

TOWNSHIP OF MANTUA

COUNTY OF GLOUCESTER

REPORT OF AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2012



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TOWNSHIP OF MANTUA
PART 1
REPORT OF AUDIT OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

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, 2012 and 2011, 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, statement of expenditures - regulatory basis for the year ended December 31, 2012 and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and 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 from material misstatement.

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

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

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

As described in Note 1 of the financial statements, the financial statements are prepared by the Township on the basis of the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of New Jersey.

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township of Mantua, in the County of Gloucester, State of New Jersey, as of December 31, 2012 and 2011, or the results of its operations and changes in fund balance for the years then ended.

Basis for Qualified Opinion on Regulatory Basis of Accounting

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.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the effect of the matter described in the “Basis for Qualified Opinion on Regulatory Basis of Accounting” paragraph, the financial statements referred to previously 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, 2012 and 2011, and the results of its operations and changes in fund balance - regulatory basis of such funds for the years then ended, and the revenues - regulatory basis, expenditures - regulatory basis of the various funds, for the year ended December 31, 2012 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.

Other Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township’s basic financial statements. The supplemental 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, and are not a required part of the basic financial statements.

The supplementary financial statements presented for the various funds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information described in the previous paragraph is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 31, 2013 on our consideration of the Township of Mantua's, in the County of Gloucester, State of New Jersey, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Township of Mantua's internal control over financial reporting.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Michael J. Welding
Certified Public Accountant
Registered Municipal Accountant

Woodbury, New Jersey
October 31, 2013

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

INDEPENDENT AUDITOR'S REPORT

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

We have audited, in accordance with the 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 the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey of the Township of Mantua, in the County of Gloucester, State of New Jersey, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated October 31, 2013. That report indicated that the Township of Mantua's 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.

Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Recommendations, we identified one deficiency in internal control that we consider to be a material weakness.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Township's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying Schedule of Findings and Recommendations to be a material weakness: 2012-1.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We did not identify any deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Township of Mantua's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed two instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey which are described in the accompanying Schedule of Findings and Recommendations as finding no.'s: 2012-1 and 2012-2.

The Township of Mantua's Response to Findings

The Township of Mantua's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Recommendations. The Township's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey in considering the Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Michael J. Welding
Certified Public Accountant
Registered Municipal Accountant

Woodbury, New Jersey
October 31, 2013

TOWNSHIP OF MANTUA
CURRENT FUND
 Statements of Assets, Liabilities, Reserves, and Fund Balance - Regulatory Basis
 As of December 31, 2012 and 2011

	Ref.	2012	2011
Assets:			
Regular Fund:			
Cash:			
Treasurer	SA-1	\$ 3,356,527.40	\$ 2,933,072.73
Change Fund	SA-1	770.00	750.00
		<u>3,357,297.40</u>	<u>2,933,822.73</u>
Receivables and Other Assets without Full Reserves:			
Due from State of New Jersey:			
Senior Citizens' and Veterans' Deductions	SA-5	-	2,252.17
Due from Mantua Township Fire District	SA-10	24,059.77	21,917.00
		<u>24,059.77</u>	<u>24,169.17</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	SA-3	1,084,057.91	885,478.23
Tax Title Liens Receivable	SA-4	186,992.83	152,678.23
Property Acquired for Taxes - Assessed Valuation	A	2,107,400.00	2,107,400.00
Revenue Accounts Receivable	SA-6	12,981.19	20,422.48
Due from Animal Control	SA-1	-	2,604.49
Due from Trust Other Fund	SB-6	13,638.25	-
Due from Municipal Open Space Trust	B-2	1,750.53	-
		<u>3,406,820.71</u>	<u>3,168,583.43</u>
Deferred Charges:			
Special Emergency Authorizations	SA-7	28,000.00	40,000.00
		<u>6,816,177.88</u>	<u>6,166,575.33</u>
Federal and State Grant Fund:			
Due from Current Fund	SA-19	487,464.94	783,544.45
Grants Receivable	SA-20	111,182.38	287,947.10
		<u>598,647.32</u>	<u>1,071,491.55</u>
		<u>\$ 7,414,825.20</u>	<u>\$ 7,238,066.88</u>

(Continued)

TOWNSHIP OF MANTUA
CURRENT FUND
 Statements of Assets, Liabilities, Reserves, and Fund Balance - Regulatory Basis
 As of December 31, 2012 and 2011

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
Liabilities, Reserves and Fund Balance:			
Regular Fund:			
Appropriation Reserves	A-3, SA-8	\$ 442,679.79	\$ 460,596.33
Reserve for Encumbrances	A-3, SA-8	326,960.72	209,951.97
Accounts Payable	SA-9	55,580.52	33,386.11
Due to State of New Jersey:			
Senior Citizen's and Veteran's Deductions	SA-5	4,910.96	-
Marriage License Fees	SA-1	401.00	476.00
Construction DCA Fees	SA-1	2,820.00	11,904.00
Prepaid Taxes	SA-11	245,524.74	303,701.44
Tax Overpayments	SA-12	3,631.87	-
Due County for Added and Omitted Taxes	SA-14	25,612.79	20,264.96
Local District School Taxes Payable	SA-15	291,102.47	-
Regional High School District Taxes Payable	SA-16	0.20	-
Due Municipal Open Space for Added and Omitted Taxes	SA-17	754.25	-
Special District Taxes Payable - Fire District	SA-18	252,551.25	-
Due to Federal and State Grant Fund	SA-19	487,464.94	783,544.45
Due to Trust Other Fund	SB-6	-	9,783.92
Due to General Capital Fund	SC-5	84,100.15	53,936.25
Reserve for UCC Third Party Administrator	SA-1	-	3,064.82
Reserve for Election Workers	SA-1	1,918.75	2,518.75
Reserve for Municipal Building Carpet Replacement	A	4,505.84	4,505.84
Reserve for Payment of Debt Service	SA-22	240,600.00	-
Reserve for Insurance Proceeds	A-1	-	44,524.00
		<u>2,471,120.24</u>	<u>1,942,158.84</u>
Reserves for Receivables	A	3,406,820.71	3,168,583.43
Fund Balance	A-1	<u>938,236.93</u>	<u>1,055,833.06</u>
		<u>6,816,177.88</u>	<u>6,166,575.33</u>
Federal and State Grant Fund:			
Unappropriated Reserves	SA-21	118,880.00	111,988.70
Appropriated Reserves	SA-22	427,818.45	918,418.20
Reserve for Encumbrances	SA-22	17,632.33	11,727.90
Due to General Capital Fund	SA-1	4,959.79	-
Reserve for Matching Funds for Grants	A	<u>29,356.75</u>	<u>29,356.75</u>
		<u>598,647.32</u>	<u>1,071,491.55</u>
		<u>\$ 7,414,825.20</u>	<u>\$ 7,238,066.88</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, 2012 and 2011

	2012	2011
Revenue and Other Income Realized:		
Fund Balance Utilized	\$ 1,100,000.00	\$ 1,900,000.00
Miscellaneous Revenues Anticipated	2,407,597.65	3,400,637.01
Receipts from Delinquent Taxes	801,277.77	789,095.11
Receipts from Current Taxes	38,888,535.11	36,334,815.87
Nonbudget Revenues	160,418.29	153,195.96
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	371,181.00	592,743.86
Reserves Cancelled	44,524.00	17,500.00
Federal and State Grant Fund Net Adjustment	-	208.12
Interfund Receivables Returned	2,604.49	35,210.00
Cancellation of Accounts Payable	9,741.83	18,509.54
Statutory Excess - Animal Control Fund	-	2,296.99
	43,785,880.14	43,244,212.46
Expenditures:		
Budget and Emergency Appropriations:		
Appropriations Within "CAPS"		
Operations:		
Salaries and Wages	4,159,382.00	4,285,232.58
Other Expenses	4,048,044.00	3,870,813.00
Deferred Charges and Statutory Expenditures	1,142,931.00	1,139,681.00
Appropriations Excluded from "CAPS"		
Operations:		
Salaries and Wages	92,693.93	31,145.72
Other Expenses	245,477.77	967,786.68
Capital Improvements	68,900.00	68,900.00
Municipal Debt Service	1,388,519.00	1,420,971.40
Deferred Charges	34,619.00	121,390.00
County Taxes	8,639,590.98	8,832,656.14
Due County for Added and Omitted Taxes	25,612.79	20,264.96
Local District School Tax	12,730,813.47	11,669,867.03
Regional High School Tax	9,080,542.98	8,960,819.46
Special District Taxes	808,164.00	741,617.00
Municipal Open Space Tax	275,000.00	157,000.00
Municipal Open Space Added and Omitted Taxes	754.25	243.57
Prior Year Senior Citizens' and Veterans' Deductions Disallowed	8,250.00	2,500.00
Refund of Prior Year Revenue - 2010 and 2011 Tax Appeals Granted	38,792.32	-
Interfund Receivables Created	15,388.78	2,070.79
	42,803,476.27	42,292,959.33
Excess in Revenues	982,403.87	951,253.13

(Continued)

TOWNSHIP OF MANTUA
CURRENT FUND
 Statements of Operations and Changes in Fund Balance - Regulatory Basis
 For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Adjustments to Income Before Fund Balance -		
Expenditures Included Above Which Are by Statute Deferred		
Charges to Budget of Succeeding Year	-	\$ 35,000.00
Statutory Excess to Fund Balance	\$ 982,403.87	986,253.13
Fund Balance January 1	<u>1,055,833.06</u>	<u>1,969,579.93</u>
	2,038,236.93	2,955,833.06
Decreased by:		
Utilization as Anticipated Revenue	<u>1,100,000.00</u>	<u>1,900,000.00</u>
Fund Balance December 31	<u>\$ 938,236.93</u>	<u>\$ 1,055,833.06</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, 2012

	Anticipated Budget	Realized	Excess
Fund Balance Anticipated	\$ 1,100,000.00	\$ 1,100,000.00	-
Miscellaneous Revenues:			
Licenses:			
Alcoholic Beverages	12,000.00	12,172.00	\$ 172.00
Other	11,000.00	13,000.00	2,000.00
Fees and Permits	40,000.00	34,814.00	(5,186.00)
Fines and Costs:			
Municipal Court	250,000.00	229,428.39	(20,571.61)
Interest and Costs on Taxes	144,000.00	133,879.59	(10,120.41)
Interest on Investments and Deposits	18,000.00	21,017.45	3,017.45
Consolidated Municipal Property Tax Relief Aid	5,533.00	5,533.00	
Energy Receipts Tax (P.L. 1997, Chapters 162 & 167)	1,211,485.00	1,211,485.00	
Uniform Construction Code Fees	220,000.00	129,523.00	(90,477.00)
Cable Television Franchise Fees	60,700.00	60,702.83	2.83
MUA Surplus as per N.J.S.A. 40A: 5A-12.1	170,443.00	170,443.00	
Interlocal Municipal Service Agreements:			
Mantua Fire District #1			
Financial Services	20,000.00	20,000.00	
Insurance			
General Liability	43,347.97	43,347.97	
Worker Compensation	8,252.03	8,252.03	
Employee Group Health	25,000.00	25,000.00	
Gasoline & Diesel Fuel	15,000.00	22,051.69	7,051.69
Debt Service	108,300.00	108,488.00	188.00
Deferred Charge to Future Taxation Unfunded O-14-2006	21,919.00	21,919.00	
Public and Private Revenues Offset With Appropriations:			
Alcohol Education and Rehabilitation Fund	53.93	53.93	
Body Armor Grant	2,630.19	2,630.19	
Drunk Driving Enforcement Fund	2,640.00	2,640.00	
JIF Safety Award	3,575.00	3,575.00	
Holiday Over the Limit	4,400.00	4,400.00	
Municipal Alliance on Alcoholism and Drug Abuse	17,977.00	17,977.00	
Optional JIF Safety Award	3,500.00	3,500.00	
Recycling Tonnage Grant	26,764.58	26,764.58	
Safe and Secure Communities	75,000.00	75,000.00	
	<u>2,521,520.70</u>	<u>2,407,597.65</u>	<u>(113,923.05)</u>
Receipts from Delinquent Taxes	<u>826,000.00</u>	<u>801,277.77</u>	<u>(24,722.23)</u>
Subtotal General Revenues	4,447,520.70	4,308,875.42	(138,645.28)
Amount to be Raised by Taxes for Support to Municipal Budget - Local Tax for Municipal Purposes	<u>7,730,392.54</u>	<u>8,325,312.18</u>	<u>594,919.64</u>
Budget Totals	12,177,913.24	12,634,187.60	456,274.36
Nonbudget Revenues		<u>160,418.29</u>	<u>160,418.29</u>
	<u>\$ 12,177,913.24</u>	<u>\$ 12,794,605.89</u>	<u>\$ 616,692.65</u>

(Continued)

TOWNSHIP OF MANTUA
CURRENT FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2012

Analysis of Realized Revenue:Allocation of Current Tax Collections:

Revenue from Collections		\$ 38,888,535.11
Less:		
Allocated to School, County, Special District and Municipal Open Space Taxes		31,560,478.47
Balance for Support of Municipal Budget Revenues		7,328,056.64
Add:		
Reserve for Uncollected Taxes Appropriation		997,255.54
Amount for Support of Municipal Budget Appropriations		\$ 8,325,312.18

Receipts from Delinquent Taxes:

Delinquent Tax Collections		\$ 780,428.32
Tax Title Lien Collections		20,849.45
		\$ 801,277.77

Analysis of Non-Budget Revenue

Chief Financial Officer:

Code Violation Fees	\$	1,216.93
DMV Inspection Fees		4,334.00
Homestead Rebate Administration		1,242.00
Hurricane Irene Emergency Relief		1,086.54
Lease of Municipal Property		3,700.00
Miscellaneous		22,542.12
Off Duty Police Administration Cost		13,816.94
Open Public Records Act		419.55
Payment In Lieu of Taxes		16,471.15
Police Accreditation		2,150.67
Property Restitution		450.00
Tax Sale Premiums - Expired		11,000.00
Recycling Rebates		35,631.03
Refund of Prior Year Expenditures		14,857.00
Sale of Municipal Property		27,527.42
Senior Citizen & Veteran Administrative Fee		3,722.94

Tax Collector:

