
Salaries and Wages		748.83	748.83		748.83
Other Expenses	1,432.45	2,958.90	4,391.35	4,391.35	
Sub - Code Officials:					
Plumbing Inspector					
Salaries and Wages		3.18	3.18		3.18
Fire Protection Official					
Other Expenses		322.00	322.00		322.00
Sub - Code Officials (Cont'd):					
Housing Inspector					
Salaries and Wages		18.18	18.18		18.18
Other Expenses	10.88	47.52	58.40	10.88	47.52
Electrical Inspector					
Salaries and Wages		0.13	0.13		0.13
Other Expenses	100.00	160.32	260.32	100.00	160.32

(Continued)

**TOWNSHIP OF MANTUA**  
**CURRENT FUND**  
Statement of Appropriation Reserves  
For the Year Ended December 31, 2006

	Balance December 31, 2005		Balance After Modification	Paid or Charged	Balance Lapsed
	Encumbered	Reserved			
Municipal Court:					
Salaries and Wages		\$ 15,403.25	\$ 15,403.25		\$ 15,403.25
Other Expenses	\$ 2,765.95	2,914.03	5,679.98	\$ 5,679.98	
Public Defender					
Salaries and Wages		0.05	0.05		0.05
Hepatitis B Vaccination Program / OSHA	2,748.00		2,748.00	108.00	2,640.00
<b>Total Operations Within "CAPS"</b>	<b>337,811.14</b>	<b>116,481.16</b>	<b>454,292.30</b>	<b>311,520.10</b>	<b>142,772.20</b>
<b>DEFERRED CHARGES AND STATUTORY EXPENDITURES-WITHIN CAPS</b>					
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)		13,347.38	13,347.38	305.66	13,041.72
<b>Total General Appropriations for Municipal Purposes within "CAPS"</b>	<b>337,811.14</b>	<b>129,828.54</b>	<b>467,639.68</b>	<b>311,825.76</b>	<b>155,813.92</b>
<b>OPERATIONS EXCLUDED FROM "CAPS"</b>					
LOSAP	120,750.00		120,750.00	85,287.68	35,462.32
Insurance:					
Liability Insurance		1,724.00	1,724.00		1,724.00
Employee Group Health Insurance	1,459.98	7,627.47	9,087.45	1,694.58	7,392.87
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
<b>TOTAL OPERATIONS EXCLUDED FROM "CAPS"</b>	<b>122,209.98</b>	<b>22,528.10</b>	<b>144,738.08</b>	<b>86,982.26</b>	<b>57,755.82</b>
<b>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</b>					
Capital Improvement Fund Projects:					
Sanitary Landfill Closure (N.J.S.A. 40:2-22H)		1,463.50	1,463.50		1,463.50
<b>TOTAL OPERATIONS EXCLUDED FROM "CAPS"</b>	<b>122,209.98</b>	<b>23,991.60</b>	<b>146,201.58</b>	<b>86,982.26</b>	<b>59,219.32</b>
<b>Grand Total</b>	<b>\$ 460,021.12</b>	<b>\$ 153,820.14</b>	<b>\$ 613,841.26</b>	<b>\$ 398,808.02</b>	<b>\$ 215,033.24</b>

**TOWNSHIP OF MANTUA**  
**CURRENT FUND**

Statement of Due State of New Jersey - Veterans' And Senior Citizens' Deductions  
For the Year Ended December 31, 2006

Balance December 31, 2005		\$ 13,011.29
Increased by:		
Deductions per Tax Billing:		
Senior Citizens	\$ 45,250.00	
Veterans	165,500.00	
Deductions Allowed by Collector - 2006 Taxes	16,364.60	
		227,114.60
		240,125.89
Decreased by:		
Deductions Disallowed by Collector - 2006 Taxes	3,881.68	
Deductions Disallowed by Collector - 2005 Taxes	500.00	
Received from State of New Jersey	210,500.00	
		214,881.68
Balance December 31, 2006		\$ 25,244.21
 <u>Analysis of Amount Realized:</u>		
Senior Citizens' and Veterans' Deductions Per Tax Billings	\$ 210,750.00	
Senior Citizens' and Veterans' Deductions Allowed by Tax Collector - 2006	16,364.60	
		\$ 227,114.60
Less:		
Senior Citizens' and Veterans' Deductions Disallowed by Tax Collector - 2006		3,881.68
		\$ 223,232.92

**TOWNSHIP OF MANTUA**  
**CURRENT FUND**  
Statement of Prepaid Taxes  
For the Year Ended December 31, 2006

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Balance December 31, 2005 (2006 Taxes)		\$ 193,836.29
Increased by:		
Collection (2007 Taxes)		<u>193,137.59</u>
		386,973.88
Decreased by:		
Application to 2006 Taxes		<u>193,836.29</u>
Balance December 31, 2006 (2007 Taxes)		<u><u>\$ 193,137.59</u></u>

**CURRENT FUND**  
Statement of Tax Overpayments  
For the Year Ended December 31, 2006

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Balance December 31, 2005		\$ 19,350.98
Increased by:		
Overpayments Received		<u>58,220.54</u>
		77,571.52
Decreased by:		
Refunds	\$ 29,618.84	
Overpayments Applied	<u>21,408.65</u>	
		<u>51,027.49</u>
Balance December 31, 2006		<u><u>\$ 26,544.03</u></u>

**TOWNSHIP OF MANTUA**  
**CURRENT FUND**  
Statement of County Taxes Payable  
For the Year Ended December 31, 2006

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Increased by:

2006 Levy:

County General	\$	6,454,118.14
County Library		513,241.97
County Open Space		<u>468,837.17</u>

\$ 7,436,197.28

Decreased by:

Disbursements

\$ 7,436,197.28

**Exhibit SA-12**

**CURRENT FUND**  
Statement of Amount Due to County for Added and Omitted Taxes  
For the Year Ended December 31, 2006

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Balance December 31, 2005	\$	98,760.59
Increased by:		
Added Taxes -- 2006 (R.S. 54:4-63.1 et seq.)		<u>185,001.78</u>
		283,762.37
Decreased by:		
Disbursements		<u>98,760.59</u>
Balance December 31, 2006	\$	<u><u>185,001.78</u></u>

