

Report of Audit

on the

Financial Statements

of the

Borough of Manville

in the

County of Somerset
New Jersey

for the

Year Ended
December 31, 2011



BOROUGH OF MANVILLE

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BOROUGH OF MANVILLE

PART I

INDEPENDENT AUDITOR'S REPORT ON
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YEAR ENDED DECEMBER 31, 2011 AND 2010



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the Borough Council
Borough of Manville
County of Somerset
Manville, New Jersey 08835

We have audited the accompanying financial statements - regulatory basis of the various individual funds and the account group of the Borough of Manville, County of Somerset, New Jersey as of and for the years ended December 31, 2011 and 2010, and for the year ended December 31, 2011 as listed as financial statements - regulatory basis in the foregoing table of contents. These financial statements - regulatory basis are the responsibility of the management of the Borough of Manville, County of Somerset. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial statements contained in Government Auditing Standards issued by the Comptroller General of the United States, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the provisions of U.S. Office of Management and Budget (OMB) Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations" and State of New Jersey OMB Circular 04-04' "Single Audit Policy for Recipients of Federal Grants, State Grants and State Audit." Those standards and provisions require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, the Borough of Manville, County of Somerset, prepares its financial statements on a prescribed basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the modified accrual basis, with certain exceptions, and the budget laws of New Jersey, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

SUPLEE, CLOONEY & COMPANY

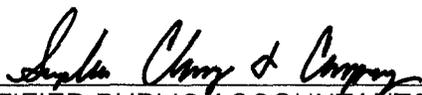
In our opinion, because the Borough of Manville prepares its financial statements on the basis of accounting discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with generally accepted accounting principles, the financial position of the various individual funds of the Borough of Manville as of December 31, 2011 and 2010 or the results of its operations and changes in fund balance for the years then ended or the revenues or expenditures for the year ended December 31, 2011.

However, in our opinion, the financial statements - regulatory basis present fairly, in all material respects, the financial position - regulatory basis of the various individual funds and account groups of the Borough of Manville, County of Somerset, as of December 31, 2011 and 2010, and the results of its operations and changes in fund balance - regulatory basis for the years then ended and the revenues, expenditures and changes in fund balance - regulatory basis for the year ended December 31, 2011, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated March 7, 2012 on our consideration of the Borough of Manville's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grants and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was made for the purpose of forming an opinion on the financial statements - regulatory basis taken as a whole. The information included in the schedules of expenditures of federal awards and state financial assistance, Financial Data Section-Section 8 Housing Choice Voucher Program and the other supplementary schedules and data listed in the table of contents is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations," and the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This information has been subjected to the auditing procedures applied in the audit of the financial statements mentioned above and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

This report is intended for the information of the Borough of Manville, County of Somerset, New Jersey, the Division of Local Government Services and federal and state audit agencies and is not intended to be and should not be used by anyone other than these specified parties.