Tax Searches		100.00
Duplicate Tax Certificates		150.00

\$ 160,418.29

Cash - Chief Financial Officer

\$ 160,168.29

Cash - Tax Collector

250.00

\$ 160,418.29

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, 2012

	Appropriations		Expended			Unexpended Balance Cancelled
	Original Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
OPERATIONS WITHIN "CAPS"						
Department of Administration and Finance:						
General Administration						
Salaries and Wages	\$ 46,000.00	\$ 31,000.00	\$ 28,208.56		\$ 2,791.44	
Other Expenses	38,000.00	37,018.00	27,528.72	\$ 707.38	8,781.90	
Mayor and Committee						
Salaries and Wages	22,180.00	22,180.00	21,735.00		445.00	
Other Expenses	5,000.00	5,000.00	475.23		4,524.77	
Municipal Clerk						
Salaries and Wages	38,835.00	38,835.00	38,802.82		32.18	
Other Expenses	2,475.00	2,475.00	1,407.65	456.51	610.84	
Election Expenses	8,000.00	8,000.00	7,951.11		48.89	
Financial Administration						
Salaries and Wages	88,955.00	88,955.00	88,926.25		28.75	
Other Expenses	24,300.00	24,300.00	19,567.36	3,853.21	879.43	
Audit Services:						
Other Expenses	62,000.00	62,000.00	-	62,000.00		
Revenue Administration:						
Salaries and Wages	87,900.00	87,900.00	87,825.95		74.05	
Other Expenses	12,350.00	12,350.00	11,312.58	10.95	1,026.47	
Tax Assessment Administration:						
Other Expenses	5,000.00	5,000.00	3,906.48		1,093.52	
Legal Services and Costs:						
Other Expenses	70,000.00	92,080.00	82,558.73	9,441.27	80.00	
Rent Leveling Board						
Salaries and Wages	521.00	521.00	520.06		0.94	
Other Expenses	4,950.00	4,950.00	1,765.40	2,777.75	406.85	
Veterans Commission						
Other Expenses	2,000.00	2,000.00	223.75	300.00	1,476.25	
Engineering Services and Costs:						
Other Expenses	35,500.00	35,500.00	29,643.01	5,856.99		
Historical Commission						
Other Expenses	2,000.00	2,000.00	664.64	1,335.36		

(Continued)

TOWNSHIP OF MANTUA
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2012

	Appropriations		Expended			Unexpended Balance Cancelled
	Original Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
OPERATIONS WITHIN "CAPS" (CONT'D)						
Department of Administration and Finance (Cont'd):						
Planning Board						
Salaries and Wages	\$ 39,350.00	\$ 39,350.00	\$ 35,234.75		\$ 4,115.25	
Other Expenses	16,000.00	57,000.00	33,742.95	\$ 18,104.25	5,152.80	
Public Safety Functions:						
Police						
Salaries and Wages						
Regular	2,470,194.00	2,427,720.00	2,305,037.79		122,682.21	
Crossing Guard	75,000.00	75,000.00	74,041.00		959.00	
Other Expenses	163,750.00	183,750.00	97,122.77	81,236.80	5,390.43	
Office of Emergency Management						
Other Expenses	900.00	900.00	-	769.90	130.10	
Municipal Prosecutor						
Salaries and Wages	20,608.00	20,608.00	17,229.01		3,378.99	
Public Safety Director						
Salaries and Wages	2,315.00	2,315.00	2,307.37		7.63	
Department of Public Works:						
Streets and Roads Maintenance:						
Salaries and Wages	466,562.00	444,562.00	444,562.00			
Other Expenses	140,000.00	128,300.00	95,138.87	21,580.13	11,581.00	
Sanitation						
Salaries and Wages	505,480.00	511,836.00	511,735.02		100.98	
Other Expenses	100,000.00	96,700.00	82,067.00	9,061.90	5,571.10	
Public Buildings and Grounds						
Salaries and Wages	58,021.00	59,346.00	59,345.06		0.94	
Other Expenses	26,067.00	36,067.00	25,888.94	2,589.37	7,588.69	
Park Maintenance	20,000.00	20,000.00	18,264.38	1,310.35	425.27	
Insurance						
Other Insurance Premiums	219,000.00	163,000.00	162,268.03		731.97	
Workers Compensation Insurance	384,000.00	367,000.00	350,492.97		16,507.03	
Employee Group Health Insurance	1,519,462.00	1,519,462.00	1,497,183.46		22,278.54	
Health Benefit Waiver	7,000.00	7,000.00	5,791.50		1,208.50	

(Continued)

TOWNSHIP OF MANTUA
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2012

	Appropriations		Expended			Unexpended Balance Cancelled
	Original Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
OPERATIONS WITHIN "CAPS" (CONT'D)						
Health & Human Services Functions:						
Board of Health						
Salaries and Wages	\$ 4,453.00	\$ 4,453.00	\$ 4,450.03		\$ 2.97	
Other Expenses	4,335.00	5,237.00	4,036.53	\$ 0.01	1,200.46	
Environmental Committee						
Other Expenses	500.00	500.00	440.00		60.00	
Senior Citizen Public Transportation						
Salaries and Wages	32,000.00	32,042.00	31,402.36		639.64	
Other Expenses	3,000.00	3,000.00	1,815.28	1,184.00	0.72	
Park & Recreation Functions:						
Recreation Services and Programs:						
Other Expenses	14,850.00	16,850.00	15,589.11		1,260.89	
Senior Citizen Trips & Events	9,000.00	9,000.00	8,690.55		309.45	
Celebration of Public Events						
Other Expenses	12,600.00	12,600.00	12,492.55		107.45	
Uniform Construction Code Functions:						
Construction Official						
Salaries and Wages	111,150.00	113,901.00	113,900.70		0.30	
Other Expenses	11,005.00	11,005.00	4,912.44	2,786.16	3,306.40	
Salaries and Wages						
Sub-Code Officials	34,850.00	34,850.00	31,464.52		3,385.48	
Housing Inspector						
Salaries and Wages	5,880.00	5,880.00	4,357.50		1,522.50	
Municipal Court						
Salaries and Wages	110,755.00	109,755.00	105,811.21	700.00	3,243.79	
Other Expenses	11,000.00	12,000.00	10,251.28	1,032.98	715.74	
Public Defender						
Salaries and Wages	8,373.00	8,373.00	6,713.21		1,659.79	
Unclassified:						
Electricity	139,000.00	139,000.00	127,939.61	2,245.45	8,814.94	
Street Lighting	96,000.00	116,000.00	111,299.97	1,000.00	3,700.03	
Telephone	23,000.00	23,000.00	19,517.44	2,063.78	1,418.78	

(Continued)

TOWNSHIP OF MANTUA
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2012

	Appropriations		Paid or Charged	Expended		Unexpended Balance Cancelled
	Original Budget	Budget After Modification		Encumbered	Reserved	
OPERATIONS WITHIN "CAPS" (CONT'D)						
Unclassified (Cont'd):						
Heating Oil	\$ 30,000.00	\$ 20,000.00	\$ 13,122.37	\$ 3,468.45	\$ 3,409.18	
Gasoline	246,000.00	305,000.00	204,976.19	35,190.79	64,833.02	
Landfill/Solidwaste Disposal Costs	510,000.00	503,000.00	458,259.52	44,740.48		
Total Operations Within "CAPS"	8,207,426.00	8,207,426.00	7,561,918.54	315,804.22	329,703.24	\$ -
Detail:						
Salaries and Wages	4,229,382.00	4,159,382.00	4,013,610.17	700.00	145,071.83	-
Other Expenses	3,978,044.00	4,048,044.00	3,548,308.37	315,104.22	184,631.41	-
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"						
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System	246,755.00	246,755.00	246,755.00			
Police & Fire Retirement System of N.J.	491,176.00	491,176.00	491,176.00			
Unemployment Compensation Insurance	30,000.00	30,000.00	24,457.45		5,542.55	
Social Security System (O.A.S.I.)	375,000.00	375,000.00	336,899.00		38,101.00	
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"	1,142,931.00	1,142,931.00	1,099,287.45	-	43,643.55	-
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	9,350,357.00	9,350,357.00	8,661,205.99	315,804.22	373,346.79	-
OPERATIONS EXCLUDED FROM "CAPS"						
LOSAP	50,000.00	50,000.00	-		50,000.00	
Employee Group Health	35,538.00	35,538.00	35,538.00			
Interlocal Service Agreements						
Mantua Fire District #1						
Financial Services						
Salaries and Wages	15,000.00	15,000.00	15,000.00			
Other Expenses	5,000.00	5,000.00	5,000.00			

(Continued)

TOWNSHIP OF MANTUA
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2012

	Appropriations		Paid or Charged	Expended		Unexpended Balance Cancelled
	Original Budget	Budget After Modification		Encumbered	Reserved	
OPERATIONS EXCLUDED FROM "CAPS" (Cont'd)						
Interlocal Service Agreements (Cont'd)						
Mantua Fire District #1						
Insurance						
General Liability	\$ 43,347.97	\$ 43,347.97	\$ 43,347.97			
Worker's Compensation	8,252.03	8,252.03	8,252.03			
Employee Group Health Benefits	25,000.00	25,000.00	25,000.00			
Gasoline & Diesel Fuel	15,000.00	15,000.00	15,000.00			
Public and Private Programs Offset by Revenues:						
Alcohol Education Rehabilitation Fund	53.93	53.93	53.93			
Body Armor Grant	2,630.19	2,630.19	2,630.19			
Drunk Driving Enforcement Fund	2,640.00	2,640.00	2,640.00			
JIF Safety Award	3,575.00	3,575.00	3,575.00			
Holiday Over the Limit	4,400.00	4,400.00	4,400.00			
Optional JIF Safety Award	3,500.00	3,500.00	3,500.00			
Municipal Alliance Program for Alcoholism & Drug Abuse						
State Share	17,977.00	17,977.00	17,977.00			
Local Share	4,493.00	4,493.00	4,493.00			
Recycling Tonnage Grant	26,764.58	26,764.58	26,764.58			
Safe and Secure Communities Program	75,000.00	75,000.00	75,000.00			
TOTAL OPERATIONS - EXCLUDED FROM "CAPS"	338,171.70	338,171.70	288,171.70	\$ -	\$ 50,000.00	\$ -
Detail:						
Salaries and Wages	97,093.93	92,693.93	92,693.93	-	-	
Other Expenses	241,077.77	245,477.77	195,477.77	-	50,000.00	
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"						
Capital Improvement Fund	30,000.00	30,000.00	30,000.00			
Capital Improvement Fund Projects:						
Sanitary Landfill Closure (NJSA 40:2-22H)	6,500.00	6,500.00	2,944.00	1,108.00	2,448.00	
Park Equipment	7,400.00	7,400.00	5,466.50	1,684.00	249.50	
Municipal Furnishings	10,000.00	10,000.00	-		10,000.00	
Public Works Trash Containers	15,000.00	15,000.00	-	8,364.50	6,635.50	
TOTAL CAPITAL IMPROVEMENTS	68,900.00	68,900.00	38,410.50	11,156.50	19,333.00	-

(Continued)

TOWNSHIP OF MANTUA
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2012

	Appropriations		Expended			Unexpended Balance Cancelled
	Original Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"						
Payment of Bond Principal	\$ 934,000.00	\$ 934,000.00	\$ 934,000.00			
Payment of Bond Anticipation Notes and Capital Notes	47,000.00	47,000.00	47,000.00			
Interest on Bonds	352,000.00	352,000.00	351,987.54			\$ 12.46
Interest on Notes	37,200.00	37,200.00	37,125.24			74.76
Green Trust Loan Program:		-				
Loan Repayment for Principal	15,620.00	15,620.00	15,619.51			0.49
Loan Repayment for Interest	2,790.00	2,790.00	2,786.71			3.29
TOTAL MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"	1,388,610.00	1,388,610.00	1,388,519.00	-	-	91.00
DEFERRED CHARGES - MUNICIPAL - EXCLUDED FROM "CAPS"						
Special Emerg Auth - 5 Years (NJS 40A:4-55)	12,000.00	12,000.00	12,000.00			
Deferred Charges to Future Taxation - Unfunded						
Ordinance No.06-14	21,919.00	21,919.00	21,919.00			
Ordinance No.11-09	700.00	700.00	700.00			
TOTAL DEFERRED CHARGES - MUNICIPAL - EXCLUDED FROM "CAPS"	34,619.00	34,619.00	34,619.00	-	-	-
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"	\$ 1,830,300.70	\$ 1,830,300.70	\$ 1,749,720.20	\$ 11,156.50	\$ 69,333.00	\$ 91.00
SUBTOTAL GENERAL APPROPRIATIONS	11,180,657.70	11,180,657.70	10,410,926.19	326,960.72	442,679.79	91.00
Reserve for Uncollected Taxes	997,255.54	997,255.54	997,255.54			
TOTAL GENERAL APPROPRIATIONS	\$ 12,177,913.24	\$ 12,177,913.24	\$ 11,408,181.73	\$ 326,960.72	\$ 442,679.79	\$ 91.00
Adopted Budget		\$ 12,177,913.24				
Federal and State Grants Appropriated			\$ 141,033.70			
Deferred Charge - Special Emergency			12,000.00			
Reserve for Uncollected Taxes			997,255.54			
Cash Disbursements			10,257,892.49			
		\$ 12,177,913.24	\$ 11,408,181.73			

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

TOWNSHIP OF MANTUA
TRUST FUND
 Statements of Assets, Liabilities and Reserves -- Regulatory Basis
 As of December 31, 2012 and 2011