**TOWNSHIP OF MANTUA**  
**CURRENT FUND**  
Statement of Local School District Tax  
For the Year Ended December 31, 2006

<hr/>		
Balance December 31, 2005		
School Tax Payable	\$ 486,230.47	
Deferred School Tax Payable	<u>5,075,000.00</u>	
		\$ 5,561,230.47
Increased by:		
Levy-School Year July 1, 2006 to June 30, 2007		<u>10,900,602.00</u>
		16,461,832.47
Decreased by:		
Disbursements		<u>10,510,076.00</u>
Balance December 31, 2006		
School Tax Payable	876,756.47	
Deferred School Tax Payable	<u>5,075,000.00</u>	
		\$ <u><u>5,951,756.47</u></u>
<u>2006 Liability for Local School Tax:</u>		
Tax Paid		\$ 10,510,076.00
Tax Payable December 31, 2006		<u>876,756.47</u>
		11,386,832.47
Less:		
Tax Payable December 31, 2005		<u>486,230.47</u>
Amount Charged to 2006 Operations		\$ <u><u>10,900,602.00</u></u>

**TOWNSHIP OF MANTUA**  
**CURRENT FUND**  
Statement of Regional High School District Tax  
For the Year Ended December 31, 2006

<hr/>		
Balance December 31, 2005		
School Tax Payable	\$ 0.20	
Deferred School Tax Payable	<u>3,399,139.50</u>	
		\$ 3,399,139.70
Increased by:		
Levy-School Year July 1, 2006 to June 30, 2007		<u>8,064,611.25</u>
		11,463,750.95
Decreased by:		
Disbursements		<u>7,640,460.99</u>
Balance December 31, 2006		
School Tax Payable	124,150.46	
Deferred School Tax Payable	<u>3,699,139.50</u>	
		\$ <u><u>3,823,289.96</u></u>
 <u>2006 Liability for Local School Tax:</u>		
Tax Paid		\$ 7,640,460.99
Tax Payable December 31, 2006		<u>124,150.46</u>
		7,764,611.45
Less:		
Tax Payable December 31, 2005		<u>0.20</u>
Amount Charged to 2006 Operations		\$ <u><u>7,764,611.25</u></u>

**TOWNSHIP OF MANTUA**  
**CURRENT FUND**  
Statement of Municipal Open Space Tax  
For the Year Ended December 31, 2006

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Increased by:		
Levy	\$	143,472.76
Decreased by:		
Disbursements	\$	<u>143,472.76</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, 2006

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Increased by:		
Added Taxes -- 2006 (R.S. 54:4-63.1 et seq.)	\$	3,300.94
Decreased by:		
Disbursements	\$	<u>3,300.94</u>

**TOWNSHIP OF MANTUA**  
**FEDERAL AND STATE GRANT FUND**  
**Statement of Due Current Fund**  
**For the Year Ended December 31, 2006**

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Balance December 31, 2005		\$	362,950.41
Increased by:			
Grant Revenues deposited in Current Fund	\$	117,262.72	
Local Match due from Current Fund		3,877.50	
Reserve for Matching Funds due from Current Fund		5,000.00	
			126,140.22
			489,090.63
Decreased by:			
Grant Expenditures paid by Current Fund			164,758.48
Balance December 31, 2006		\$	324,332.15

**TOWNSHIP OF MANTUA**  
**FEDERAL AND STATE GRANT FUND**  
Statement of Federal and State Grants Receivable  
For the Year Ended December 31, 2006

<u>Program</u>	<u>Balance</u> <u>Dec. 31, 2005</u>	<u>Accrued</u>	<u>Decreased</u>	<u>Balance</u> <u>Dec. 31, 2006</u>
Federal Grants:				
U.S. Department of Justice:				
COPS in School Grant	\$ 23,362.00			\$ 23,362.00
COPS in Shops		\$ 800.00	\$ 800.00	
Bulletproof Vest Partnership	1,836.01		1,687.22	148.79
Buckle Up South Jersey	2,000.00	-	1,800.00	200.00
Municipal Stormwater Regulation	2,552.00	7,655.00	7,655.00	2,552.00
Total Federal Grants	<u>29,750.01</u>	<u>8,455.00</u>	<u>11,942.22</u>	<u>26,262.79</u>
State Grants:				
ADA Compliance Grant				
Alcohol Education Rehabilitation		6,107.54	3,949.78	2,157.76
Body Armor Grant		4,972.69	2,546.35	2,426.34
Ceres Park Improvements	19,130.00			19,130.00
Clean Communities		15,359.65	15,359.65	
Drunk Driving Enforcement Fund		10,707.05	10,707.05	
Hazardous Discharge Site Remediation	76,630.00	15,000.00		91,630.00
Municipal Alliance	9,471.00	15,510.00	17,026.00	7,955.00
Recycling Tonnage Grant		24,288.17	24,288.17	
Safe and Secure Communities		30,000.00	30,000.00	
Smart Growth	10,000.00			10,000.00
Total State Grants	<u>115,231.00</u>	<u>121,945.10</u>	<u>103,877.00</u>	<u>133,299.10</u>
Private Grants:				
JIF Safety Award	20.50	3,150.00	943.50	2,227.00
Municipal Alliance Donations		500.00	500.00	
Total Private Grants	<u>20.50</u>	<u>3,650.00</u>	<u>1,443.50</u>	<u>2,227.00</u>
	<u>\$ 145,001.51</u>	<u>\$ 134,050.10</u>	<u>\$ 117,262.72</u>	<u>\$ 161,788.89</u>

**TOWNSHIP OF MANTUA**  
**FEDERAL AND STATE GRANT FUND**  
Statement of Reserve for Federal and State Grants -- Unappropriated  
For the Year Ended December 31, 2006