CERTIFIED PUBLIC ACCOUNTANTS


REGISTERED MUNICIPAL ACCOUNTANT NO. 439

March 7, 2012

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CURRENT FUND

BOROUGH OF MANVILLECURRENT FUNDBALANCE SHEETS - REGULATORY BASIS

<u>A S S E T S</u>	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2011</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2010</u>
Cash - Treasurer	A-4	\$ 2,798,185.46	\$ 2,915,060.84
Cash - Change Funds	A-6	800.00	800.00
Grants Receivable	A-15	122,367.66	251,617.71
Due From State of New Jersey Ch. 20, P.L.1971	A-9	95,209.02	87,682.34
		<u>\$ 3,016,562.14</u>	<u>\$ 3,255,160.89</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-8	\$ 594,357.17	\$ 532,914.34
Tax Title Liens Receivable	A-7	52,310.49	45,442.75
Property Acquired for Taxes - Assessed Valuation	A-10	196,229.11	196,229.11
Revenue Accounts Receivable	A-13	16,672.62	19,241.55
Interfunds Receivable	A-12	1,615.28	17,186.87
	A	<u>\$ 861,184.67</u>	<u>\$ 811,014.62</u>
Deferred Charges:			
Emergency Appropriation	A-26	\$ 530,000.00	1,938.00
		<u>\$ 4,407,746.81</u>	<u>\$ 4,068,113.51</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Liabilities:			
Appropriation Reserves	A-3:A-16	\$ 568,006.27	\$ 119,617.57
Accounts Payable	A-24	387,893.82	251,125.37
Prepaid Taxes	A-22	376,422.67	337,389.24
Tax Overpayments	A-23		22,747.95
Interfunds Advanced	A-12	9,866.17	75,309.70
School Taxes Payable	A-18	4.00	
Reserve for Grants - Appropriated	A-19	281,377.18	299,077.22
Reserve for Grants - Unappropriated	A-14	16,847.14	8,023.58
Reserve for Insurance Damage	A-20	273,400.05	273,400.05
Reserve for Length of Service Award Program	A-25	21,875.00	27,100.00
Reserve for Sale of Municipal Assets	A-11	343.33	343.33
		<u>\$ 1,936,035.63</u>	<u>\$ 1,414,134.01</u>
Reserve for Receivables and Other Assets	A	861,184.67	811,014.62
Fund Balance	A-1	<u>1,610,526.51</u>	<u>1,842,964.88</u>
		<u>\$ 4,407,746.81</u>	<u>\$ 4,068,113.51</u>

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

BOROUGH OF MANVILLE

CURRENT FUND

STATEMENTS OF OPERATIONS AND
CHANGE IN FUND BALANCE-REGULATORY BASIS

	REF.	YEAR ENDED DECEMBER 31, 2011	YEAR ENDED DECEMBER 31, 2010
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Fund Balance Utilized	A-1:A-2	\$ 1,611,729.00	\$ 1,880,000.00
Miscellaneous Revenue Anticipated	A-2	2,826,839.47	2,932,944.08
Receipts from Delinquent Taxes	A-2	546,989.11	573,810.64
Receipts from Current Taxes	A-2	24,479,850.57	24,017,880.88
Non-Budget Revenue	A-2	338,175.93	152,293.77
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-16	49,527.02	150,508.96
Interfunds Returned		15,571.59	
Accounts Payable Canceled	A-24	17,560.83	18,129.79
Reserves Canceled		25,031.34	15,940.94
<u>Total Income</u>		<u>\$ 29,911,274.86</u>	<u>\$ 29,741,509.06</u>
<u>EXPENDITURES</u>			
Budget and Emergency Authorizations:			
Operations Within Caps	A-3	\$ 9,189,150.00	\$ 8,532,400.00
Deferred Charges and Statutory Expenditures	A-3	1,116,200.00	629,866.00
<u>Total Within "CAPS"</u>		<u>\$ 10,305,350.00</u>	<u>\$ 9,162,266.00</u>
Operation Excluded from Caps	A-3	\$ 712,231.12	\$ 1,242,470.25
Capital Improvements	A-3	133,379.75	20,000.00
Municipal Debt Service	A-3	1,197,933.81	1,303,902.97
Deferred Charges - Municipal	A-3	1,938.00	61,938.00
<u>Total Excluded From "CAPS"</u>		<u>\$ 2,045,482.68</u>	<u>\$ 2,628,311.22</u>
County Taxes	A-17	\$ 3,539,893.22	\$ 3,501,771.49
Local District School Tax	A-18	13,130,255.00	12,841,391.00
Refund Prior Years Revenue			752.21
Interfunds Advanced			12,448.92
Accounts Receivable Canceled		41,003.33	26,350.00
<u>Total Expenditures</u>		<u>\$ 29,061,984.23</u>	<u>\$ 28,173,290.84</u>
Excess in Revenues		\$ 849,290.63	\$ 1,568,218.22
Adjustments to Income Before Fund Balance:			
Expenditures Included Above Which are by Statute			
Deferred Charges to Budget of Succeeding Year		530,000.00	1,938.00
Statutory Excess to Fund Balance		\$ 1,379,290.63	\$ 1,570,156.22
Fund Balance, January 1	A	1,842,964.88	2,152,808.66
		<u>\$ 3,222,255.51</u>	<u>\$ 3,722,964.88</u>
Decreased by:			
Utilization as Anticipated Revenue	A-1	1,611,729.00	1,880,000.00
Fund Balance, December 31	A	<u>\$ 1,610,526.51</u>	<u>\$ 1,842,964.88</u>