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
Assets:			
Animal Control Fund:			
Cash - Chief Financial Officer	SB-1	\$ 18,490.51	\$ 25,660.83
		<u>18,490.51</u>	<u>25,660.83</u>
Municipal Open Space Fund			
Cash - Chief Financial Officer	SB-1	253,241.83	266,960.96
Due from Current for Added and Omitted Taxes	B-1	754.25	-
		<u>253,996.08</u>	<u>266,960.96</u>
Other Funds:			
Cash - Chief Financial Officer	SB-1	1,616,606.01	1,528,731.69
Accounts Receivable	SB-7	84,121.57	75,769.01
Due from Current	SB-6	-	9,783.92
		<u>1,700,727.58</u>	<u>1,614,284.62</u>
		<u>\$ 1,973,214.17</u>	<u>\$ 1,906,906.41</u>
Liabilities and Reserves:			
Animal Control Fund:			
Due to Current Fund	SB-1	\$ -	\$ 2,604.49
Reserve for Encumbrances	SB-3	1,559.25	649.44
Reserve for Animal Control Fund Expenditures	SB-3	16,931.26	22,406.90
		<u>18,490.51</u>	<u>25,660.83</u>
Municipal Open Space			
Appropriation Reserves	B-2; SB-5	4,000.00	73,583.94
Due General Capital Fund	B-2	16,000.00	-
Due to Current Fund	B-2	1,750.53	-
Reserve to Pay Debt Service	B-1	-	16,000.00
Reserve for Future Use	SB-4	232,245.55	177,377.02
		<u>253,996.08</u>	<u>266,960.96</u>
Other Funds:			
Due to Current Fund	SB-6	13,638.25	-
Reserve for Affordable Housing	SB-8	619,036.31	300,448.77
Reserve for Developers' Escrow	SB-8	519,113.10	708,657.69
Reserve for Payroll Deductions Payable	SB-8	1,870.24	12,280.92
Reserve for Off Duty Police	SB-8	3,504.80	2,644.55
Reserve for Street Opening Deposits	SB-8	9,826.00	7,301.00
Reserve for Tax Redemption	SB-8	3,128.66	0.08
Reserve for Tax Premium	SB-8	214,200.00	113,000.00
Reserve for Community Day Donations	SB-8	13,824.66	11,500.09

(Continued)

TOWNSHIP OF MANTUA
TRUST FUND
 Statements of Assets, Liabilities and Reserves -- Regulatory Basis
 As of December 31, 2012 and 2011

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
Liabilities and Reserves (Cont'd):			
Other Funds (Cont'd):			
Reserve for Police Explorer's Donations	SB-8	\$ 405.00	\$ 405.00
Reserve for National Night Out	SB-8	406.31	406.31
Reserve for Parking Offense Adjudication Act	SB-8	428.51	362.51
Reserve for Police Canine Donations	SB-10	1,832.55	1,832.55
Reserve for Recreation	SB-8	61,585.18	210,744.90
Reserve for Public Defender Fees	SB-8	8,424.00	4,070.00
Reserve for Public Assistance Trust	SB-8	3.84	3.84
Reserve for Forfeited Funds	SB-8	34,697.93	54,538.33
Reserve for Historical Donations	SB-8	40,350.59	39,251.13
Reserve for Annual Calendar	SB-8	1,399.31	2,400.00
Reserve for Senior Citizen Trips	SB-8	-	48.00
Reserve for Community Development Block Grant	SB-8	51,000.00	51,000.00
Reserve for Encumbrances	SB-8	102,052.34	93,388.95
		<u>1,700,727.58</u>	<u>1,614,284.62</u>
		<u>\$ 1,973,214.17</u>	<u>\$ 1,906,906.41</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, 2012

	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Amount to be Raised by Taxation	\$ 275,000.00	\$ 275,754.25	\$ 754.25
Interest Income		730.34	730.34
Reserve for Debt Service	<u>16,000.00</u>	<u>16,000.00</u>	<u>-</u>
	291,000.00	292,484.59	1,484.59
Reserve Funds	<u>20,200.00</u>	<u>20,200.00</u>	<u>-</u>
	<u>\$ 311,200.00</u>	<u>\$ 312,684.59</u>	<u>\$ 1,484.59</u>
 <u>Analysis of Amount to be Raised by Taxation:</u>			
Current Year Levy		\$ 275,000.00	
Added Taxes (Due from Current Fund)		<u>754.25</u>	
		<u>\$ 275,754.25</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, 2012

	Original Budget	Budget After Modification	Expended	
			Paid or Charged	Reserved
Development of Lands for Recreation and Conservation:				
Other Expenses	\$ 4,000.00	\$ 4,000.00		\$ 4,000.00
Maintenance of Lands for Recreation and Conservation:				
Salaries and Wages	168,700.00	168,700.00	\$ 168,700.00	
Debt Service				
Payment of Bond Principal	51,000.00	51,000.00	51,000.00	
Payment of BAN's and Capital Notes	48,000.00	48,000.00	48,000.00	
Interest on Bonds	32,900.00	32,900.00	32,900.00	
Interest on Notes	6,600.00	6,600.00	6,600.00	
	<u>\$ 311,200.00</u>	<u>\$ 311,200.00</u>	<u>\$ 307,200.00</u>	<u>\$ 4,000.00</u>
Due to General Capital Fund			\$ 16,000.00	
Due to Current Fund			1,750.53	
Cash Disbursements			289,449.47	
			<u>\$ 307,200.00</u>	

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 Balance -- Regulatory Basis
 As of December 31, 2012 and 2011

Assets:	Ref.	2012	2011
Cash	SC-1	\$ 1,563,756.73	\$ 2,639,557.07
Federal and State Aid Receivable	SC-6	143,416.21	192,000.00
Deferred Charges to Future Taxation:			
Funded	SC-4	9,360,601.64	10,361,221.15
Unfunded	SC-3	2,619,914.00	3,937,533.00
Due from Current Fund	SC-5	84,100.15	53,936.25
Due from Federal and State Grant Fund	SC-6	4,959.79	-
Due from Municipal Open Space Trust Fund	SC-1	16,000.00	-
		<u>\$ 13,792,748.52</u>	<u>\$ 17,184,247.47</u>
Liabilities, Reserves and Fund Balance:			
Encumbrances Payable	SC-7	\$ 96,043.51	\$ 17,712.02
Capital Improvement Fund	SC-8	168,999.81	163,999.81
Improvement Authorizations:			
Funded	SC-9	440,771.52	674,196.77
Unfunded	SC-9	929,699.63	1,939,759.88
Reserve for Preliminary Expenses	SC-7	2,708.00	-
Reserve for Payment of Debt	SC-5	61,481.12	-
Bond Anticipation Notes	SC-10	2,619,914.00	3,914,914.00
General Serial Bonds	SC-11	9,233,000.00	10,218,000.00
Green Trust Loan Payable	SC-12	127,601.64	143,221.15
Fund Balance	C-1	112,529.29	112,443.84
		<u>\$ 13,792,748.52</u>	<u>\$ 17,184,247.47</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, 2012

Balance December 31, 2011	\$ 112,443.84
Increased by:	
Improvement Authorizations Canceled	<u>85.45</u>
Balance December 31, 2012	<u><u>\$ 112,529.29</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, 2012

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

Description of Financial Reporting Entity - The Township of Mantua was incorporated on February 23, 1853 and is located in southwest New Jersey approximately twenty miles southeast of the City of Philadelphia. The population according to the 2010 census is 15,217.

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 selected by the Township Committee from the five-member Committee at the annual reorganization meeting. 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 unit 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

The annual financial report may be inspected directly at the offices of this component unit during regular business hours.

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

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

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

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

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

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

Budgets and Budgetary Accounting - The Township of Mantua must adopt an annual budget for its current and open space trust 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 the 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.

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

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

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

Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING 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 and Township of Mantua Fire District No. 1. Unpaid property taxes are subject to tax sale in accordance with the statutes.

School Taxes - The municipality is responsible for levying, collecting and remitting school taxes for the Township of Mantua School District and the Clearview Regional High School District. Operations are charged for the Township's share of the amount 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, 2011 and decreased by the amount deferred at December 31, 2012.

County Taxes - The municipality is responsible for levying, collecting and remitting county taxes for the County of Gloucester. Operations are 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 are 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.

Fire District Taxes - The municipality is responsible for levying, collecting, and remitting Fire District Taxes for Township of Mantua Fire District No. 1. Operations are charged for the full amount required to be raised by taxation to support the districts for the 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 and interest payments on outstanding general capital bonds and notes are provided on the cash basis.

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

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

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

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

Note 2: **CASH AND CASH EQUIVALENTS**

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits might not be recovered. Although the Township does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the municipality in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds, or funds that may pass to the municipality relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below.

As of December 31, 2012, the Township's bank balances of \$6,733,197.10 were exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	\$ 595,449.71
Uninsured and Collateralized with Securities Held by Pledging Financial Institutions	5,887,747.39
Insured	<u>250,000.00</u>
Total	<u><u>\$6,733,197.10</u></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>2012*</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Tax Rate	<u>\$2.950</u>	<u>\$4.814</u>	<u>\$5.008</u>	<u>\$4.908</u>	<u>\$4.781</u>
Apportionment of Tax Rate:					
Municipal	\$.571	\$.920	\$.920	\$.919	\$.864
Municipal Open Space	.020	.020	.020	.020	.020
County	.551	.986	1.042	1.040	1.005
County Library	.046	.081	.082	.084	.081
County Open Space	.044	.079	.082	.082	.079
Local School	.978	1.471	1.595	1.569	1.534
Regional School District	.680	1.160	1.166	1.094	1.101
Special District Taxes	.060	.097	.101	.100	.097

* Revaluation

Assessed Valuation

2012*	\$1,352,875,940
2011	771,898,451
2010	768,934,869
2009	765,399,573
2008	755,410,658

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2012	\$40,022,546.08	\$38,888,535.11	97.17%
2011	37,255,552.88	36,334,815.87	97.53%
2010	38,715,108.37	37,815,984.36	97.68%
2009	38,109,264.52	36,996,207.73	97.08%
2008	36,667,352.53	35,746,346.92	97.49%

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>
2012	\$186,992.83	\$1,084,057.91	\$1,271,050.74	3.17%
2011	152,678.23	885,478.23	1,038,156.46	2.79%
2010	128,466.34	881,486.92	1,009,953.26	2.61%
2009	137,696.25	1,015,442.95	1,153,139.20	3.03%
2008	586,546.81	877,551.30	1,464,098.11	3.99%

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

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

<u>Year</u>	<u>Number</u>
2012	33
2011	28
2010	24
2009	25
2008	22

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>
2012	\$2,107,400.00
2011	2,107,400.00
2010	2,107,400.00
2009	2,107,400.00
2008	1,215,500.00

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>
2012	\$938,236.93	\$850,000.00	90.59%
2011	1,055,833.06	1,055,833.06	100.00%
2010	1,969,579.93	1,900,000.00	96.47%
2009	2,232,922.37	2,006,600.00	89.86%
2008	2,852,841.02	2,500,000.00	87.63%

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, 2012:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Current Fund	\$ 15,388.78	\$ 571,565.09
Federal and State Grant Fund	487,464.94	4,959.79
Trust - Open Space		17,750.53
Trust - Other Funds		13,638.25
General Capital	105,059.94	
	<u>\$ 607,913.66</u>	<u>\$ 607,913.66</u>

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During 2013, the Township expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 7: **PENSION PLANS**

The Township of Mantua contributes to two cost-sharing multiple-employer defined benefit pension plans, the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS), which are administered by the New Jersey Division of Pensions and Benefits. In addition, the Township has authorized employee participation in the Defined Contribution Retirement Program (DCRP), which is a defined contribution pension plan and is also administered by the New Jersey Division of Pensions and Benefits. 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

Public Employees' Retirement System - The PERS was established in 1955. The PERS provides 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.

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 were required to contribute 5% of their annual covered salary. Effective July 1, 2008, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. For employees enrolled in the retirement system prior to July 1, 2008, the increase is effective with the payroll period that begins immediately after July 1, 2008. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased to 6.5% plus an additional 1.0% phased-in over seven years. The phase-in of the additional incremental member contribution amount began July 1, 2012 and increases each subsequent July 1. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, the statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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

The Township is billed annually for its normal contribution plus any accrued liability. These contributions, equal to the required contributions, were as follows:

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Non-Contributory Group Life</u>	<u>Total Liability</u>	<u>Funded by Township</u>
2012	\$77,325.00	\$154,650.00	\$14,780.00	\$246,755.00	\$ 246,755.00
2011	84,103.00	134,012.00	16,566.00	234,681.00	234,681.00
2010	70,416.00	90,477.00	22,312.00	183,205.00	183,205.00

Police and Firemen's Retirement System - The PFRS was established in 1944. The PFRS provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:16A and 43:3B.

The contribution requirements of plan members are determined by State statute. 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. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate will be increased to 10% in October, 2011. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

The Township is billed annually for its normal contribution plus any accrued liability. These contributions, equal to the required contributions, were as follows:

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Non-Contributory Group Life</u>	<u>Total Liability</u>	<u>Funded by Township</u>
2012	\$232,000.00	\$241,055.00	\$18,121.00	\$491,176.00	\$491,176.00
2011	271,371.00	195,562.00	23,067.00	490,000.00	490,000.00
2010	242,729.00	154,856.00	23,023.00	420,608.00	420,608.00

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

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

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

The Township's contributions were as follows:

<u>Fiscal Year</u>	<u>Total Liability</u>	<u>Funded by Township</u>
2012	N/A	N/A
2011	N/A	N/A
2010	\$ 65.22	\$ 65.22

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

Note 8: **OTHER POST EMPLOYMENT BENEFITS**

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

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. The Township authorized participation in the SHBP's post-retirement benefit program through adoption of a resolution. To be eligible for the post-retirement benefit plan offered by the Township, the employee must have 25 years or more of service credited in the PERS or PFRS retirement systems.

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

Funding Policy - Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-retirement medical benefits under the plan have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis.

Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Township on a monthly basis. The Township funds the costs of retirees post retirement health benefits through a budget appropriation.

The Township contributions to SHBP for the years ended December 31, 2012, 2011, and 2010, were \$522,125.32, \$441,181.96, and \$345,009.93, respectively, which equaled the required contributions for each year. There were approximately 30, 26, and 24 retired participants eligible at December 31, 2012, 2011, and 2010, respectively.

Note 9: COMPENSATED ABSENCES

Full-time police employees are entitled to fifteen paid sick leave days each year. All other full-time employees are entitled to twelve 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 accumulate a maximum of 365 days and will be paid for 75% of accrued time. For police employees hired after January 1, 2002, sick leave may be accumulated to a maximum of 365 days will be paid for 100 days at 75% of accrued time. For 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, 2012, accrued benefits for compensated absences are valued at \$760,068.30.

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 AWARDS 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, 2012, the Township had lease agreements in effect for the following:

Operating:
 Three (3) Postage Machines
 Six (6) 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>
2013	\$12,775.44
2014	6,558.00
2015	920.00

Rental payments under operating leases for the year 2012 were \$12,157.44.