<u>Program</u>	<u>Balance Dec. 31, 2005</u>	<u>Federal and State Grants Receivable</u>	<u>Realized as Revenue in 2006 Budget</u>	<u>Balance Dec. 31, 2006</u>
<b>Federal Grants</b>				
U.S. Department of Justice:				
COPS in Shops		\$ 800.00		\$ 800.00
Buckle Up South Jersey				
Occupant Protection Program	\$ 4,000.00		\$ 4,000.00	
Municipal Stormwater Regulation		7,655.00		7,655.00
	<u>4,000.00</u>	<u>8,455.00</u>	<u>4,000.00</u>	<u>8,455.00</u>
<b>Total Federal Grants</b>	<u>4,000.00</u>	<u>8,455.00</u>	<u>4,000.00</u>	<u>8,455.00</u>
<b>State Grants:</b>				
ADA Compliance Grant	25,000.00		25,000.00	
Alcohol, Education, Rehabilitation Grant		6,107.54	6,107.54	
Body Armor Grant		4,972.69	4,972.69	
Clean Communities	542.80	15,359.65	15,902.45	
Drunk Driving Enforcement Fund	6,828.30	10,707.05	17,535.35	
Hazardous Discharge Remediation Site		15,000.00	15,000.00	
Municipal Alliance on Alcohol and Drug Abuse		15,510.00	15,510.00	
Recycling Tonnage Grant	3,978.59	24,288.17	3,978.59	24,288.17
Safe and Secure Communities	90,000.00	30,000.00	90,000.00	30,000.00
	<u>126,349.69</u>	<u>121,945.10</u>	<u>194,006.62</u>	<u>54,288.17</u>
<b>Total State Grants</b>	<u>126,349.69</u>	<u>121,945.10</u>	<u>194,006.62</u>	<u>54,288.17</u>
<b>Private Grants:</b>				
JIF Safety Award		3,150.00	3,150.00	
Municipal Alliance Donations		500.00		500.00
	<u>-</u>	<u>3,650.00</u>	<u>3,150.00</u>	<u>500.00</u>
<b>Total Private Grants</b>	<u>-</u>	<u>3,650.00</u>	<u>3,150.00</u>	<u>500.00</u>
	<u>\$ 130,349.69</u>	<u>\$ 134,050.10</u>	<u>\$ 201,156.62</u>	<u>\$ 63,243.17</u>

**TOWNSHIP OF MANTUA**  
**FEDERAL AND STATE GRANT FUND**  
 Statement of Reserve for Federal and State Grants -- Appropriated  
 For the Year Ended December 31, 2006

Program	Balance Dec. 31, 2005		Transferred from 2006 Budget Appropriation	Disbursed	Encumbered	Balance Dec. 31, 2006
	Appropriated	Encumbered				
<b>Federal Grants</b>						
U.S. Department of Justice:						
COPS in School Grant	\$ 23,362.00			\$ 562.40	\$ 1,124.81	\$ 23,362.00
Bulletproof Vest Partnership	1,778.29			4,480.00		91.08
Occupant Protection Program	480.00		\$ 4,000.00	2,000.00		-
Buckle Up South Jersey	2,000.00					-
Emergency Management	2,405.72					2,405.72
Municipal Stormwater Regulation	10,207.00					10,207.00
<b>Total Federal Grants</b>	<b>40,233.01</b>	<b>-</b>	<b>4,000.00</b>	<b>7,042.40</b>	<b>1,124.81</b>	<b>36,065.80</b>
<b>State Grants:</b>						
ADA Compliance	986.19	\$ 500.00	25,000.00	25,000.00		-
Alcohol, Education, Rehabilitation	1,908.91		6,107.54	3,842.16		3,751.57
Body Armor Grant	5,761.00		4,972.69	562.41	1,124.81	5,194.38
Ceres Park Improvements	3,695.50	9,937.91	15,902.45	19,140.23	4,870.65	5,761.00
Clean Communities Program	2,515.36	3,330.00	17,535.35	5,061.40	4,000.00	5,524.98
Drunk Driving Enforcement Fund	68,255.00		15,000.00			14,319.31
Hazardous Discharge Site Remediation	15,600.00					83,255.00
Livable Communities Pilot Program	680.22	7,522.18	19,387.50	15,616.88	8,262.73	15,600.00
Municipal Alliance on Alcohol and Drug Abuse	19,382.63	4,249.15	3,978.59	17,862.50	1,899.45	3,710.29
Recycling Tonnage Grant	15,000.00		90,000.00	90,000.00		7,848.42
Safe and Secure Communities	7,875.00					15,000.00
Smart Growth						7,875.00
Struthers Dunn						
<b>Total State Grants</b>	<b>141,659.81</b>	<b>25,539.24</b>	<b>197,884.12</b>	<b>177,085.58</b>	<b>20,157.64</b>	<b>167,839.95</b>
<b>Private Grants:</b>						
Sewell Boys & Girls Club	10,302.89			2,480.50	7,703.29	119.10
JIF Safety Award	3,011.73		3,150.00	3,150.00		3,011.73
<b>Total Private Grants</b>	<b>13,314.62</b>	<b>-</b>	<b>3,150.00</b>	<b>5,630.50</b>	<b>7,703.29</b>	<b>3,130.83</b>
<b>Total</b>	<b>\$ 195,207.44</b>	<b>\$ 25,539.24</b>	<b>\$ 205,034.12</b>	<b>\$ 189,758.48</b>	<b>\$ 28,985.74</b>	<b>\$ 207,036.58</b>
<b>Realized as Revenue in 2006 Budget</b>						
Local Match Due From Current Fund		\$ 201,156.62				
Cash Disbursements		3,877.50		\$ 164,758.48		
Due General Capital Fund				25,000.00		
<b>Total</b>		<b>\$ 205,034.12</b>		<b>\$ 189,758.48</b>		

**SUPPLEMENTAL EXHIBITS**

**TRUST FUND**

**TOWNSHIP OF MANTUA**

TRUST FUND

Statement of Trust Cash - Chief Financial Officer  
For the Year Ended December 31, 2006

	Animal Control	Other Trust	Municipal Open Space
Balance December 31, 2005	\$ 10,183.49	\$ 379,179.78	\$ 276,946.61
Increased by Receipts:			
Animal Control Collector	11,231.30		
Due Current Fund	688.43	\$ 20,650.12	
Miscellaneous Trust Reserves		6,046,445.26	
Reserve for Open Space			\$ 159,838.14
	<u>11,919.73</u>	<u>6,067,095.38</u>	<u>159,838.14</u>
	22,103.22	6,446,275.16	436,784.75
Decreased by Disbursements:			
Animal Control Expenses	2,825.63		
Due Current Fund	688.43	22,150.12	
Miscellaneous Trust Reserves		5,828,783.49	
Reserve for Open Space			18,127.00
	<u>3,514.06</u>	<u>5,850,933.61</u>	<u>18,127.00</u>
Balance December 31, 2006	\$ <u>18,589.16</u>	\$ <u>595,341.55</u>	\$ <u>418,657.75</u>