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

BOROUGH OF MANVILLE

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2011

	REF.	ANTICIPATED		REALIZED	EXCESS OR (DEFICIT)
		BUDGET	SPECIAL N.J.S. 40A:4-87		
Fund Balance	A-1	\$ 1,611,729.00	\$	\$ 1,611,729.00	\$
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	A-13	14,000.00		14,656.00	656.00
Other	A-2	12,000.00		23,381.00	11,381.00
Fees and Permits	A-2	60,000.00		79,517.60	19,517.60
Fines and Costs:					
Municipal Court	A-13	120,000.00		124,356.88	4,356.88
Interest and Costs on Taxes	A-13	80,000.00		96,540.97	16,540.97
Interest on Investments and Deposits	A-13	7,500.00		12,673.28	5,173.28
Consolidated Municipal Property Tax Relief Aid	A-13	573,841.00		573,841.00	
Energy Receipts Tax	A-13	1,035,134.00		1,035,134.00	
Uniform Construction Code Fees	A-2	75,000.00		77,319.00	2,319.00
Assessment of Taxes	A-13	40,700.00		44,284.16	3,584.16
Recycling Tonnage Grant	A-15	12,358.16	11,693.73	24,051.89	
Clean Communities Program	A-15	17,726.62		17,726.62	
Drunk Driving Enforcement Fund	A-15	4,751.76		4,751.76	
Municipal Alliance an Alcohol and Drug Abuse	A-15	9,696.00		9,696.00	
Click it or Ticket	A-15	4,000.00		4,000.00	
Body Armor Replacement Fund	A-15	3,271.82		3,271.82	
Child Passenger Safety	A-15	4,500.00		4,500.00	
Cell Phone Enforcement Program	A-15	8,000.00		8,000.00	
Alcohol Education Rehabilitation Fund	A-15	323.61		323.61	
Utility Operating Surplus - prior year	A-13	250,000.00		250,000.00	
Uniform Fire Safety Act	A-13	12,000.00		18,593.88	6,593.88
Cable TV Franchise Fee	A-13	78,433.00		78,433.00	
Verizon Franchise Fee	A-13	31,393.61		31,393.61	
Library Administrative Fee	A-13	35,000.00		35,000.00	
FEMA Reimbursement - snowstorm	A-13	22,113.29		22,113.29	
FEMA Reimbursement - flood	A-13	133,280.10		133,280.10	
Capital Surplus	A-13	100,000.00		100,000.00	
	A-1	\$ 2,745,022.97	\$ 11,693.73	\$ 2,826,839.47	\$ 70,122.77
Receipts from Delinquent Taxes	A-1	\$ 425,000.00		\$ 546,989.11	\$ 121,989.11
Amount to be Raised by Taxes for Support of Municipal Budget:					
Local Tax for Municipal Purposes	A-8:A-2	\$ 8,504,953.17		\$ 9,272,202.35	\$ 767,249.18
Budget Totals		\$ 13,286,705.14	\$ 11,693.73	\$ 14,257,759.93	\$ 959,361.06
Non-Budget Revenue	A-1:A-2			338,175.93	338,175.93
		\$ 13,286,705.14	\$ 11,693.73	\$ 14,595,935.86	\$ 1,297,536.99
	REF.	A-3	A-3		