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

	<u>Year 2012</u>	<u>Year 2011</u>	<u>Year 2010</u>
<u>Issued</u>			
General:			
Bonds and Notes	\$11,980,515.64	\$14,276,135.15	\$15,262,852.15
<u>Authorized but not Issued</u>			
General:			
Bonds and Notes		22,619.00	44,809.00
Net Debt	<u>\$11,980,515.64</u>	<u>\$14,298,754.15</u>	<u>\$15,307,661.15</u>

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicated a statutory net debt of 0.826%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Regional School District	\$11,450,562.54	\$11,450,562.54	
Local School District	7,455,000.00	7,455,000.00	
General	11,980,515.64		\$11,980,515.64
	<u>\$30,886,078.18</u>	<u>\$18,905,562.54</u>	<u>\$11,980,515.64</u>

Net Debt \$11,980,515.64 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, \$1,451,295,271.00 equals 0.826%.

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) Net Debt	\$50,795,334.49 <u>11,980,515.64</u>
Remaining Borrowing Power	<u>\$38,814,818.85</u>

Schedule of Annual Debt Service for Principal and Interest for Bonded Debt Issued and 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>	
2013	\$1,035,000.00	\$348,535.00	\$15,933.47	\$2,472.77	\$1,401,941.24
2014	1,045,000.00	310,496.26	16,253.72	2,152.50	1,373,902.48
2015	855,000.00	276,717.51	16,580.43	1,825.79	1,150,123.73
2016	865,000.00	245,505.00	16,913.69	1,492.53	1,128,911.22
2017	920,000.00	212,686.25	17,253.66	1,152.56	1,151,092.47
2018-2022	4,019,000.00	551,657.51	44,666.67	1,348.89	4,616,673.07
2023	494,000.00	20,995.00	---	---	514,995.00

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, 2012, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following fund:

	<u>Balance Dec. 31, 2012</u>	<u>2013 Budget Appropriation</u>
Current Fund:		
Special Emergency Authorizations	\$28,000.00	\$7,000.00

The appropriations in the 2013 Budget as adopted are not less than that required by the statutes.

Note 15: **SCHOOL TAXES**

The Township of Mantua School District and the 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,</u>	
	<u>2012</u>	<u>2011</u>
<u>Township of Mantua School District</u>		
Balance of Tax	\$6,622,630.97	\$5,820,858.97
Deferred	<u>6,331,528.50</u>	<u>5,820,858.97</u>
	<u>\$291,102.47</u>	---

Note 15: **SCHOOL TAXES (Cont'd)**

	Balance Dec. 31,	
	2012	2011
<u>Clearview Regional School District</u>		
Balance of Tax	\$4,463,818.74	\$4,339,179.54
Deferred	4,463,818.54	4,339,179.54
	\$0.20	---

Note 16: **JOINT INSURANCE POOL**

The Township of Mantua is a member of the Gloucester, Salem, Cumberland Counties 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 Bonds
- Volunteer Emergency Services Liability
- Workers' Compensation
- Crime Coverage

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

The Fund publishes its own financial report for the year ended December 31, 2012, which can be obtained from:

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

Note 17: **DEBT SERVICE AGREEMENT**

The Township entered into a debt service agreement with the Mantua Municipal Utilities Authority on December 23, 1977. 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 December 31, 2012, the Authority had \$5,260,297.43 in outstanding debt covered by this agreement.

Note 18: **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 19: **COMMITMENTS – TAX APPEALS**

As of December 31, 2012, there are fifteen (15) commercial tax assessment appeals filed against the Township for the years 2011 to 2012. While the outcome of these appeals has yet to be determined, it is expected that the Tax Court will find in favor of the property owner, reducing the property assessment. Once a judgment is entered in favor of the property owner, the Township is required to refund or give credit to future taxes levied for any overpayment created by the judgment. The Township is unable to estimate the timing and amount of these pending judgments and therefore did not provide an appropriation in the 2013 budget for any potential refunds in 2013.

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

TOWNSHIP OF MANTUA
CURRENT FUND
Statement of Current Cash -- Chief Financial Officer
For the Year Ended December 31, 2012

Balance December 31, 2011		\$	2,933,072.73
Increased by Receipts:			
Tax Collector	\$	39,603,953.54	
Revenue Accounts Receivable		2,137,177.36	
Miscellaneous Revenue Not Anticipated		160,168.29	
Due from State of New Jersey		186,146.98	
Federal and State Grants Receivable		320,196.72	
Due Animal Control Fund		42,118.92	
Due Trust Other Fund		1,370,773.05	
Due General Capital Fund		437,488.10	
Due Federal and State Grant Fund		4,959.79	
Due Open Space		250,849.47	
Reserve for Tax Sale Premiums		172,400.00	
Due Mantua Municipal Utilities Authority		22,610.03	
Due Mantua Township Fire District		217,332.03	
Due to State - Licensing and Registration Fees		1,800.00	
Due to State - DCA Fees		8,647.00	
Reserve for Election Workers		20,400.00	
Change Fund		20.00	
		44,957,021.28	
			47,890,094.01
Decreased by Disbursements:			
2011 Appropriation Reserves		246,666.76	
2012 Appropriations		10,257,892.49	
Accounts Payable		20,764.30	
County Taxes		8,639,590.98	
Due County for Added and Omitted Taxes		20,264.96	
Local District School Tax		12,439,711.00	
Regional School District Tax		9,080,542.78	
Municipal Open Space Tax		275,000.00	
Special District Taxes		555,612.75	
Refund Tax Overpayments		60,582.07	
Federal and State Grant Expenditures		385,129.02	
Due Trust Other Fund		1,394,195.22	
Due General Capital Fund		407,324.20	
Due Animal Control Fund		39,514.43	
Due Municipal Open Space Trust		252,600.00	
Due UCC Third Party Administrator		3,064.82	
Due Mantua Township Fire District		219,474.80	
Due Mantua Municipal Utilities Authority		22,610.03	
Due to State - Licensing and Registration Fees		1,875.00	
Due to State - DCA Fees		17,731.00	
Reserve for Tax Sale Premiums		172,400.00	
Reserve for Election Workers		21,000.00	
Change Fund		20.00	
		44,533,566.61	
Balance December 31, 2012		\$	3,356,527.40

TOWNSHIP OF MANTUA
CURRENT FUND
Statement of Current Cash --Tax Collector
For the Year Ended December 31, 2012

Increased by:

Taxes Receivable	\$ 39,178,028.14	
Tax Title Liens Receivable	20,849.45	
Prepaid Taxes	245,524.74	
Tax Overpayments	25,421.62	
Revenue Accounts Receivable	133,879.59	
Miscellaneous Revenue Not Anticipated	<u>250.00</u>	
		\$ 39,603,953.54

Decreased by:

Payments to Treasurer		\$ <u>39,603,953.54</u>
-----------------------	--	-------------------------

TOWNSHIP OF MANTUA
CURRENT FUND
 Statement of Taxes Receivable and Analysis of Property Tax Levy
 For the Year Ended December 31, 2012

Year	Balance	2012 Levy	Added Taxes	Collections		Cancelled	Transferred to Tax Title Liens	Balance
	Dec. 31, 2011			2011	2012			Dec. 31, 2012
2006	\$ 4,902.89							\$ 4,902.89
2007	10,254.62							10,254.62
2008	13,661.23							13,661.23
2009	16,340.56							16,340.56
2010	30,944.38				\$ 1,000.98			29,943.40
2011	809,374.55		\$ 8,951.94		779,427.34	\$ 282.77	\$ 17,742.88	20,873.50
	885,478.23	-	8,951.94	-	780,428.32	282.77	17,742.88	95,976.20
2012		\$ 40,022,546.08		\$ 303,701.44	38,584,833.67	110,588.26	35,341.00	988,081.71
	\$ 885,478.23	\$ 40,022,546.08	\$ 8,951.94	\$ 303,701.44	\$ 39,365,261.99	\$ 110,871.03	\$ 53,083.88	\$ 1,084,057.91

Taxes Receivable \$ 39,178,028.14
 Senior Citizen and Veteran Deductions 187,233.85
 \$ 39,365,261.99

Analysis of 2012 Property Tax Levy

Tax Yield:

General Property Tax \$ 39,908,351.06
 Added Taxes (54:4-63.1 et. seq.) 114,195.02
 \$ 40,022,546.08

Tax Levy:

Local School District Tax \$ 13,241,483.00
 Regional High School Tax 9,205,181.98
 County Taxes:
 County Tax \$ 8,639,590.98
 Due County for Added Taxes 25,612.79
 8,665,203.77
 Special District Taxes:
 Fire District No.1 808,164.00
 Municipal Open Space Tax:
 Municipal Open Space Tax 275,000.00
 Municipal Open Space for Added Taxes 754.25
 275,754.25
 Local Tax for Municipal Purposes 7,730,392.54
 Add: Additional Tax Levied 96,366.54
 7,826,759.08
 \$ 40,022,546.08

TOWNSHIP OF MANTUA
CURRENT FUND
Statement of Tax Title Liens
For the Year Ended December 31, 2012

Balance December 31, 2011		\$ 152,678.23
Increased by:		
Transfers from Taxes Receivable	\$ 53,083.88	
Interest & Costs	<u>2,080.17</u>	
		<u>55,164.05</u>
		207,842.28
Decreased by:		
Received		<u>20,849.45</u>
Balance December 31, 2012		<u><u>\$ 186,992.83</u></u>

TOWNSHIP OF MANTUA
CURRENT FUND
Statement of Due State of New Jersey - Veterans' And Senior Citizens' Deductions
For the Year Ended December 31, 2012

Balance December 31, 2011 (Due From)		\$	2,252.17
Increased by:			
Deductions per Tax Billing:			
Senior Citizens	\$	47,250.00	
Veterans		144,500.00	
Deductions Allowed by Collector - 2012 Taxes		3,250.00	
			195,000.00
			197,252.17
Decreased by:			
Deductions Disallowed by Collector - 2012 Taxes		7,766.15	
Deductions Disallowed by Collector - 2011 Taxes		8,250.00	
Received from State of New Jersey		186,146.98	
			202,163.13
Balance December 31, 2012 (Due To)		\$	4,910.96
 <u>Analysis of Amount Realized:</u>			
Senior Citizens' and Veterans' Deductions Per Tax Billings	\$	191,750.00	
Senior Citizens' and Veterans'			
Deductions Allowed by Tax Collector - 2012		3,250.00	
			\$ 195,000.00
Less:			
Senior Citizens' and Veterans'			
Deductions Disallowed by Tax Collector - 2012			7,766.15
			\$ 187,233.85

TOWNSHIP OF MANTUA
CURRENT FUND
Statement of Revenue Accounts Receivable
For the Year Ended December 31, 2012

	<u>Balance Dec. 31, 2011</u>	<u>Accrued In 2012</u>	<u>Collected</u>	<u>Balance Dec. 31, 2012</u>
Miscellaneous Revenue Anticipated:				
Licenses:				
Alcoholic Beverages		\$ 12,172.00	\$ 12,172.00	
Other		13,000.00	13,000.00	
Fees and Permits		34,814.00	34,814.00	
Fines and Costs:				
Municipal Court	\$ 20,422.48	221,987.10	229,428.39	\$ 12,981.19
Interest and Costs on Taxes		133,879.59	133,879.59	
Interest on Investments and Deposits		21,017.45	21,017.45	
Consolidated Municipal Property Tax Relief Aid		5,533.00	5,533.00	
Energy Receipts Tax (P.L. 1997, Chapters 162 & 167)		1,211,485.00	1,211,485.00	
Uniform Construction Code Fees		129,523.00	129,523.00	
Cable Television Franchise Fees		60,702.83	60,702.83	
MUA Surplus as per N.J.S.A. 40A: 5A-21.1		170,443.00	170,443.00	
Interlocal Municipal Service Agreements:				
Mantua Fire District #1				
Financial Services		20,000.00	20,000.00	
Insurance				
General Liability		43,575.80	43,347.97	
Worker Compensation		8,252.03	8,252.03	
Employee Group Health		25,000.00	25,000.00	
Gasoline & Diesel Fuel		15,000.00	22,051.69	
Debt Service		108,300.00	108,488.00	
Deferred Charge to Future Taxation Unfunded O-14-2006		21,919.00	21,919.00	
	<u>\$ 20,422.48</u>	<u>\$ 2,256,603.80</u>	<u>\$ 2,271,056.95</u>	<u>\$ 12,981.19</u>
Treasurer			\$ 2,137,177.36	
Tax Collector			<u>133,879.59</u>	
			<u>\$ 2,271,056.95</u>	

TOWNSHIP OF MANTUA
CURRENT FUND
Statement of Special Emergency Authorizations
For the Year Ended December 31, 2012

Date Authorized	Purpose	Amount Authorized	1/5 of Amount Authorized	Balance Dec. 31, 2011	Raised in 2012 Budget	Balance Dec. 31, 2012
08/14/07	Revisions of Tax Maps	\$ 25,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	
10/03/11	Revisions of Tax Maps	35,000.00	7,000.00	<u>35,000.00</u>	<u>7,000.00</u>	<u>\$ 28,000.00</u>
				<u>\$ 40,000.00</u>	<u>\$ 12,000.00</u>	<u>\$ 28,000.00</u>