**TOWNSHIP OF MANTUA**  
**TRUST FUND**  
Statement of Trust Cash - Animal Control Collector  
For the Year Ended December 31, 2006

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Balance December 31, 2005		\$ 2,583.20
Increased by:		
Township License Fees	\$ 11,384.10	
State Dog License Fees	<u>2,784.60</u>	
		\$ <u>14,168.70</u>
		16,751.90
Decreased by:		
Due to State of New Jersey	\$ 2,773.00	
Payment to Chief Financial Officer	<u>11,231.30</u>	
		<u>14,004.30</u>
Balance December 31, 2006		\$ <u><u>2,747.60</u></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, 2006

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Increased by:		
Collected by Municipal Clerk	\$	2,784.60
Decreased by:		
Disbursed by Municipal Clerk		<u>2,773.00</u>
Balance December 31, 2006	\$	<u><u>11.60</u></u>

**TRUST -- ANIMAL CONTROL FUND**  
**Statement of Due Current Fund**  
For the Year Ended December 31, 2006

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Increased by:			
Interest Earned on Investments	\$	688.43	
Statutory Excess		<u>3,808.66</u>	
Interest Transferred to Current			\$ 4,497.09
Decreased by:			
Interest Transferred to Current			<u>688.43</u>
Balance December 31, 2006	\$		<u><u>3,808.66</u></u>

**TOWNSHIP OF MANTUA**  
**TRUST -- ANIMAL CONTROL FUND**  
Statement of Reserve for Animal Control Fund  
For the Year Ended December 31, 2006

Balance December 31, 2005		\$	12,766.69
Increased by:			
Due From Municipal Clerk:			
Dog License Fees	\$	7,169.10	
Cat License Fees		2,775.00	
Late Fees		1,440.00	
			11,384.10
			24,150.79
Decreased by:			
Animal Control Expenditures		2,825.63	
Statutory Excess Due Current Fund		3,808.66	
			6,634.29
Balance December 31, 2006		\$	17,516.50

License Fees Collected

<u>Year</u>	<u>Amount</u>
2004	\$ 8,739.50
2005	8,777.00
	\$ 17,516.50

**TOWNSHIP OF MANTUA**  
**TRUST -- MUNICIPAL OPEN SPACE FUND**  
**Statement of Reserve for Future Use**  
**For the Year Ended December 31, 2006**

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Balance December 31, 2005	\$	276,946.61
Increased by:		
2006 Revenue Realized		<u>159,838.14</u>
		436,784.75
Decreased by:		
Charges to 2006 Budget Appropriations		<u>50,000.00</u>
Balance December 31, 2006	\$	<u><u>386,784.75</u></u>

## Exhibit SB-7

**TRUST -- OTHER FUND**  
**Statement of Due from Developers**  
**For the Year Ended December 31, 2006**

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Balance December 31, 2005	\$	93,214.54
Increased by:		
Expenses Applied to Escrow Reserve		<u>48,686.98</u>
Balance December 31, 2006	\$	<u><u>141,901.52</u></u>

**TOWNSHIP OF MANTUA**  
**TRUST -- OTHER FUND**  
Statement of Due to Current Fund  
For the Year Ended December 31, 2006

Balance December 31, 2005		\$	2,395.93
Increased by:			
Receipts:			
Interest on Deposits	\$	18,830.23	
Adjustment of Interfund		3,669.70	
Interfund Cancelled		<u>62.50</u>	
			<u>22,562.43</u>
			24,958.36
Decreased by:			
Interest Disbursed		20,650.12	
Void Check Due to Community Day		<u>1,500.00</u>	
			<u>22,150.12</u>
Balance December 31, 2006		\$	<u><u>2,808.24</u></u>



**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, 2006

<hr/>	
Balance December 31, 2005	\$ 1,011,138.90
Increased by Receipts:	
Due Current Fund	\$ 263,678.60
State Aid Receivable	210,936.00
Proceeds on Bond Anticipation Notes	3,254,700.00
Premium on Bond Anticipation Notes	27,892.78
Capital Improvement Fund	43,540.50
Reserve for Debt Service	<u>73,000.00</u>
	<u>3,873,747.88</u>
	4,884,886.78
Decreased by Disbursements:	
Due Current Fund	95,068.80
Contracts Payable	841,248.39
Improvement Authorizations	1,598,108.15
General Capital Spending Reserves	<u>251.00</u>
	<u>2,534,676.34</u>
Balance December 31, 2006	\$ <u><u>2,350,210.44</u></u>

**TOWNSHIP OF MANTUA**  
**GENERAL CAPITAL FUND**  
 Analysis of General Capital Cash  
 For the Year Ended December 31, 2006

	Receipts			Disbursements			Balance Dec. 31, 2006	
	Balance Dec. 31, 2005	Bond		Improvement Authorizations	Transfers			Balance Dec. 31, 2006
		Anticipation Notes	Miscellaneous		From	To		
Fund Balance	\$ 11,851.69	\$	\$ 27,892.78	\$	\$	\$	39,744.47	
Capital Improvement Fund	28,285.81		43,540.50			56,459.50	12,785.81	
Contracts Payable	875,055.24					1,115,689.28	1,148,746.13	
Federal and State Grants Receivable	(337,500.00)		210,936.00				(126,564.00)	
Due Federal & State Grant Fund	(150,521.80)		263,678.60				(175,521.80)	
Due to Current Fund	38,371.50					25,000.00	150,521.80	
Reserves for:						56,459.50		
Purchase of Park Equipment	1,500.00						1,500.00	
Park Improvements	4,620.00						4,369.00	
Debt Service			73,000.00			25,000.00	98,000.00	
<u>Improvement Authorizations:</u>								
<u>Ordinance</u>								
<u>Number</u>								
98-4.1	4,424.94			4,424.94				
99-2.1	1,372.44			1,372.44				
99-2.2	2,246.50			2,188.02			58.48	
00-9.6	472.46			1,839.87			472.46	
00-9.10	1,839.87							
00-9.11	1,325.98						1,325.98	
01-7.3	127.00							
01-7.7	3,300.00							
01-7.11	70,072.31							
02-7.2	235,703.91							
02-7.3	149,638.71							
02-7.4	282.57							
03-8	69.99			69.99				
03-10	3,763.25			3,763.25				
03-11.2	108,640.97							
03-11.3	48,048.91			108,640.97				
03-11.4	8.00			48,048.91			8.00	
03-11.5	45,325.35			45,325.35				
04-3	9,440.40						9,440.40	
04-5.1	2,408.45							
04-5.2	1,406.50							