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

BOROUGH OF MANVILLE
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2011

<u>ANALYSIS OF REALIZED REVENUES</u>	<u>REF.</u>		
Allocation of Current Tax Collections:			
Revenue from Collections	A-1:A-8	\$	24,479,850.57
Allocated To:			
School Taxes	A-18	\$	13,130,255.00
County Taxes	A-17		<u>3,539,893.22</u>
		\$	<u>16,670,148.22</u>
Balance for Support of Municipal Budget Appropriations		\$	7,809,702.35
Add: Appropriation "Reserve for Uncollected Taxes"	A-3		<u>1,462,500.00</u>
Amount for Support of Municipal Budget Appropriations	A-2	\$	<u>9,272,202.35</u>
Uniform Construction Code: Fees and Permits	A-2:A-13	\$	<u>77,319.00</u>
Licenses - Other:			
Clerk	A-13	\$	7,891.00
Health Officer	A-13		15,386.00
Registrar	A-13		<u>204.00</u>
		\$	23,481.00
Less : Refunds	A-4		<u>100.00</u>
	A-2	\$	<u>23,381.00</u>
Fees and Permits - Other:			
Clerk	A-13	\$	26,670.15
Engineering	A-13		500.00
Police Department	A-13		467.64
Planning Board/Board of Adjustment	A-13		11,156.56
Fire	A-13		10,898.00
Zoning Inspections	A-13		2,605.00
Building and Fire Inspections	A-13		8,890.00
Board of Health	A-13		1,610.25
Registrar	A-13		<u>16,720.00</u>
	A-2	\$	<u>79,517.60</u>

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

BOROUGH OF MANVILLE
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2011

REF.

ANALYSIS OF NON-BUDGET REVENUE

Section 8 Administration Fee and Rent		\$	8,100.00	
Senior Citizens and Veterans - Administrative Fee			3,384.43	
Recycling			2,543.38	
DMV Inspection Fees			1,652.00	
Police Outside Overtime Administrative Fees			24,064.37	
Miscellaneous Refunds			24,034.60	
Miscellaneous			6,354.00	
FEMA Reimbursement			212,834.92	
CICA			5,432.59	
PERS Refund			9,034.69	
Gas Station Lease			22,000.00	
Junk Sale			11,907.84	
Tax Collector			<u>5,219.83</u>	
	A-4		\$	336,562.65
Excess in Reserve for Animal Control Expenditures	A-12			<u>1,613.28</u>
	A-2		\$	<u><u>338,175.93</u></u>