TOWNSHIP OF MANTUA
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2012

	Balance December 31, 2011		Balance After Modification	Paid or Charged	Balance Lapsed
	Encumbered	Reserved			
OPERATIONS -- WITHIN "CAPS"					
Administrative and Executive:					
Salaries and Wages		\$ 8,699.62	\$ 8,699.62		\$ 8,699.62
Other Expenses					
Miscellaneous	\$ 1,681.38	3,329.77	5,011.15	\$ 1,917.02	3,094.13
Mayor and Council:					
Salaries and Wages		734.50	734.50	-	734.50
Other Expenses	77.90	7,205.10	6,083.00	4,650.90	1,432.10
Municipal Clerk:					
Salaries and Wages		176.90	176.90	-	176.90
Other Expenses		12.81	12.81	-	12.81
Election Expense		174.00	174.00	-	174.00
Financial Administration:					
Salaries and Wages		101.48	101.48	-	101.48
Other Expenses	2,009.78	3,049.78	5,059.56	5,058.96	0.60
Audit Services					
Other Expenses		62,000.00	62,000.00	53,465.00	8,535.00
Revenue Administration:					
Salaries and Wages		0.13	0.13	-	0.13
Other Expenses	968.31	149.80	1,118.11	1,012.61	105.50
Legal Services and Costs:					
Other Expenses	6,725.37	4,979.40	11,704.77	7,579.65	4,125.12
Rent Leveling Board					
Other Expenses		2,158.40	2,158.40	-	2,158.40
Veterans Commission:					
Other Expenses	637.50	1,862.99	2,500.49	690.28	1,810.21
Engineering Services and Costs:					
Other Expenses	15,958.30		15,958.30		15,958.30
Historical Commission:					
Other Expenses	637.47		637.47	637.46	0.01
Planning Board:					
Salaries and Wages		109.11	109.11	-	109.11
Other Expenses	5,429.70	0.95	5,430.65	4,928.18	502.47
Zoning Board:					
Salaries and Wages		789.81	789.81	-	789.81
Other Expenses	1,476.51	15.73	1,492.24	1,351.93	140.31
Insurance:					
Employee Group Health Insurance	275.09	7,180.42	7,455.51	1,384.80	6,070.71
Workers Compensation Insurance		7,490.03	7,490.03	-	7,490.03
Other Insurance Premiums		2,423.47	2,423.47	-	2,423.47
Department of Public Safety:					
Police:					
Salaries and Wages		60,951.16	60,951.16	239.06	60,712.10
Crossing Guard		12,304.42	12,304.42	-	12,304.42
Other Expenses	51,967.22	37,763.57	89,730.79	73,273.26	16,457.53
Office of Emergency Management:					
Other Expenses		621.75	621.75	-	621.75
Municipal Prosecutor:					
Salaries and Wages		3,312.00	3,312.00	-	3,312.00
Public Safety Inspector					
Salaries and Wages		5.49	5.49	-	5.49

(Continued)

TOWNSHIP OF MANTUA
CURRENT FUND
 Statement of Appropriation Reserves
 For the Year Ended December 31, 2012

	Balance December 31, 2011		Balance After Modification	Paid or Charged	Balance Lapsed
	Encumbered	Reserved			
OPERATIONS -- WITHIN "CAPS" (CONT'D)					
Department of Public Works:					
Streets and Road Maintenance:					
Salaries and Wages	\$ 432.30	\$ 3,566.92	\$ 3,999.22	\$ 128.67	\$ 3,870.55
Other Expenses	13,695.16	8.81	13,703.97	13,626.33	77.64
Garbage and Trash Removal					
Salaries and Wages		11,718.56	11,718.56	3,601.36	8,117.20
Other Expenses	1,260.35	7.04	1,267.39	937.98	329.41
Public Buildings & Grounds					
Salaries and Wages		1,537.38	1,537.38	-	1,537.38
Other Expenses	624.34	2,388.62	3,012.96	1,713.87	1,299.09
Park Maintenance	5,761.66	2.00	5,763.66	4,802.57	961.09
Health & Human Services Functions:					
Board of Health					
Salaries and Wages		755.23	1,955.23	1,200.00	755.23
Environmental Committee					
Other Expenses		40.00	40.00	-	40.00
Senior Citizen Public Transportation					
Salaries and Wages		646.27	646.27	-	646.27
Other Expenses	1,253.22	2,470.66	3,723.88	1,224.28	2,499.60
Park & Recreation Functions:					
Recreation Services & Programs					
Salaries and Wages	1,621.51	1,111.83	2,733.34	1,657.50	1,075.84
Other Expenses	304.89	911.69	1,216.58	304.15	912.43
Celebration of Public Events					
Other Expenses	600.00	270.00	870.00	-	870.00
Uniform Construction Code Functions:					
Construction Official					
Salaries and Wages		556.83	556.83	-	556.83
Other Expenses	904.36	5,525.53	6,429.89	2,068.00	4,361.89
Sub-Code Officials					
Plumbing Inspector					
Salaries and Wages		462.64	462.64	-	462.64
Housing Inspector					
Salaries and Wages		1,860.00	1,860.00	-	1,860.00
Municipal Court:					
Salaries and Wages	400.00	5,595.76	5,995.76	100.00	5,895.76
Other Expenses	1,063.85	939.25	2,003.10	1,159.37	843.73
Public Defender					
Salaries and Wages		1,345.91	1,345.91	-	1,345.91
Unclassified:					
Gasoline	27,060.86	26,066.17	53,127.03	27,060.84	26,066.19
Electricity	3,074.79	916.96	3,991.75	1,977.19	2,014.56
Telephone and Telegraph	1,811.40	5,374.93	7,186.33	1,603.32	5,583.01
Heating Oil	3,664.88	2,838.95	6,503.83	272.92	6,230.91
Street Lighting	372.77	3,475.04	3,847.81	234.74	3,613.07
Landfill/Solidwaste Disposal Costs	46,726.83	1,476.32	48,203.15	42,850.44	5,352.71
Total Operations Within "CAPS"	198,477.70	309,471.89	507,949.59	262,712.64	245,236.95

(Continued)

TOWNSHIP OF MANTUA
CURRENT FUND
 Statement of Appropriation Reserves
 For the Year Ended December 31, 2012

	Balance December 31, 2011		Balance After Modification	Paid or Charged	Balance Lapsed
	Encumbered	Reserved			
DEFERRED CHARGES AND STATUTORY EXPENDITURES-WITHIN CAPS					
Statutory Expenditures:					
Contribution to:					
Unemployment Compensation Insurance		\$ 20,859.99	\$ 20,859.99	\$ 999.37	\$ 19,860.62
Social Security System (O.A.S.I.)		50,203.74	50,203.74	-	50,203.74
Total Deferred Charges and Statutory Expenditures - Within "CAPS"	-	71,063.73	71,063.73	999.37	70,064.36
Total General Appropriations for Municipal Purposes within "CAPS"	\$ 198,477.70	380,535.62	579,013.32	263,712.01	315,301.31
OPERATIONS EXCLUDED FROM "CAPS"					
LOSAP		50,000.00	50,000.00	14,674.64	35,325.36
Interlocal Service Agreements					
Mantua Fire District #1					
Gasoline & Diesel Fuel		6,039.21	6,039.21	-	6,039.21
Financial Services					
Salaries and Wages		0.01	0.01	-	0.01
Other Expenses		1,801.74	1,801.74	1,801.74	-
TOTAL OPERATIONS EXCLUDED FROM "CAPS"	-	57,840.96	57,840.96	16,476.38	41,364.58
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"					
Capital Improvement Fund Projects:					
Sanitary Landfill Closure (NJSA 40:2-22H)	988.02	1,363.98	2,352.00	988.00	1,364.00
Park Equipment		6,342.02	6,342.02	-	6,342.02
Municipal Furnishings		10,000.00	10,000.00	6,470.00	3,530.00
Public Works Trash Containers	10,486.25	4,513.75	15,000.00	11,720.91	3,279.09
TOTAL CAPITAL IMPROVEMENTS	11,474.27	22,219.75	33,694.02	19,178.91	14,515.11
TOTAL OPERATIONS EXCLUDED FROM "CAPS"	11,474.27	80,060.71	91,534.98	35,655.29	55,879.69
All Other Accounts -- No Change			-		-
Grand Total	\$ 209,951.97	\$ 460,596.33	\$ 670,548.30	\$ 299,367.30	\$ 371,181.00

Cash Disbursements	\$ 246,666.76
Accounts Payable	52,700.54
	<u>\$ 299,367.30</u>

TOWNSHIP OF MANTUA
CURRENT FUND
Statement of Accounts Payable
For the Year Ended December 31, 2012

Balance December 31, 2011		\$ 33,386.11
Increased by:		
Transfer from Appropriation Reserves		<u>52,700.54</u>
		86,086.65
Decreased by:		
Disbursements	\$ 20,764.30	
Canceled	<u>9,741.83</u>	
		<u>30,506.13</u>
Balance December 31, 2012		<u><u>\$ 55,580.52</u></u>

Exhibit SA-10

TOWNSHIP OF MANTUA
CURRENT FUND
Statement of Due From Mantua Township Fire District
For the Year Ended December 31, 2012

Balance December 31, 2011		\$ 21,917.00
Increased by:		
Disbursements		<u>219,474.80</u>
		241,391.80
Decreased by:		
Receipts		<u>217,332.03</u>
Balance December 31, 2012		<u><u>\$ 24,059.77</u></u>

TOWNSHIP OF MANTUA
CURRENT FUND
Statement of Prepaid Taxes
For the Year Ended December 31, 2012

Balance December 31, 2011 (2012 Taxes)		\$ 303,701.44
Increased by:		
Collection (2013 Taxes)		<u>245,524.74</u>
		549,226.18
Decreased by:		
Application to 2012 Taxes		<u>303,701.44</u>
Balance December 31, 2012 (2013 Taxes)		<u><u>\$ 245,524.74</u></u>

Exhibit SA-12

TOWNSHIP OF MANTUA
CURRENT FUND
Statement of Tax Overpayments
For the Year Ended December 31, 2012

Increased by:		
Overpayments Received	\$ 25,421.62	
Overpayments Created from Prior Year Tax Appeals Granted	<u>38,792.32</u>	
		\$ 64,213.94
Decreased by:		
Refunds		<u>60,582.07</u>
Balance December 31, 2012		<u><u>\$ 3,631.87</u></u>

TOWNSHIP OF MANTUA
CURRENT FUND
Statement of County Taxes Payable
For the Year Ended December 31, 2012

Increased by:			
2012 Levy:			
County General	\$	7,442,635.79	
County Library		611,188.85	
County Open Space		<u>585,766.34</u>	
	\$		8,639,590.98
Decreased by:			
Disbursements			<u><u>\$ 8,639,590.98</u></u>

Exhibit SA-14

TOWNSHIP OF MANTUA
CURRENT FUND
Statement of Amount Due to County for Added and Omitted Taxes
For the Year Ended December 31, 2012

Balance December 31, 2011	\$	20,264.96
Increased by:		
Added Taxes -- 2012 (R.S. 54:4-63.1 et seq.)		<u>25,612.79</u>
		45,877.75
Decreased by:		
Disbursements		<u>20,264.96</u>
Balance December 31, 2012	\$	<u><u>25,612.79</u></u>

TOWNSHIP OF MANTUA
CURRENT FUND
Statement of Local School District Tax
For the Year Ended December 31, 2012

<hr/>		
Balance December 31, 2011		
Deferred School Tax Payable	\$ <u>5,820,858.97</u>	\$ 5,820,858.97
Increased by:		
Levy-School Year July 1, 2012 to June 30, 2013		<u>13,241,483.00</u>
		19,062,341.97
Decreased by:		
Disbursements		<u>12,439,711.00</u>
Balance December 31, 2012		
School Tax Payable	291,102.47	
Deferred School Tax Payable	<u>6,331,528.50</u>	
Deferred School Tax Payable		<u>\$ 6,622,630.97</u>
<u>2012 Liability for Local School Tax:</u>		
Tax Paid		\$ 12,439,711.00
Tax Payable December 31, 2012		<u>291,102.47</u>
		12,730,813.47
Less:		
Tax Payable December 31, 2011		<u>-</u>
Amount Charged to 2012 Operations		<u>\$ 12,730,813.47</u>

TOWNSHIP OF MANTUA
CURRENT FUND
Statement of Regional High School District Tax
For the Year Ended December 31, 2012

<hr/>		
Balance December 31, 2011		
Deferred School Tax Payable	\$ <u>4,339,179.54</u>	\$ 4,339,179.54
Increased by:		
Levy-School Year July 1, 2012 to June 30, 2013		<u>9,205,181.98</u>
		13,544,361.52
Decreased by:		
Disbursements		<u>9,080,542.78</u>
Balance December 31, 2012		
School Tax Payable	0.20	
Deferred School Tax Payable	<u>4,463,818.54</u>	<u>\$ 4,463,818.74</u>
 <u>2012 Liability for Local School Tax:</u>		
Tax Paid		\$ 9,080,542.78
Tax Payable December 31, 2012		<u>0.20</u>
		9,080,542.98
Less:		
Tax Payable December 31, 2011		<u>-</u>
Amount Charged to 2012 Operations		<u>\$ 9,080,542.98</u>

TOWNSHIP OF MANTUA
CURRENT FUND
Statement of Municipal Open Space Tax
For the Year Ended December 31, 2012

Increased by:		
Levy	\$	275,000.00
Added Taxes -- 2012 (R.S. 54:4-63.1 et seq.)		<u>754.25</u>
		275,754.25
Decreased by:		
Disbursements		<u>275,000.00</u>
Balance December 31, 2012	\$	<u><u>754.25</u></u>

Exhibit SA-18

TOWNSHIP OF MANTUA
CURRENT FUND
Statement of Special District Taxes Payable -- Fire Districts
For the Year Ended December 31, 2012

Increased by:		
2012 Levy	\$	808,164.00
Decreased by:		
Disbursements		<u>555,612.75</u>
Balance December 31, 2012	\$	<u><u>252,551.25</u></u>

TOWNSHIP OF MANTUA
FEDERAL AND STATE GRANT FUND
Statement of Due From Current Fund
For the Year Ended December 31, 2012

Balance December 31, 2011		\$ 783,544.45
Increased by:		
Grant Revenues deposited in Current Fund	\$ 320,196.72	
Local Match due from Current Fund	4,493.00	
Grant Receipt deposited in Current Fund due General Capital Fund	<u>4,959.79</u>	
		<u>329,649.51</u>
		1,113,193.96
Decreased by:		
Grant Expenditures paid by Current Fund	385,129.02	
Grants Reserved for Future Debt Service Payments	<u>240,600.00</u>	
		<u>625,729.02</u>
Balance December 31, 2012		<u>\$ 487,464.94</u>

TOWNSHIP OF MANTUA
FEDERAL AND STATE GRANT FUND
Statement of Federal and State Grants Receivable
For the Year Ended December 31, 2012