(Continued)

**TOWNSHIP OF MANTUA**  
**GENERAL CAPITAL FUND**  
 Analysis of General Capital Cash  
 For the Year Ended December 31, 2006

	Receipts			Disbursements			Balance Dec. 31, 2006
	Balance Dec. 31, 2005	Bond		Improvement Authorizations	Miscellaneous	Transfers	
		Anticipation Notes	Miscellaneous				
04-21.2	\$	120,475.30	\$	\$	81,187.92	\$	0.00
04-21.4		214.00					214.00
04-21.5		6,903.00		1,500.00			5,403.00
04-21.6		2,812.75		-			2,812.75
04-21.7		8,660.90		6,403.72	2,257.18		0.00
04-21.8		72,441.80		-			72,441.80
04-21.9		74,000.00		72,575.00			1,425.00
04-21.10		619.22		615.00			4.22
05-8.1		(190,000.00)					
05-8.2		(13,840.17)	190,000.00				409.83
05-8.3		(22,011.00)	14,250.00				
05-8.4		(60,961.30)	23,750.00	1,739.00			
05-8.5		(139,205.55)	61,750.00	700.06			88.64
05-8.6		1,750.00	147,250.00	54.06			7,990.39
05-8.7		5,500.00	33,250.00	35,000.00			99,504.71
05-18.1		(6,035.00)	104,500.00	242.47	10,252.82		
05-18.2		(29,266.00)	190,000.00	90,011.55	5,691.50		88,261.95
05-18.3		17,500.00	29,450.00	184.00			
			332,500.00	88,575.58	219,825.89		41,598.53
06-08.1			475,000.00	71,210.73	8,851.50	25,000.00	419,937.77
06-08.2			28,500.00	-		1,500.00	30,000.00
06-08.3			28,500.00	21,700.00	8,300.00	1,500.00	
06-08.4			1,140,000.00	915,521.97	262,405.00	60,000.00	22,073.03
06-08.5			14,250.00	-		750.00	15,000.00
06-08.6			408,500.00	-	430,000.00	21,500.00	
06-08.7			33,250.00	5,056.33	16,917.47	1,750.00	13,026.20
06-14				-	70,000.00	3,500.00	(66,500.00)
		\$	1,011,138.90	\$	619,047.88	\$	1,313,398.78
			3,254,700.00	\$	1,598,108.15	\$	936,568.19
							2,350,210.44

**TOWNSHIP OF MANTUA**  
**GENERAL CAPITAL FUND**  
Statement of Deferred Charges to Future Taxation -- Funded  
For the Year Ended December 31, 2006

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Balance December 31, 2005		\$ 9,928,694.88
Decreased by:		
2006 Budget Appropriation to Pay:		
Serial Bonds Paid	\$ 795,000.00	
Green Trust Loan Payable	<u>21,470.70</u>	
		<u>816,470.70</u>
Balance December 31, 2006		<u>\$ 9,112,224.18</u>

**TOWNSHIP OF MANTUA**  
**GENERAL CAPITAL FUND**  
 Statement of Deferred Charges to Future Taxation -- Unfunded  
 For the Year Ended December 31, 2006

Ordinance Number	Improvement Description	Balance		2006		Analysis of Balance	
		Dec. 31, 2005	Dec. 31, 2006	Authorizations	Dec. 31, 2006	Financed by Notes	Expended
05-8.1	Reconstruction of Various Streets	\$ 190,000.00	190,000.00		\$ 190,000.00	190,000.00	
05-8.2	Purchase of Fire Equipment	14,250.00	14,250.00		14,250.00	14,250.00	
05-8.3	Purchase of Police SUV	23,750.00	23,750.00		23,750.00	23,750.00	
05-8.4	Purchase of Street Sweeper	61,750.00	61,750.00		61,750.00	61,750.00	
05-8.5	Construction of Drainage Projects	147,250.00	147,250.00		147,250.00	147,250.00	
05-8.6	Purchase of Skid Steer Loader/Mower	33,250.00	33,250.00		33,250.00	33,250.00	
05-8.7	Purchase of Public Works Equipment	104,500.00	104,500.00		104,500.00	104,500.00	
05-18.1	Reconstruction of Various Streets	190,000.00	190,000.00		190,000.00	190,000.00	
05-18.2	Purchase of Finger Printing System	29,450.00	29,450.00		29,450.00	29,450.00	
05-18.3	Improvement to Sewell Community Center	332,500.00	332,500.00		332,500.00	332,500.00	
06-08.1	Reconstruction of Various Streets		475,000.00	\$ 475,000.00	475,000.00	475,000.00	
06-08.2	Purchase of Public Works Equipment		28,500.00	28,500.00	28,500.00	28,500.00	
06-08.3	Purchase of Police MDT System		28,500.00	28,500.00	28,500.00	28,500.00	
06-08.4	Purchase of Auto Refuse System		1,140,000.00	1,140,000.00	1,140,000.00	1,140,000.00	
06-08.5	Construction of Concrete Curbs and Sidewalks		14,250.00	14,250.00	14,250.00	14,250.00	
06-08.6	Purchase of Fire Truck		408,500.00	408,500.00	408,500.00	408,500.00	
06-08.7	Purchase of Fire Equipment		33,250.00	33,250.00	33,250.00	33,250.00	
06-14	Acquisition of Fire Apparatus		66,500.00	66,500.00	66,500.00	66,500.00	
		\$ 1,126,700.00	\$ 3,321,200.00	\$ 2,194,500.00	\$ 3,321,200.00	\$ 3,254,700.00	\$ 66,500.00