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

BOROUGH OF MANVILLE
CURRENT FUND
STATEMENT OF EXPENDITURES -REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2011

	APPROPRIATIONS		EXPENDED		CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
<u>OPERATIONS - WITHIN "CAPS"</u>					
<u>GENERAL GOVERNMENT</u>					
Administrative and Executive:					
Salaries and Wages	\$ 161,600.00	\$ 161,850.00	\$ 161,529.07	\$ 320.93	
Other Expenses	33,000.00	35,135.75	24,702.20	10,433.55	
Mayor & Council:					
Salaries & Wages	33,000.00	37,700.00	33,727.71	3,972.29	
Other Expenses	3,500.00	3,500.00	3,500.00		
Elections:					
Other Expenses	2,000.00	2,800.00	2,572.81	227.19	
Financial Administration:					
Salaries and Wages	116,600.00	116,700.00	116,700.00		
Other Expenses	9,000.00	9,000.00	6,790.19	2,209.81	
Audit	62,000.00	62,000.00	62,000.00		
Payroll Services	20,000.00	20,000.00	14,577.89	5,422.11	
Assessment of Taxes:					
Salaries and Wages	27,000.00	27,000.00	27,000.00		
Other Expenses	30,000.00	32,500.00	29,710.74	2,789.26	
Collection of Taxes:					
Salaries and Wages	51,500.00	51,500.00	51,455.24	44.76	
Other Expenses	10,000.00	10,000.00	9,518.29	481.71	
Legal Services and Costs:					
Salaries and Wages	85,000.00	70,000.00	66,848.92	3,151.08	
Other Expenses	30,000.00	37,500.00	34,531.49	2,968.51	
Municipal Prosecutor:					
Salaries and Wages	15,000.00	15,000.00	15,000.00		
Engineering Services and Costs:					
Other Expenses	7,500.00	7,500.00	2,136.58	5,363.42	
Public Buildings and Grounds:					
Other Expenses	40,000.00	40,000.00	36,898.18	3,101.82	
Planning Board:					
Salaries and Wages	250.00	250.00	250.00		
Other Expenses	26,000.00	26,000.00	25,874.35	125.65	
Zoning Commission:					
Salaries and Wages	500.00	500.00	500.00		
Other Expenses	10,000.00	10,000.00	8,534.25	1,465.75	
<u>PUBLIC SAFETY</u>					
Fire:					
Other Expenses	85,000.00	85,000.00	84,996.31	3.69	
Repairs to Fire Tower Truck		30,000.00	23,158.00	6,842.00	
Police:					
Salaries and Wages	3,216,800.00	3,134,914.25	3,110,203.88	24,710.37	
Other Expenses	165,000.00	165,000.00	164,430.15	569.85	
Municipal Court:					
Salaries and Wages	160,600.00	160,600.00	158,848.63	1,751.37	
Other Expenses	24,000.00	24,000.00	21,379.86	2,620.14	
Public Defender					
Other Expenses	100.00	100.00		100.00	
Emergency Management:					
Other Expenses	10,000.00	10,000.00	9,021.89	978.11	
First Aid Organization Contribution	8,000.00	8,000.00	8,000.00		
First Aid Insurance Payment	28,000.00	28,000.00	22,846.25	5,153.75	
Public Works Department:					
Salaries and Wages	1,136,700.00	1,136,700.00	1,085,875.96	50,824.04	
Other Expenses	590,000.00	590,000.00	589,294.58	705.42	
Hurricane and Flood Damage		500,000.00	405,172.77	94,827.23	
Board of Health:					
Salaries and Wages	45,100.00	45,100.00	45,020.04	79.96	
Other Expenses	3,500.00	3,500.00	3,205.28	294.72	
Visiting Nurse Contract	100.00	100.00		100.00	
Bloodborne Pathogens					
Other Expenses	100.00	100.00		100.00	