<u>Program</u>	<u>Balance Dec. 31, 2011</u>	<u>Accrued</u>	<u>Received</u>	<u>Balance Dec. 31, 2012</u>
Federal Grants:				
Occupant Protection Program	\$ 4,000.00			\$ 4,000.00
Transportation Trust Fund:				
Evergreen Avenue	39,631.94			39,631.94
US EPA - Brownfields Cleanup Program	200,000.00		\$ 172,704.70	27,295.30
Total Federal Grants	<u>243,631.94</u>	<u>-</u>	<u>172,704.70</u>	<u>70,927.24</u>
State Grants:				
Body Armor Grant		\$ 2,689.14	2,689.14	
Clean Communities		24,209.04	24,209.04	
Drunk Driving Enforcement Fund		5,110.38	5,110.38	
Hazardous Discharge Site Remediation	27,071.25			27,071.25
Municipal Alliance	7,618.41	17,977.00	15,174.16	10,421.25
Recycling Tonnage Grant		30,161.44	30,161.44	
Safe and Secure Communities		56,210.00	56,210.00	
Total State Grants	<u>34,689.66</u>	<u>136,357.00</u>	<u>133,554.16</u>	<u>37,492.50</u>
Private Grants:				
JIF Safety Award	6,125.50	3,575.00	6,937.86	2,762.64
JIF Safety Award - Optional	3,500.00	3,500.00	7,000.00	
Total Private Grants	<u>9,625.50</u>	<u>7,075.00</u>	<u>13,937.86</u>	<u>2,762.64</u>
	<u>\$ 287,947.10</u>	<u>\$ 143,432.00</u>	<u>\$ 320,196.72</u>	<u>\$ 111,182.38</u>

TOWNSHIP OF MANTUA
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Federal and State Grants -- Unappropriated
For the Year Ended December 31, 2012

<u>Program</u>	<u>Balance Dec. 31, 2011</u>	<u>Federal and State Grants Receivable</u>	<u>Realized as Revenue in 2012 Budget</u>	<u>Balance Dec. 31, 2012</u>
Federal Grants				
Over the Limit, Under Arrest	\$ 4,400.00		\$ 4,400.00	
Total Federal Grants	<u>4,400.00</u>	<u>-</u>	<u>4,400.00</u>	
State Grants:				
Alcohol, Education, Rehabilitation Grant	53.93		53.93	
Body Armor Grant	2,630.19	\$ 2,689.14	2,630.19	\$ 2,689.14
Clean Communities		24,209.04	-	24,209.04
Drunk Driving Enforcement Fund	2,640.00	5,110.38	2,640.00	5,110.38
Municipal Alliance		17,977.00	17,977.00	
Recycling Tonnage Grant	26,764.58	30,161.44	26,764.58	30,161.44
Safe and Secure Communities	75,000.00	56,210.00	75,000.00	56,210.00
Total State Grants	<u>107,088.70</u>	<u>136,357.00</u>	<u>125,065.70</u>	<u>118,380.00</u>
Private Grants:				
JIF Safety Award		3,575.00	3,575.00	
JIF Safety Award		3,500.00	3,500.00	
Municipal Alliance Donations	500.00	-		500.00
Total Private Grants	<u>500.00</u>	<u>7,075.00</u>	<u>7,075.00</u>	<u>500.00</u>
	<u>\$ 111,988.70</u>	<u>\$ 143,432.00</u>	<u>\$ 136,540.70</u>	<u>\$ 118,880.00</u>

TOWNSHIP OF MANTUA
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Federal and State Grants -- Appropriated
For the Year Ended December 31, 2012

Program	Balance Dec. 31, 2011		Transferred from 2012 Budget Appropriation	Paid or Charged	Encumbered	Balance Dec. 31, 2012
	Appropriated	Encumbered				
Federal Grants						
U.S. Department of Justice:						
Bulletproof Vest Partnership	\$ 316.69					\$ 316.69
Over the Limit, Under Arrest			\$ 4,400.00	4,400.00		-
Emergency Management	1,269.96					1,269.96
Municipal Stormwater Regulation	20,414.00					20,414.00
US EPA - Brownfields Assessment	16,695.74			\$ 16,695.62		0.12
US EPA - Brownfields Cleanup Program	175,841.13			171,533.97	\$ 4,306.98	0.18
Total Federal Grants	214,537.52	-	4,400.00	192,629.59	4,306.98	22,000.95
State Grants:						
ADA Compliance	75,000.00			75,000.00		-
Alcohol, Education, Rehabilitation	1,454.81		53.93			1,508.74
Body Armor Grant			2,630.19			2,630.19
Ceres Park Improvements	5,761.00					5,761.00
Clean Communities Program	30,193.33			13,068.24	7,987.00	9,138.09
Drunk Driving Enforcement Fund			2,640.00	(4,016.40)		6,656.40
Hazardous Discharge Site Remediation	27,071.25	\$ 6,375.00				33,446.25
Livable Communities Pilot Program	15,600.00			15,600.00		-
Municipal Alliance on Alcohol and Drug Abuse	3,502.03	2,840.25	22,470.00	19,995.50	5,338.35	3,478.43
NJ DCA Special Purpose Grant	150,000.00			150,000.00		-
Frank H. Stewart Trust - Maple Ridge Golf Course	250,000.00					250,000.00
Recycling Tonnage Grant	115,938.73		26,764.58	78,867.09		63,836.22
Safe and Secure Communities			75,000.00	75,000.00		-
Smart Growth	5,000.00					5,000.00
Struthers Dunn	359.00					359.00
Total State Grants	679,880.15	9,215.25	129,558.70	423,514.43	13,325.35	381,814.32

(Continued)

TOWNSHIP OF MANTUA
FEDERAL AND STATE GRANT FUND
 Statement of Reserve for Federal and State Grants -- Appropriated
 For the Year Ended December 31, 2012

Program	Balance Dec. 31, 2011		Transferred from 2012 Budget Appropriation	Paid or Charged	Encumbered	Balance Dec. 31, 2012
	Appropriated	Encumbered				
Private Grants:						
DARE Program	\$ 1.50					\$ 1.50
JIF Safety Award			\$ 3,575.00	\$ 3,572.35		2.65
JIF Safety Award - Optional		\$ 2,512.65	3,500.00	6,012.65		-
Comcast Technology Grant	22,333.03					22,333.03
Town Watch Crime Prevention Program	1,666.00					1,666.00
Total Private Grants	24,000.53	2,512.65	\$ 7,075.00	9,585.00	-	24,003.18
	<u>\$ 918,418.20</u>	<u>\$ 11,727.90</u>	<u>\$ 141,033.70</u>	<u>\$ 625,729.02</u>	<u>\$ 17,632.33</u>	<u>\$ 427,818.45</u>
Realized as Revenue in 2012 Budget			\$ 136,540.70			
Local Match Due From Current Fund			4,493.00			
Cash Disbursements				\$ 385,129.02		
Reserve for Payment of Debt				240,600.00		
			<u>\$ 141,033.70</u>	<u>\$ 625,729.02</u>		

SUPPLEMENTAL EXHIBITS

TRUST FUND

TOWNSHIP OF MANTUA
TRUST FUND
Statement of Trust Cash - Chief Financial Officer
For the Year Ended December 31, 2012

	<u>Animal Control</u>	<u>Other Trust</u>	<u>Municipal Open Space</u>
Balance December 31, 2011	\$ 25,660.83	\$ 1,528,731.69	\$ 266,960.96
Increased by Receipts:			
Animal Control Fees	\$ 16,471.10		
Due Current Fund		\$ 22,780.92	
Miscellaneous Trust Reserves		7,462,334.47	
Reserve for Open Space			\$ 275,730.34
	<u>16,471.10</u>	<u>7,485,115.39</u>	<u>275,730.34</u>
	42,131.93	9,013,847.08	542,691.30
Decreased by Disbursements:			
Animal Control Expenses	21,036.93		
Due Current Fund	2,604.49		
Miscellaneous Trust Reserves		7,397,241.07	
Reserve for Open Space			289,449.47
	<u>23,641.42</u>	<u>7,397,241.07</u>	<u>289,449.47</u>
Balance December 31, 2012	<u>\$ 18,490.51</u>	<u>\$ 1,616,606.01</u>	<u>\$ 253,241.83</u>

TOWNSHIP OF MANTUA
 TRUST -- ANIMAL CONTROL FUND
 Statement of Due State of New Jersey - Department of Health
 For the Year Ended December 31, 2012

Increased by:	
2012 State License Fees Collected in Current Fund	\$ 2,006.40
Decreased by:	
Due to State of New Jersey paid by Current Fund	\$ <u>2,006.40</u>

TOWNSHIP OF MANTUA
 TRUST -- ANIMAL CONTROL FUND
 Statement of Reserve for Animal Control Fund
 For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 22,406.90
Increased by:	
Animal Control Fees	
Dog License Fees	\$ 12,841.10
Cat License Fees	<u>3,630.00</u>
	\$ 16,471.10
Prior Year Encumbrances Canceled	<u>649.44</u>
	<u>17,120.54</u>
	39,527.44
Decreased by:	
Animal Control Expenditures:	
Cash Disbursements	21,036.93
Reserve for Encumbrances	<u>1,559.25</u>
	<u>22,596.18</u>
Balance December 31, 2012	\$ <u>16,931.26</u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2010	\$ 11,026.40
2011	<u>22,112.30</u>
	<u>\$ 33,138.70</u>

TOWNSHIP OF MANTUA
TRUST -- MUNICIPAL OPEN SPACE FUND
 Statement of Reserve for Future Use
 For the Year Ended December 31, 2012

Balance December 31, 2011		\$ 177,377.02
Increased by:		
2012 Revenue Realized	\$ 292,484.59	
Unexpended Balance of Appropriation Reserves	<u>73,583.94</u>	
		<u>366,068.53</u>
		543,445.55
Decreased by:		
2012 Budget Appropriations		<u>311,200.00</u>
Balance December 31, 2012		<u><u>\$ 232,245.55</u></u>

TOWNSHIP OF MANTUA
 TRUST -- MUNICIPAL OPEN SPACE FUND
 Statement of Appropriation Reserves
 For the Year Ended December 31, 2012

	Balance December 31, 2011 <u>Reserved</u>	After Modification <u> </u>	Paid or Charged <u> </u>	Balance Lapsed <u> </u>
Development of Lands for Recreation and Conservation:				
Other Expenses	\$ 20,000.00	\$ 20,000.00		\$ 20,000.00
Maintenance of Lands for Recreation and Conservation:				
Salaries and Wages	3,583.94	3,583.94		3,583.94
Other Expenses	<u>50,000.00</u>	<u>50,000.00</u>		<u>50,000.00</u>
	<u>\$ 73,583.94</u>	<u>\$ 73,583.94</u>	<u>\$ -</u>	<u>\$ 73,583.94</u>

TOWNSHIP OF MANTUA
TRUST -- OTHER FUND
Statement of Due Current Fund
For the Year Ended December 31, 2012

Balance December 31, 2011 (Due From)		\$ 9,783.92
Increased by:		
Receipts Deposited in Current Fund		358.75
		10,142.67
Decreased by:		
Cash Receipts	\$ 22,780.92	
Expenditures Paid by Current Fund	1,000.00	
		23,780.92
Balance December 31, 2012 (Due To)		\$ 13,638.25

TOWNSHIP OF MANTUA
TRUST -- OTHER FUND
Statement of Accounts Receivable
For the Year Ended December 31, 2012

Balance December 31, 2011		\$ 75,769.01
Increased by:		
Receivables Accrued		8,352.56
Balance December 31, 2012		\$ 84,121.57
<u>Analysis of Balance:</u>		
Reserve for Developers' Escrow		\$ 80,419.07
Reserve for Off Duty Police		3,654.50
Reserve for Senior Citizen Trips		48.00
		\$ 84,121.57

TOWNSHIP OF MANTUA
TRUST -- OTHER FUND
Statement of Miscellaneous Trust Reserves
For the Year Ended December 31, 2012

<u>Reserve</u>	Balance Dec. 31, 2011	Increased		Decreased		Balance Dec. 31, 2012
		<u>Receipts</u>	<u>Accounts Receivable</u>	<u>Disbursements</u>	<u>Reserve for Encumbrances</u>	
Affordable Housing	\$ 300,448.77	\$ 419,487.53		\$ 101,107.49	\$ (207.50)	\$ 619,036.31
Developers' Escrow	708,657.69	146,803.81	\$ 4,650.06	340,219.57	778.89	519,113.10
Net Pay	-	3,101,784.14		3,101,784.14		-
Payroll Deductions Payable	12,280.92	2,816,234.26		2,826,644.94		1,870.24
Off Duty Police	2,644.55	218,878.50	3,654.50	219,082.75	2,590.00	3,504.80
Street Opening Deposits	7,301.00	2,525.00				9,826.00
Tax Redemption	0.08	483,590.82		480,462.24		3,128.66
Tax Premium	113,000.00	175,052.39		73,852.39		214,200.00
Community Day Donations	11,500.09	8,105.06		5,780.49		13,824.66
Police Explorer's Donations	405.00					405.00
National Night Out	406.31					406.31
Parking Offense Adjudication Act	362.51	66.00				428.51
Police Canine Donations	1,832.55					1,832.55
Recreation	210,744.90	75,485.00		223,534.72	1,110.00	61,585.18
Public Defender Fees	4,070.00	4,754.00		400.00		8,424.00
Public Assistance Trust	3.84	400.00		400.00		3.84
Forfeited Funds	54,538.33	2,418.58		17,866.98	4,392.00	34,697.93
Historical Donations	39,251.13	1,181.00		81.54		40,350.59
Annual Calendar	2,400.00			1,000.69		1,399.31
Senior Citizen Trips	48.00	5,927.13	48.00	6,023.13		-
Community Development Block Grant	51,000.00					51,000.00
Encumbrances	93,388.95				(8,663.39)	102,052.34
	<u>\$ 1,614,284.62</u>	<u>\$ 7,462,693.22</u>	<u>\$ 8,352.56</u>	<u>\$ 7,398,241.07</u>	<u>\$ -</u>	<u>\$ 1,687,089.33</u>
Cash		\$ 7,462,334.47		\$ 7,397,241.07		
Due Current Fund		358.75		1,000.00		
		<u>\$ 7,462,693.22</u>		<u>\$ 7,398,241.07</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, 2012