**TOWNSHIP OF MANTUA**  
**GENERAL CAPITAL FUND**  
Statement of Due Current Fund  
For the Year Ended December 31, 2006

---

Balance December 31, 2005		\$	38,371.50
Increased by:			
Interest on Investments and Deposits	\$	95,068.80	
Deposit Due Current Fund		66,125.00	
Transferred from Current Fund		<u>102,484.80</u>	
			<u>263,678.60</u>
			302,050.10
Decreased by:			
Capital Improvement Fund		56,459.50	
Transferred to Current Fund		<u>95,068.80</u>	
			<u>151,528.30</u>
Balance December 31, 2006		\$	<u><u>150,521.80</u></u>

**TOWNSHIP OF MANTUA**  
**GENERAL CAPITAL FUND**  
Statement of Due Federal and State Grant Fund  
For the Year Ended December 31, 2006

---

Balance December 31, 2005	\$	150,521.80
Increased by:		
ADA Compliance Grant - Sewell Community Center		25,000.00
Balance December 31, 2006	\$	175,521.80

## Exhibit SC-7

**TOWNSHIP OF MANTUA**  
**GENERAL CAPITAL FUND**  
Statement of Federal and State Aid Receivable  
For the Year Ended December 31, 2006

---

Balance December 31, 2005	\$	337,500.00
Decreased by:		
Cash Receipts		210,936.00
Balance December 31, 2006	\$	126,564.00
Analysis:		
New Jersey Department of Transportation	\$	37,500.00
New Jersey Department of Transportation - Local Bike Program		89,064.00
	\$	126,564.00

**TOWNSHIP OF MANTUA**  
**GENERAL CAPITAL FUND**  
Statement of Contracts Payable  
For the Year Ended December 31, 2006

---

Balance December 31, 2005		\$ 875,055.24
Increased by:		
2006 Contracts - Improvement Authorizations		<u>1,115,689.28</u>
		1,990,744.52
Decreased by:		
Disbursements	\$ 841,248.39	
Canceled	<u>750.00</u>	
		<u>841,998.39</u>
Balance December 31, 2006		<u><u>\$ 1,148,746.13</u></u>

Exhibit SC-9

**TOWNSHIP OF MANTUA**  
**GENERAL CAPITAL FUND**  
Statement of Capital Improvement Fund  
For the Year Ended December 31, 2006

---

Balance December 31, 2005		\$ 28,285.81
Increased by:		
Budget Appropriation:		
Cash Receipts	\$ 43,540.50	
Due Current Fund	<u>56,459.50</u>	
		<u>100,000.00</u>
		128,285.81
Decreased by:		
Appropriated to Finance Improvement Authorizations		<u>115,500.00</u>
Balance December 31, 2006		<u><u>\$ 12,785.81</u></u>

**TOWNSHIP OF MANTUA**  
**GENERAL CAPITAL FUND**  
 Statement of Improvement Authorizations  
 For the Year Ended December 31, 2006

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance December 31, 2005		2006 Authorizations	Paid or Charged	Contracts Payable Cancelled	Balance December 31, 2006	
				Funded	Unfunded				Funded	Unfunded
98-4.1	Construction of Park	02/24/98	\$ 160,000.00	\$ 4,424.94	\$ -	\$ 4,424.94	\$ -	\$ -	\$ -	\$ -
99-2.1	Reconstruction of Various Streets	02/23/99	1,258,677.00	1,372.44	-	1,372.44	-	-	-	-
99-2.2	Purchase of Trash Truck	02/23/99	109,223.00	2,246.50	-	2,188.02	-	-	58.48	-
00-9.6	Improvement to Public Works Garage	06/13/00	95,600.00	472.46	-	472.46	-	-	472.46	-
00-9.10	Purchase of Mobile Data Terminals	06/13/00	54,000.00	1,839.87	-	1,839.87	-	-	-	-
00-9.11	Purchase of Terminal Cameras	06/13/00	20,000.00	1,325.98	-	1,325.98	-	-	1,325.98	-
01-7.3	Acquisition of Dump Truck	05/08/01	35,500.00	127.00	-	127.00	-	-	127.00	-
01-7.7	Improvement to Sewell Boys Club	05/08/01	15,000.00	3,300.00	-	2,586.00	-	-	714.00	-
01-7.11	Improvement to Chestnut Branch Park	05/08/01	315,000.00	70,072.31	-	29,315.56	-	-	40,756.75	-
02-7.2	Acquisition of Park Ground	05/14/02	250,000.00	235,703.91	-	156.00	-	750.00	236,453.91	-
02-7.3	Purchase of Pole Barn	05/14/02	150,000.00	149,638.71	-	-	-	-	149,482.71	-
02-7.4	Purchase of Fuel System	05/14/02	20,000.00	282.57	-	-	-	-	282.57	-
03-8	Renovations to Municipal Buildings	03/11/03	1,300,000.00	69.99	-	69.99	-	-	-	-
03-10	Acquisition of Communication Equipment	05/13/03	21,000.00	3,763.25	-	3,763.25	-	-	-	-
03-11.2	Construction of Bike Path	06/09/03	150,000.00	108,640.97	-	108,640.97	-	-	-	-
03-11.3	Improvement to Sewell Boys Club	06/09/03	50,000.00	48,048.91	-	48,048.91	-	-	-	-
03-11.4	Purchase of SCBA Equipment	06/09/03	12,000.00	8.00	-	-	-	-	8.00	-
03-11.5	Purchase of Public Works Equipment	06/09/03	150,000.00	45,325.35	-	45,325.35	-	-	-	-
04-3	Purchase Trash Truck	02/24/04	160,000.00	9,440.40	-	-	-	-	9,440.40	-
04-5.1	Purchase of Police Furnishings	03/23/04	185,000.00	2,408.45	-	-	-	-	2,408.45	-
04-5.2	Purchase of Police Generator	03/23/04	35,000.00	1,406.50	-	-	-	-	1,406.50	-
04-21.2	Construction of Bike Path	07/27/04	150,000.00	120,475.30	-	120,475.30	-	-	-	-
04-21.4	Purchase of Fire Truck	07/27/04	350,000.00	214.00	-	-	-	-	214.00	-
04-21.5	Purchase Trash Truck	07/27/04	160,000.00	6,903.00	-	1,500.00	-	-	5,403.00	-
04-21.6	Public Works Radio System	07/27/04	35,000.00	2,812.75	-	-	-	-	2,812.75	-
04-21.7	Purchase of Public Works Equipment	07/27/04	15,000.00	8,660.90	-	8,660.90	-	-	-	-
04-21.8	CBP Improvement	07/27/04	100,000.00	72,441.80	-	72,441.80	-	-	72,441.80	-
04-21.9	Improvement to Sewell Boys Club	07/27/04	75,000.00	74,000.00	-	72,575.00	-	-	1,425.00	-
04-21.10	Purchase of Fire Equipment	07/27/04	20,000.00	619.22	-	615.00	-	-	4.22	-
05-8.2	Purchase of Fire Equipment	05/24/05	15,000.00	409.83	-	-	-	-	-	409.83
05-8.3	Purchase of Police SUV	05/24/05	25,000.00	1,739.00	-	1,739.00	-	-	-	-
05-8.4	Purchase of Street Sweeper	05/24/05	165,000.00	788.70	-	700.06	-	-	88.64	-
05-8.5	Construction of Drainage Projects	05/24/05	155,000.00	8,044.45	-	54.06	-	-	7,990.39	-
05-8.6	Purchase of Skid Steer Loader/Mower	05/24/05	35,000.00	1,750.00	-	35,000.00	-	-	35,000.00	-
05-8.7	Purchase of Public Works Equipment	05/24/05	110,000.00	5,500.00	-	10,495.29	-	-	99,504.71	-
05-18.1	Reconstruction of Various Streets	11/22/05	\$ 200,000.00	183,965.00	-	95,703.05	-	-	88,261.95	-
05-18.2	Purchase of Finger Printing System	11/22/05	31,000.00	184.00	-	184.00	-	-	-	-
05-18.3	Improvement to Sewell Community Center	11/22/05	350,000.00	17,500.00	-	308,401.47	-	-	41,598.53	-