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

BOROUGH OF MANVILLE

CURRENT FUND

STATEMENT OF EXPENDITURES -REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>APPROPRIATIONS</u>		<u>EXPENDED</u>		<u>CANCELED</u>
	<u>BUDGET</u>	<u>BUDGET AFTER MODIFICATION</u>	<u>PAID OR CHARGED</u>	<u>RESERVED</u>	
<u>RECREATION AND EDUCATION</u>					
Recreation:					
Salaries and Wages	\$ 120,000.00	\$ 130,500.00	\$ 129,990.88	\$ 509.12	
Other Expenses	25,000.00	24,500.00	22,754.45	1,745.55	
Celebration of Events, Anniversary or Holiday:					
Other Expenses	5,000.00	5,000.00	23.26	4,976.74	
Contribution to Senior Citizen Center	8,000.00	8,000.00	8,000.00		
Contribution to Youth Services Commission	100.00	100.00		100.00	
Rental Agreements	18,000.00	18,000.00	18,000.00		
Insurance:					
Group insurance Plan for Employees	884,000.00	895,260.00	856,631.06	38,628.94	
Other Insurance Premiums	240,000.00	225,000.00	215,122.35	9,877.65	
Workmen Comp. Insurance	200,000.00	203,740.00	203,740.00		
<u>STATE UNIFORM CONSTRUCTION CODE (N.J.S.A. 52:27D-120 et. seq.)</u>					
Construction Office:					
Salaries and Wages	103,700.00	103,700.00	97,130.99	6,569.01	
Other Expenses	3,000.00	3,000.00	2,431.46	568.54	
Property Maintenance:					
Salaries and Wages	63,800.00	63,800.00	63,742.12	57.88	
Other Expenses	500.00	500.00	413.90	86.10	
Uniform Fire Safety Act:					
Salaries and Wages	26,000.00	26,000.00	25,551.33	448.67	
Other Expenses	4,000.00	4,000.00	3,994.16	5.84	
<u>UNCLASSIFIED</u>					
Utilities:					
Gasoline & Fuel	100,000.00	135,000.00	124,095.12	10,904.88	
Electricity	115,000.00	115,000.00	100,431.06	14,568.94	
Natural Gas	55,000.00	55,000.00	28,964.61	26,035.39	
Telephone	70,000.00	95,000.00	86,040.64	8,959.36	
Street Lighting	180,000.00	180,000.00	150,285.59	29,714.41	
Fire Hydrant Service	175,000.00	175,000.00	166,615.68	8,384.32	
Postage	12,000.00	14,500.00	11,758.02	2,741.98	
Water	7,000.00	10,000.00	6,794.88	3,205.12	
<u>Total Operations Within "CAPS"</u>	<u>\$ 8,661,550.00</u>	<u>\$ 9,188,150.00</u>	<u>\$ 8,788,323.07</u>	<u>\$ 399,826.93</u>	
<u>CONTINGENT</u>	<u>\$ 1,000.00</u>	<u>\$ 1,000.00</u>		<u>\$ 1,000.00</u>	
<u>TOTAL OPERATIONS INCLUDING CONTINGENT WITHIN "CAPS"</u>	<u>\$ 8,662,550.00</u>	<u>\$ 9,189,150.00</u>	<u>\$ 8,788,323.07</u>	<u>\$ 400,826.93</u>	
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"</u>					
Deferred Charges:					
Contribution To:					
Public Employees' Retirement System	\$ 269,351.00	\$ 269,351.00	\$ 269,351.00	\$	
Social Security System (O.A.S.I.)	250,000.00	250,000.00	243,870.80	6,129.20	
Police & Firemen's Pension Fund	594,849.00	594,849.00	594,849.00		
State Unemployment Insurance	1,000.00	1,000.00		1,000.00	
DCRP	1,000.00	1,000.00	753.96	246.04	
<u>TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"</u>	<u>\$ 1,116,200.00</u>	<u>\$ 1,116,200.00</u>	<u>\$ 1,108,824.76</u>	<u>\$ 7,375.24</u>	
<u>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"</u>	<u>\$ 9,778,750.00</u>	<u>\$ 10,305,350.00</u>	<u>\$ 9,897,147.83</u>	<u>\$ 408,202.17</u>	