Balance December 31, 2011		\$ 2,639,557.07
Increased by Receipts:		
Due Current Fund	\$ 278,539.80	
State Aid Receivable	148,250.00	
Proceeds on Bond Anticipation Notes	2,619,914.00	
Deferred Charges to Future Taxation - Unfunded	22,619.00	
Capital Improvement Fund	<u>30,000.00</u>	
		<u>3,099,322.80</u>
		5,738,879.87
Decreased by Disbursements:		
Bond Anticipation Notes	3,819,914.00	
Due Municipal Open Space Trust Fund	16,000.00	
Encumbrances	1,998.40	
Improvement Authorizations	<u>337,210.74</u>	
		<u>4,175,123.14</u>
Balance December 31, 2012		<u><u>\$ 1,563,756.73</u></u>

TOWNSHIP OF MANTUA
GENERAL CAPITAL FUND
 Analysis of General Capital Cash
 For the Year Ended December 31, 2012

	Receipts		Disbursements			Transfers		Balance Dec. 31, 2012	
	Balance Dec. 31, 2011	Bond	Miscellaneous	Improvement Authorizations	Bond	Miscellaneous	From		To
		Anticipation Notes			Anticipation Notes				
Fund Balance	\$ 112,443.84		\$				\$ 85.45	\$ 112,529.29	
Capital Improvement Fund	163,999.81		30,000.00			\$ 25,000.00		168,999.81	
Contracts Payable	17,712.02				\$ 1,998.40	11,823.16	92,153.05	96,043.51	
Due Federal & State Grant Fund						4,959.79		(4,959.79)	
Due Current Fund	(53,936.25)		278,539.80			308,703.70		(84,100.15)	
Due Municipal Open Space Fund				\$	16,000.00			(16,000.00)	
Reserves for:									
Payment of Debt							61,481.12	61,481.12	
Preliminary Expenses							2,708.00	2,708.00	
Improvement Authorizations:									
Ordinance									
Number									
01-7.11	Improvement to Chestnut Branch Park	61.62				61.62			
02-7.2	Acquisition of Park Ground	0.91				0.91		(0.00)	
02-7.3	Purchase of Pole Barn	38,480.71						38,480.71	
04-21.6	Public Works Radio System	0.73				0.73		0.00	
04-21.8	CBP Improvement	3,113.19						3,113.19	
04-21.9	Improvement to Sewell Boys Club	1,425.00		\$ 372.16				1,052.84	
05-8.5	Construction of Drainage Projects	0.35			-		0.35	0.00	
05-18.3	Improvement to Sewell Community Center	0.38			-		0.38	(0.00)	
06-14	Acquisition of Fire Apparatus	(21,899.00)	21,919.00			20.00			
07-06b	Acquisition of a Dump Truck	0.04				0.04		(0.00)	
07-06e	Various Improvements to the Norris Street School	0.46				0.46		0.00	
07-06f	Acquisition of a Tractor	1,750.00						1,750.00	
07-13	Acquisition of Property	190,512.98						190,512.98	
07-32	Improvements to Chestnut Branch Park	0.96				0.96		(0.00)	
08-15 (a)	Reconstruction of Various Roadways	43,661.83	\$ 874,540.00	20,498.85	874,540.00	23,790.23	627.25	(0.00)	
08-15 (b)	Acquisition of Public Works Equipment	14,307.18	75,947.00		75,947.00			14,307.18	
08-15 (c)	Acquisition of Finish Mower	3,698.75	47,097.00		47,097.00			3,698.75	
08-15 (d)	Improvements to Norris Street	77.00	43,720.00		43,720.00			77.00	
08-15 (e)	Acquisition of Speed Sign Systems	3,723.00	21,870.00		21,870.00			3,723.00	
08-15 (f)	Acquisition of Police Mobile Data Terminal Systems		26,240.00		26,240.00				
08-15 (g)	Acquisition of Real Property	83,750.00	552,000.00		552,000.00			83,750.00	
08-18	Acquisition of Property - Affordable Housing	952,777.42			1,200,000.00		247,222.58	0.00	
09-11(a)	Acquisition of Dump, Plow and Spreader	125,000.00	118,750.00		118,750.00			125,000.00	
09-11(b)	Acquisition 4X4 Pickup Trucks with Plows	3,422.00	47,500.00		47,500.00			3,422.00	
09-11(c)	Acq and Installation of Mobile Data Terminals	1,732.00	33,250.00		33,250.00			1,732.00	
09-11(d)	Construction of Public Works Building	605,000.00	574,750.00		574,750.00			605,000.00	
09-11(e)	Acquisition of Speed Sign Systems	25,000.00	23,750.00		23,750.00			25,000.00	
09-11(f)	Demolition of Various Buildings	22,333.70	85,500.00		85,500.00	12,901.00		9,432.70	
09-11(g)	Various Park Improvements	97,126.80	95,000.00		95,000.00			97,126.80	
09-12	Purchase of Network Server	899.80						899.80	
11-13(i)	Acquisition & Installation of Chair Lift at Muni. Building	4,502.84	700.00	10,311.09			5,108.25		
11-13(ii)	Acquisition & Installation of Elevator at Muni. Building	18,050.00		4,208.74		26.00		13,815.26	
11-13(iii)	Rehabilitation of Various Roads	134,000.00		95,053.94		37,430.07		1,515.99	
11-13(iv)	Acquisition of Infrared Asphalt Maintenance Equipment	48,250.00						48,250.00	
11-14(i)	Acquisition & Installation of Chair Lift at Muni. Building	(1,423.00)	28,250.00	27,169.01			342.01	0.00	
11-14(iii)	Rehabilitation of Various Roadways		120,000.00	120,000.00					
12-02	Acquisition and Installation of a Telephone System			16,744.00		1,208.00	25,000.00	7,048.00	
12-06 (a)	Resurfacing of Jessup Mill Road								
12-06 (b)	Resurfacing and Safety Improvements to E Atlantic Ave.			42,852.95		13,760.10	4,959.79	(51,653.26)	
		\$ 2,639,557.07	\$ 2,619,914.00	\$ 479,408.80	\$ 337,210.74	\$ 3,819,914.00	\$ 17,998.40	\$ 439,687.50	\$ 439,687.50
								\$ 1,563,756.73	

TOWNSHIP OF MANTUA
GENERAL CAPITAL FUND
 Statement of Deferred Charges to Future Taxation -- Unfunded
 For the Year Ended December 31, 2012

Ordinance Number	Improvement Description	Balance Dec. 31, 2011	Notes Paid By Budget Appropriation	Funded by Land Sale Proceeds	Authorization Canceled	Funded By Budget Appropriation	Balance Dec. 31, 2012	Analysis of Balance December 31, 2012		Unexpended Improvement Authorization
								Financed by Notes	Expended	
06-14	Acquisition of Fire Apparatus	\$ 21,919.00				\$ 21,919.00				
08-15 (a)	Reconstruction of Various Roadways	912,270.00	\$ 37,730.00				\$ 874,540.00	\$ 874,540.00		
08-15 (b)	Acquisition of Public Works Equipment	79,227.00	3,280.00				75,947.00	75,947.00		
08-15 (c)	Acquisition of Finish Mower	49,127.00	2,030.00				47,097.00	47,097.00		
08-15 (d)	Improvements to Norris Street	45,610.00	1,890.00				43,720.00	43,720.00		
08-15 (e)	Acquisition of Speed Sign Systems	22,810.00	940.00				21,870.00	21,870.00		
08-15 (f)	Acquisition of Police Mobile Data Terminal Systems	27,370.00	1,130.00				26,240.00	26,240.00		
08-15 (g)	Acquisition of Real Property	600,000.00	48,000.00				552,000.00	552,000.00		
08-18	Acquisition of Property - Affordable Housing	1,200,000.00		\$ 247,222.58	\$ 952,777.42		-	-		
11-09 (a)	Acquisition of Dump, Plow and Spreader	118,750.00					118,750.00	118,750.00		
11-09 (b)	Acquisition 4X4 Pickup Trucks with Plows	47,500.00					47,500.00	47,500.00		
11-09 (c)	Acq and Installation of Mobile Data Terminals	33,250.00					33,250.00	33,250.00		
11-09 (d)	Construction of Public Works Building	574,750.00					574,750.00	574,750.00		
11-09 (e)	Acquisition of Speed Sign Systems	23,750.00					23,750.00	23,750.00		
11-09 (f)	Demolition of Various Buildings	85,500.00					85,500.00	85,500.00		
11-09 (g)	Various Park Improvements	95,000.00					95,000.00	95,000.00		
11-13(i)	Acquisition & Installation of Chair Lift at Muni. Building	700.00				700.00	-			-
		<u>\$ 3,937,533.00</u>	<u>\$ 95,000.00</u>	<u>\$ 247,222.58</u>	<u>\$ 952,777.42</u>	<u>\$ 22,619.00</u>	<u>\$ 2,619,914.00</u>	<u>\$ 2,619,914.00</u>	<u>\$ -</u>	<u>\$ -</u>
	Budget Appropriation - Current Fund		\$ 47,000.00							
	Budget Appropriation - Open Space Fund - Transferred		<u>48,000.00</u>							
			<u>\$ 95,000.00</u>							

TOWNSHIP OF MANTUA
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation -- Funded
For the Year Ended December 31, 2012

Balance December 31, 2011		\$ 10,361,221.15
Decreased by:		
2012 Budget Appropriation to Pay:		
Serial Bonds	\$ 985,000.00	
Green Trust Loan Payable	15,619.51	
	1,000,619.51	1,000,619.51
Balance December 31, 2012		\$ 9,360,601.64

TOWNSHIP OF MANTUA
GENERAL CAPITAL FUND
Statement of Due From Current Fund
For the Year Ended December 31, 2012

Balance December 31, 2011		\$ 53,936.25
Increased by:		
Proceeds from Sale of Land Deposited in Current Fund	\$ 247,222.58	
Reserve for Payment of Debt Deposited in Current Fund	61,481.12	
	308,703.70	308,703.70
		362,639.95
Decreased by:		
Received from Current Fund		278,539.80
Balance December 31, 2012		\$ 84,100.15

TOWNSHIP OF MANTUA
GENERAL CAPITAL FUND
Statement of Federal and State Aid Receivable
For the Year Ended December 31, 2012

Balance December 31, 2011		\$	192,000.00
Increased by:			
New Jersey Department of Transportation - E Atlantic Ave.	\$		98,376.00
Community Development Block Grants - Jessup Mill Rd.		<u>50,000.00</u>	<u>148,376.00</u>
			340,376.00
Decreased by:			
Cash Receipts		148,250.00	
Received in Federal and State Grant Fund		4,959.79	
Canceled		<u>43,750.00</u>	<u>196,959.79</u>
			<u>143,416.21</u>
Balance December 31, 2012		\$	<u><u>143,416.21</u></u>
Analysis:			
New Jersey Department of Transportation - E Atlantic Ave.			93,416.21
Community Development Block Grants			<u>50,000.00</u>
			<u>\$ 143,416.21</u>

Exhibit SC-7

TOWNSHIP OF MANTUA
GENERAL CAPITAL FUND
Statement of Encumbrances Payable
For the Year Ended December 31, 2012

Balance December 31, 2011		\$	17,712.02
Increased by:			
Improvement Authorizations			<u>92,153.05</u>
			109,865.07
Decreased by:			
Disbursements	\$	1,998.40	
Encumbrances Canceled			
Preliminary Expenses		2,708.00	
Improvement Authorizations		<u>9,115.16</u>	<u>13,821.56</u>
			<u>96,043.51</u>
Balance December 31, 2012		\$	<u><u>96,043.51</u></u>

TOWNSHIP OF MANTUA
GENERAL CAPITAL FUND
Statement of Capital Improvement Fund
For the Year Ended December 31, 2012

Balance December 31, 2011	\$ 163,999.81
Increased by:	
Budget Appropriation	<u>30,000.00</u>
	193,999.81
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>25,000.00</u>
Balance December 31, 2012	<u><u>\$ 168,999.81</u></u>

TOWNSHIP OF MANTUA
GENERAL CAPITAL FUND
 Statement of Improvement Authorizations
 For the Year Ended December 31, 2012