(Continued)

**TOWNSHIP OF MANTUA**  
**GENERAL CAPITAL FUND**  
 Statement of Improvement Authorizations  
 For the Year Ended December 31, 2006

Ordinance Number	Improvement Description	Date	Ordinance Amount		Balance December 31, 2005		2006 Authorizations	Paid or Charged	Contracts Payable Cancelled	Balance December 31, 2006	
					Funded	Unfunded				Funded	Unfunded
06-08.1	Reconstruction of Various Streets	03/28/06	\$	500,000.00	\$	500,000.00	\$	80,062.23		\$	419,937.77
06-08.2	Purchase of Public Works Equipment	03/28/06		30,000.00		30,000.00				1,500.00	28,500.00
06-08.3	Purchase of Police MDT System	03/28/06		30,000.00		30,000.00		30,000.00			
06-08.4	Purchase of Auto Refuse System	03/28/06		1,200,000.00		1,200,000.00		1,177,926.97			22,073.03
06-08.5	Construction of Concrete Curbs and Sidewalks	03/28/06		15,000.00		15,000.00				750.00	14,250.00
06-08.6	Purchase of Fire Truck	03/28/06		430,000.00		430,000.00		430,000.00			
06-08.7	Purchase of Fire Equipment	03/28/06		35,000.00		35,000.00		21,973.80			13,026.20
06-14	Acquisition of Fire Apparatus	09/26/06		70,000.00		70,000.00		70,000.00			
			\$	1,000,795.48	\$	665,380.98	\$	2,713,797.43	\$	750.00	527,487.98
			\$	2,194,500.00	\$	115,500.00	\$	1,598,108.15			
	Deferred Charges to Future Taxation - Unfunded										
	Capital Improvement Fund										
	Cash Disbursements							1,115,689.28			
	Contracts Payable										
			\$	2,310,000.00	\$	2,713,797.43	\$	2,713,797.43			

**TOWNSHIP OF MANTUA**  
**GENERAL CAPITAL FUND**  
Statement for General Capital Reserves  
For the Year Ended December 31, 2006

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Improvement Description	Balance Dec. 31, 2005	Cash Receipts	Paid or Charged	Balance Dec. 31, 2006
Purchase of Park Equipment	\$ 1,500.00			\$ 1,500.00
Park Repairs	4,620.00		\$ 251.00	4,369.00
Debt Service		\$ 98,000.00		98,000.00
	<u>\$ 6,120.00</u>	<u>\$ 98,000.00</u>	<u>\$ 251.00</u>	<u>\$ 103,869.00</u>

**TOWNSHIP OF MANTUA**  
**GENERAL CAPITAL FUND**  
 Statement of Bond Anticipation Notes  
 For the Year Ended December 31, 2006

Ordinance Number	Improvement Description	Date of Original Issue	Date of Issue	Maturity Date	Interest Rate	Increased	Balance Dec. 31, 2006
08-2005	Various Capital Improvements and Acquisition of Equipment	05/09/06	5/9/06	5/8/07	4.75%	\$ 574,750.00	\$ 574,750.00
18-2005	Various Capital Improvements and Acquisition of Equipment	05/09/06	5/9/06	5/8/07	4.75%	551,950.00	-
02-2006	Various Capital Improvements and Acquisition of Equipment	05/09/06	5/9/06	5/8/07	4.75%	2,128,000.00	-
						<u>\$ 3,254,700.00</u>	<u>\$ 3,254,700.00</u>

**TOWNSHIP OF MANTUA**  
**GENERAL CAPITAL FUND**  
 Statement of General Serial Bonds  
 For the Year Ended December 31, 2006

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2006					
			Date	Amount	Interest Rate	Balance Dec. 31, 2005	Decreased	Balance Dec. 31, 2006
General Improvements Series of 1997	7/1/97	\$ 1,845,000.00	7/1/07	\$ 240,000.00	4.750%	\$ 470,000.00	\$ 230,000.00	\$ 240,000.00
General Improvements Series of 1999	6/1/99	2,500,000.00	6/1/07	170,000.00	4.700%	1,750,000.00	165,000.00	1,585,000.00
			6/1/08	185,000.00				
			6/1/09	200,000.00				
			6/1/10	200,000.00				
			6/1/11	205,000.00				
			6/1/12	205,000.00				
General Improvements Series of 2002	5/15/02	4,631,000.00	5/15/07	210,000.00	4.250%	4,041,000.00	200,000.00	3,841,000.00
			5/15/08	210,000.00				
			5/15/09	210,000.00				
			5/5/10	220,000.00				
			5/15/11	220,000.00				
			5/15/12	220,000.00				
			5/15/13	240,000.00				
			5/15/14	240,000.00				
			5/15/15	240,000.00				
			5/15/16	240,000.00				
5/15/17	260,000.00							
5/15/18	260,000.00							
5/15/19	260,000.00							
5/15/20	270,000.00							
5/15/21	270,000.00							
5/15/22	271,000.00							

(Continued)

**TOWNSHIP OF MANTUA**  
**GENERAL CAPITAL FUND**  
 Statement of General Serial Bonds  
 For the Year Ended December 31, 2006

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2006		Interest Rate	Balance Dec. 31, 2005	Decreased	Balance Dec. 31, 2006
			Date	Amount				
General Improvements Series of 2004	8/1/04	\$ 3,589,000.00	8/1/07	\$ 200,000.00	3.500%			
			8/1/08	200,000.00	3.500%			
			8/1/09	220,000.00	3.500%			
			8/1/10	220,000.00	3.500%			
			8/1/11	240,000.00	3.500%			
			8/1/12	240,000.00	3.500%			
			8/1/13	250,000.00	3.500%			
			8/1/14	250,000.00	3.500%			
			8/1/15	260,000.00	3.625%			
			8/1/16	260,000.00	3.625%			
			8/1/17	280,000.00	3.750%			
			8/1/18	280,000.00	3.750%			
			8/1/19	289,000.00	4.000%	\$ 3,389,000.00	\$ 200,000.00	\$ 3,189,000.00
					\$ 9,650,000.00	\$ 795,000.00	\$ 8,855,000.00	



**TOWNSHIP OF MANTUA**  
**GENERAL CAPITAL FUND**  
 Statement of Bonds and Notes Authorized But Not Issued  
 For the Year Ended December 31, 2006

Ordinance Number	Improvement Description	Balance		2006		Balance Dec. 31, 2006
		Dec. 31, 2005		Authorizations	Issued	
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	
06-08.1	Reconstruction of Various Streets			475,000.00	475,000.00	
06-08.2	Purchase of Public Works Equipment			28,500.00	28,500.00	
06-08.3	Purchase of Police MDT System			28,500.00	28,500.00	
06-08.4	Purchase of Auto Refuse System			1,140,000.00	1,140,000.00	
06-08.5	Construction of Concrete Curbs and Sidewalks			14,250.00	14,250.00	
06-08.6	Purchase of Fire Truck			408,500.00	408,500.00	
06-08.7	Purchase of Fire Equipment			33,250.00	33,250.00	
06-14	Acquisition of Fire Apparatus			66,500.00		66,500.00
		\$	1,126,700.00	\$	2,194,500.00	\$
					3,254,700.00	
						66,500.00

**TOWNSHIP OF MANTUA**

**PART 2**

**SCHEDULE OF FINDINGS AND RECOMMENDATIONS**

**FOR THE YEAR ENDED DECEMBER 31, 2006**

**TOWNSHIP OF MANTUA**  
**Schedule of Findings and Recommendations**  
**For the Year Ended December 31, 2006**

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***Schedule of Financial Statement Findings***

This section identifies the significant deficiencies, 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. 2006-1**

**Condition**

The Township did 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 have an accurate fixed asset inventory.

**Cause**

Internal control policies and procedures are not in place to properly maintain the fixed asset accounting system.

**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. 2006-2**

**Condition**

The Tax Collector did not have adequate surety bond coverage for the period 1/1/2006 – 7/20/06.

**Criteria**

N.J.A.C. 5:30-8.3 regulates surety bond coverage for tax collectors.

**Effect**

Non-compliance with New Jersey Administrative Code requirements.

**Cause**

Client oversight.

**Recommendation**

That surety bond coverage for the tax collector be maintained in accordance with N.J.A.C. 5:30-8.3.

**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, 2006**

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*Schedule of Financial Statement Findings (Cont'd)*

**Finding No. 2006-3**

**Condition**

A corrective action plan for the 2005 Report of Audit has not been filed with the Division of Local Government Services in accordance with Local Finance Notice 1997-16.

**Criteria**

Division of Local Government Services Local Finance Notice 1997-16 requires a corrective action plan addressing all findings and recommendations in the Report of Audit to be filed with the Division of Local Government Services within 60 days of the audit being filed.

**Effect**

Non-compliance with Local Finance Notice 1997-16 requirements.

**Cause**

Client oversight.

**Recommendation**

That a corrective action plan be filed in accordance with Local Finance Notice 1997-16.

**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 Recommendations as Prepared by Management**

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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. 2005-1**

**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 unresolved.

**Planned Corrective Action**

The condition will be addressed as part of the Township's corrective action plan.

**Finding No. 2005-2**

**Condition**

An audit of compliance with 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.

**Current Status**

The condition has been resolved.

**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.

**Current Status**

The condition has been resolved.

**TOWNSHIP OF MANTUA**  
**Officials in Office and Surety Bonds**

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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	Committeewoman	
Sharon Lawrence	Committeewoman	
Michael A. Angelini	Solicitor	
Richard H. Subers	Township Administrator	
Shawn Menzies	Municipal Clerk, Township Search Officer, Voter Registration	
Lisa McArthur	Registrar of Vital Statistics and Assistant Deputy Clerk	
Gayle T. Tschopp	Chief Municipal Finance Officer	\$300,000.00
Marsha McMullen	Construction Code Clerk	
Bonnie Coleman	Tax Collector, Tax Search Officer	
Sandra Elliot	Tax Assessor	
J.R. Powell	Municipal Court Judge	13,000.00
Marie McDonald	Municipal Court Administrator	20,000.00
Lenore Worrell	Deputy Court Administrator	20,000.00

Surety Bonds were issued by 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