Ordinance Number	Improvement Description	Ordinance		Balance December 31, 2011		2012 Authorizations	Paid or Charged	Canceled	Balance December 31, 2012	
		Date	Amount	Funded	Unfunded				Funded	Unfunded
01-7.11	Improvement to Chestnut Branch Park	05/08/01	\$ 315,000.00	\$ 61.62				\$ 61.62		
02-7.2	Acquisition of Park Ground	05/14/02	250,000.00	0.91				0.91		
02-7.3	Purchase of Pole Barn	05/14/02	150,000.00	38,480.71					\$ 38,480.71	
04-21.6	Public Works Radio System	07/27/04	35,000.00	0.73				0.73		
04-21.8	CBP Improvement	07/27/04	100,000.00	3,113.19						3,113.19
04-21.9	Improvement to Sewell Boys Club	07/27/04	75,000.00	1,425.00			\$ 372.16			1,052.84
05-8.5	Construction of Drainage Projects	05/24/05	155,000.00	0.35				0.35		
05-18.3	Improvement to Sewell Community Center	11/22/05	350,000.00	0.38				0.38		
06-14	Acquisition of Fire Apparatus	09/26/06	70,000.00	-	\$ 20.00			20.00		
07-06 (b)	Acquisition of a Dump Truck	03/27/07	125,000.00	0.04				0.04		
07-06 (e)	Various Improvements to Norris Street School	03/27/07	50,000.00	0.46				0.46		
07-06 (f)	Acquisition of a Tractor	03/27/07	35,000.00	1,750.00						1,750.00
07-13	Acquisition of Real Property	07/10/07	980,000.00	190,512.98						190,512.98
07-32	Improvements to Chestnut Branch Park	12/11/07	150,000.00	0.96				0.96		
08-15 (a)	Reconstruction of Various Roadways	09/22/08	1,000,000.00		43,661.83		43,661.83			
08-15 (b)	Acquisition of Public Works Equipment	09/22/08	86,850.00		14,307.18				\$ 14,307.18	
08-15 (c)	Acquisition of Finish Mower	09/22/08	53,850.00	2,693.00	1,005.75				2,693.00	1,005.75
08-15 (d)	Improvements to Norris Street	09/22/08	50,000.00		77.00					77.00
08-15 (e)	Acquisition of Speed Sign Systems	09/22/08	25,000.00	-	3,723.00					3,723.00
08-15 (g)	Acquisition of Real Property	09/22/08	700,000.00	-	83,750.00					83,750.00
08-18	Acquisition of Property - Affordable Housing	11/24/08	1,200,000.00		952,777.42			952,777.42		-
09-11(a)	Acquisition of Dump, Plow and Spreader	08/17/09	125,000.00	6,250.00	118,750.00				6,250.00	118,750.00
09-11(b)	Acquisition of Two 4X4 Pickup Trucks with Plows	08/17/09	50,000.00		3,422.00					3,422.00
09-11(c)	Acq and Installation of Mobile Data Terminals	08/17/09	35,000.00		1,732.00					1,732.00
09-11(d)	Construction of Public Works Building	08/17/09	605,000.00	30,250.00	574,750.00				30,250.00	574,750.00
09-11(e)	Acquisition of Speed Sign Systems	08/17/09	25,000.00	1,250.00	23,750.00				1,250.00	23,750.00
09-11(f)	Demolition of Various Buildings	08/17/09	90,000.00		22,333.70		12,901.00			9,432.70
09-11(g)	Various Park Improvements	08/17/09	100,000.00	2,126.80	95,000.00				2,126.80	95,000.00
09-12	Purchase of Network Server	08/17/09	15,000.00	899.80					899.80	
11-13(i)	Acquisition & Installation of Chair Lift at Muni. Building	10/17/11	15,750.00	4,502.84	700.00		5,202.84			
11-13(ii)	Acquisition & Installation of Elevator at Muni. Building	10/17/11	18,050.00	18,050.00			4,234.74		13,815.26	
11-13(iii)	Rehab Various Roads	10/17/11	134,000.00	134,000.00			132,484.01		1,515.99	
11-13(iv)	Acquisition of Infrared Asphalt Maintenance Equipment	10/17/11	48,250.00	48,250.00					48,250.00	
11-14(i)	Acquisition & Installation of Chair Lift at Muni. Building	10/17/11	28,250.00	26,827.00			26,827.00			
11-14(ii)	Install Elevator at Norris Street Senior Center	10/17/11	43,750.00	43,750.00				43,750.00		
11-14(iii)	Rehabilitation of Various Roadways	10/17/11	120,000.00	120,000.00			120,000.00			
12-02	Acquisition and Installation of a Telephone System	04/16/12	25,000.00			\$ 25,000.00	17,952.00			7,048.00
12-06 (a)	Resurfacing of Jessup Mill Road	09/17/12	50,000.00			50,000.00				50,000.00
12-06 (b)	Resurfacing and Safety Improvements to E Atlantic Ave.	09/17/12	98,376.00			98,376.00	56,613.05			41,762.95
				\$ 674,196.77	\$ 1,939,759.88	\$ 173,376.00	\$ 420,248.63	\$ 996,612.87	\$ 440,771.52	\$ 929,699.63
								\$ 952,777.42		
Deferred Charges to Future Taxation - Unfunded										
Capital Improvement Fund						\$ 25,000.00				
Federal and State Grants Receivable						148,376.00		43,750.00		
Fund Balance								85.45		
Cash Disbursements							\$ 337,210.74			
Prior Year Encumbrances Canceled							(9,115.16)			
Encumbrances Payable							92,153.05			
						\$ 173,376.00	\$ 420,248.63	\$ 996,612.87		

TOWNSHIP OF MANTUA
GENERAL CAPITAL FUND
Statement of Bond Anticipation Notes
For the Year Ended December 31, 2012

Ordinance Number	Improvement Description	Date of Original Issue	Date of Issue	Maturity Date	Interest Rate	Balance Dec. 31, 2011	Increased	Decreased	Balance Dec. 31, 2012
08-15 (a)	Reconstruction of Various Roadways	12/19/08	12/13/11 12/11/12	12/12/12 12/10/13	1.12% 0.85%	\$ 912,270.00	\$ 874,540.00	\$ 912,270.00	\$ 874,540.00
08-15 (b)	Acquisition of Public Works Equipment	12/19/08	12/13/11 12/11/12	12/12/12 12/10/13	1.12% 0.85%	79,227.00	75,947.00	79,227.00	75,947.00
08-15 (c)	Acquisition of Finish Mower	12/19/08	12/13/11 12/11/12	12/12/12 12/10/13	1.12% 0.85%	49,127.00	47,097.00	49,127.00	47,097.00
08-15 (d)	Improvements to Norris Street	12/19/08	12/13/11 12/11/12	12/12/12 12/10/13	1.12% 0.85%	45,610.00	43,720.00	45,610.00	43,720.00
08-15 (e)	Acquisition of Speed Sign Systems	12/19/08	12/13/11 12/11/12	12/12/12 12/10/13	1.12% 0.85%	22,810.00	21,870.00	22,810.00	21,870.00
08-15 (f)	Acquisition of Police Mobile Data Terminal Systems	12/19/08	12/13/11 12/11/12	12/12/12 12/10/13	1.12% 0.85%	27,370.00	26,240.00	27,370.00	26,240.00
08-15 (g)	Acquisition of Real Property	12/19/08	12/13/11 12/11/12	12/12/12 12/10/13	1.12% 0.85%	600,000.00	552,000.00	600,000.00	552,000.00
08-18	Acquisition of Property - Affordable Housing	12/19/08	12/13/11	12/12/12	1.12%	1,200,000.00		1,200,000.00	
09-11 (a)	Acquisition of Dump, Plow and Spreader	12/15/10	12/13/11 12/11/12	12/12/12 12/10/13	1.12% 0.85%	118,750.00	118,750.00	118,750.00	118,750.00
09-11 (b)	Acquisition of 4X4 Pickup Trucks with Plows	12/15/10	12/13/11 12/11/12	12/12/12 12/10/13	1.12% 0.85%	47,500.00	47,500.00	47,500.00	47,500.00
09-11 (c)	Acq and Installation of Mobile Data Terminals	12/15/10	12/13/11 12/11/12	12/12/12 12/10/13	1.12% 0.85%	33,250.00	33,250.00	33,250.00	33,250.00
09-11 (d)	Construction of Public Works Building	12/15/10	12/13/11 12/11/12	12/12/12 12/10/13	1.12% 0.85%	574,750.00	574,750.00	574,750.00	574,750.00
09-11 (e)	Acquisition of Speed Sign Systems	12/15/10	12/13/11 12/11/12	12/12/12 12/10/13	1.12% 0.85%	23,750.00	23,750.00	23,750.00	23,750.00
09-11 (f)	Demolition of Various Buildings	12/15/10	12/13/11 12/11/12	12/12/12 12/10/13	1.12% 0.85%	85,500.00	85,500.00	85,500.00	85,500.00

(Continued)

TOWNSHIP OF MANTUA
GENERAL CAPITAL FUND
 Statement of Bond Anticipation Notes
 For the Year Ended December 31, 2012

Ordinance Number	Improvement Description	Date of Original Issue	Date of Issue	Maturity Date	Interest Rate	Balance Dec. 31, 2011	Increased	Decreased	Balance Dec. 31, 2012
09-11 (g)	Various Park Improvements	12/15/10	12/13/11 12/11/12	12/12/12 12/10/13	1.12% 0.85%	\$ 95,000.00		\$ 95,000.00	\$ 95,000.00
						<u>\$ 3,914,914.00</u>	<u>\$ 2,619,914.00</u>	<u>\$ 3,914,914.00</u>	<u>\$ 2,619,914.00</u>
							\$ 2,619,914.00	3,819,914.00	
								47,000.00	
								48,000.00	
							<u>\$ 2,619,914.00</u>	<u>\$ 3,914,914.00</u>	

TOWNSHIP OF MANTUA
GENERAL CAPITAL FUND
Statement of General Serial Bonds
For the Year Ended December 31, 2012

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2012		Interest Rate	Balance		
			Date	Amount		Dec. 31, 2011	Decreased	Balance Dec. 31, 2012
General Improvements Series of 1999	6/1/99	\$ 2,500,000.00	6/1/13-14	\$ 210,000.00	4.700%	\$ 625,000.00	\$ 205,000.00	\$ 420,000.00
General Improvements Series of 2004	8/1/04	3,589,000.00	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%			
General Improvements Series of 2008	9/24/08	5,504,000.00	8/1/19	289,000.00	4.000%	2,109,000.00	240,000.00	1,869,000.00
			9/1/13	315,000.00	4.125%			
			9/1/14	330,000.00	4.125%			
			9/1/15	345,000.00	4.125%			
			9/1/16	360,000.00	4.125%			
			9/1/17	375,000.00	4.125%			
			9/1/18	395,000.00	4.125%			
			9/1/19	410,000.00	4.125%			
			9/1/20	430,000.00	4.125%			
			9/1/21	450,000.00	4.125%			
			9/1/22	470,000.00	4.250%			
Refunding Bonds Series of 2011	1/27/11	2,850,000.00	9/1/23	494,000.00	4.250%	4,674,000.00	300,000.00	4,374,000.00
			5/15/13	260,000.00	2.000%			
			5/15/14	255,000.00	3.000%			
			5/15/15	250,000.00	2.125%			
			5/15/16	245,000.00	4.000%			
			5/15/17	265,000.00	2.750%			
			5/15/18	260,000.00	3.000%			
			5/15/19	255,000.00	3.250%			
			5/15/20	260,000.00	4.500%			
			5/15/21	260,000.00	4.750%			
5/15/22	260,000.00	4.000%						
						<u>2,810,000.00</u>	<u>\$ 240,000.00</u>	<u>\$ 2,570,000.00</u>
						<u>\$ 10,218,000.00</u>	<u>\$ 985,000.00</u>	<u>\$ 9,233,000.00</u>
Paid by Current Fund Budget Appropriation							\$ 934,000.00	
Paid by Open Space Trust Fund							<u>51,000.00</u>	
							<u>\$ 985,000.00</u>	

TOWNSHIP OF MANTUA
GENERAL CAPITAL FUND
Statement of Green Trust Loan Payable
For the Year Ended December 31, 2012

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2012		Interest Rate	Balance Dec. 31, 2011	Decreased	Balance Dec. 31, 2012
			Date	Amount				
Chestnut Branch Park	8/1/00	\$ 296,000.00	2013	\$ 15,933.47	2.00%	\$ 143,221.15	\$ 15,619.51	\$ 127,601.64
			2014	16,253.72				
			2015	16,580.43				
			2016	16,913.69				
			2017	17,253.66				
			2018	17,600.46				
			2019	17,954.22				
			2020	9,111.99				
					\$ 143,221.15	\$ 15,619.51	\$ 127,601.64	
					<u>\$ 143,221.15</u>	<u>\$ 15,619.51</u>	<u>\$ 127,601.64</u>	

TOWNSHIP OF MANTUA
GENERAL CAPITAL FUND
 Statement of Bonds and Notes Authorized But Not Issued
 For the Year Ended December 31, 2012

Ordinance Number	Improvement Description	Balance Dec. 31, 2011	Funded by Budget Appropriation	Balance Dec. 31, 2012
06-14	Acquisition of Fire Apparatus	\$ 21,919.00	\$ 21,919.00	
11-13(i)	Acquisition & Installation of Chair Lift at Muni. Building	700.00	700.00	
		<u>\$ 22,619.00</u>	<u>\$ 22,619.00</u>	<u>\$ -</u>

TOWNSHIP OF MANTUA

PART 2

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

FOR THE YEAR ENDED DECEMBER 31, 2012

TOWNSHIP OF MANTUA
Schedule of Findings and Recommendations
For the Year Ended December 31, 2012

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. 2012-1

Criteria or Specific Requirement

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. Proper internal control practices also dictate that complete and accurate records should be maintained to ensure adequate control over the preparation of the financial statements including the related footnotes.

Condition

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

Context

The Township does not maintain a fixed asset accounting system as required by State Statute.

Effect

As a result of the non-existence of controls over the Township's fixed asset records, the General Fixed Asset Account Statements could not be prepared and audited resulting in a qualified opinion being issued on the General Fixed Asset Account Group.

Cause

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

Recommendation

Internal control policies and procedures should be developed to properly maintain the general fixed asset accounting system 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.

TOWNSHIP OF MANTUA
Schedule of Findings and Recommendations
For the Year Ended December 31, 2012

Schedule of Financial Statement Findings (Cont'd)

Finding No. 2012-2

Criteria or Specific Requirement

All funds shall be deposited within 48 hours of receipt as required by N.J.S.A. 40A: 5-15.

Condition

Funds received by the Tax Collector/Clerk's office were not always deposited in 48 hours of receipt.

Context

In numerous instances throughout the year, payment batches pertaining to the Tax Collector/Clerk cash drawers remained open for several days before being deposited. The computer system's cash receipts journal evidenced that at times, batches would remain open for as long as 4-5 days.

Effect

The Township is not in compliance with N.J.S.A. 40A: 5-15. Additionally, undeposited funds are more susceptible to misplacement or theft.

Cause

The Township does not enforce policies regarding the daily reconciliation and closing of all cash drawers.

Recommendation

That all Township cash drawers be reconciled and closed out on a daily basis and that funds be deposited within 48 hours of receipt.

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

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. 2011-1

Condition

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

Current Status

The condition remains as Finding No. 2012-1.

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
Officials in Office and Surety Bonds

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

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>
Peter Scirrotto	Mayor	
Sharon Lawrence	Committeewoman, Deputy Mayor	
John Legge	Committeeman	
Michael Silvano	Committeeman	
Robert Zimmerman	Committeeman	
Michael A. Angelini	Solicitor	
Michael Datz	Administrator	
Shawn Menzies	Clerk, Municipal Search Officer, Registrar of Vital Statistics, Voter Registrar	
Pamela Levine	Deputy Registrar of Vital Statistics Animal Registrar	
Gayle Tschopp	Chief Financial Officer	(A)
Denise Demers	Construction Code Clerk	
Alice Kellmyer	Tax Collector, Tax Search Officer	(A)
Nicholas Lacovara	Municipal Court Judge	(A)
Marie Kennedy	Court Administrator	(A)
Lenore Worrell	Deputy Court Administrator	(A)

(A) Public Employees' Dishonesty Blanket Position Bond, Aggregate Coverage, with a \$1,000,000.00 per loss deductible through the Gloucester, Salem, Cumberland Counties Municipal Joint Insurance Fund and the Municipal Excess Liability Joint Insurance Fund.

All of the bonds were examined and were properly executed.

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APPRECIATION

We express our 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