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

BOROUGH OF MANVILLE

CURRENT FUND

STATEMENT OF EXPENDITURES -REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>APPROPRIATIONS</u>		<u>EXPENDED</u>		<u>CANCELED</u>
	<u>BUDGET</u>	<u>BUDGET AFTER MODIFICATION</u>	<u>PAID OR CHARGED</u>	<u>RESERVED</u>	
<u>OPERATIONS - EXCLUDED FROM "CAPS"</u>					
Maintenance of Free Public Library	\$ 365,604.52	\$ 365,604.52	\$ 340,985.88	\$ 24,618.64	
Insurance:					
Group - Employees	96,000.00	96,000.00	96,000.00		
Length of Service Awards Program	10,000.00	10,000.00		10,000.00	
Interlocal Municipal Service Agreements:					
Health Services Contract -					
Boroughs of Somerville and Raritan					
County of Somerset	66,526.00	66,526.00	66,525.96	0.04	
Animal Control Contract - Twp. of Bridgewater and					
Borough of Raritan	51,254.90	51,254.90	49,054.90	2,200.00	
Assessment of Taxes - Borough of Raritan	40,700.00	44,100.00	44,014.33	85.67	
<u>STATE AND FEDERAL PROGRAMS</u>					
<u>OFF-SET BY REVENUES</u>					
Drunk Driving Enforcement Fund	4,751.76	4,751.76	4,751.76		
Clean Communities Program	17,726.62	17,726.62	17,726.62		
Alcohol Education Rehabilitation Program	323.61	323.61	323.61		
Click it or Ticket Program	4,000.00	4,000.00	4,000.00		
Body Armor Replacement Fund	3,271.82	3,271.82	3,271.82		
Cell Phone Enforcement Grant	8,000.00	8,000.00	8,000.00		
Recycling Tonnage Grant (N.J.S.A. 40A: 4-87 + \$11,693.73)	12,358.16	24,051.89	24,051.89		
Child Passenger Safety Grant	4,500.00	4,500.00	4,500.00		
Municipal Alliance on Alcoholism & Drug Abuse	9,696.00	9,696.00	9,696.00		
Local Match	2,424.00	2,424.00	2,424.00		
<u>TOTAL OPERATIONS EXCLUDED FROM "CAPS"</u>	<u>\$ 697,137.39</u>	<u>\$ 712,231.12</u>	<u>\$ 675,326.77</u>	<u>\$ 36,904.35</u>	
<u>CAPITAL IMPROVEMENTS</u>					
<u>EXCLUDED FROM "CAPS"</u>					
Capital Improvement Fund	\$ 100.00	\$ 100.00	\$ 100.00	\$	
<u>Flood Projects</u>					
North 2nd Avenue Basins	46,000.00	46,000.00		46,000.00	
Lincoln Avenue Ball Fields	25,320.57	25,320.57	3,900.00	21,420.57	
Pump Stations	3,291.15	3,291.15		3,291.15	
Liberty Circle	7,909.03	7,909.03	1,450.00	6,459.03	
Sewer System	8,070.00	8,070.00	5,030.00	3,040.00	
Boesel Avenue	42,689.00	42,689.00		42,689.00	
<u>TOTAL CAPITAL IMPROVEMENTS</u>	<u>\$ 133,379.75</u>	<u>\$ 133,379.75</u>	<u>\$ 10,480.00</u>	<u>\$ 122,899.75</u>	
<u>MUNICIPAL DEBT SERVICE</u>					
<u>EXCLUDED FROM "CAPS"</u>					
Payment of Bond Principal	\$ 789,000.00	789,000.00	789,000.00	\$	\$
Payment of BAN & Capital Notes	50,000.00	50,000.00	50,000.00		
Interest on Bonds	250,000.00	250,000.00	238,058.81		11,941.19
Interest on Notes	40,000.00	40,000.00	36,875.00		3,125.00
Green Trust Loan Program					
Loan Repayments for Principal & Interest	84,000.00	84,000.00	84,000.00		
<u>TOTAL MUNICIPAL DEBT SERVICE EXCLUDED</u>	<u>\$ 1,213,000.00</u>	<u>\$ 1,213,000.00</u>	<u>\$ 1,197,933.81</u>	<u>\$ 15,066.19</u>	

BOROUGH OF MANVILLE

CURRENT FUND

STATEMENT OF EXPENDITURES -REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2011

	APPROPRIATIONS		EXPENDED		
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	CANCELED
DEFERRED CHARGES - MUNICIPAL - EXCLUDED FROM "CAPS"					
Special Emergency Authorizations:					
Emergency- Fire Rescue Boats	\$ 1,938.00	\$ 1,938.00	\$ 1,938.00	\$	\$
TOTAL DEFERRED CHARGES - MUNICIPAL - EXCLUDED FROM CAPS	\$ 1,938.00	\$ 1,938.00	\$ 1,938.00	\$	\$
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"	\$ 2,045,455.14	\$ 2,060,548.87	\$ 1,885,678.58	\$ 159,804.10	\$ 15,066.19
SUB-TOTAL GENERAL APPROPRIATIONS	\$ 11,824,205.14	\$ 12,365,898.87	\$ 11,782,826.41	\$ 568,006.27	\$ 15,066.19
RESERVE FOR UNCOLLECTED TAXES	1,462,500.00	1,462,500.00	1,462,500.00		
TOTAL GENERAL APPROPRIATIONS	\$ 13,286,705.14	\$ 13,828,398.87	\$ 13,245,326.41	\$ 568,006.27	\$ 15,066.19
	REF.	A-2	A-1	A:A-1	
Budget	A-3	\$ 13,286,705.14			
Budget Amendment 40A: 4-87	A-2	11,693.73			
Emergency	A-26	530,000.00			
		\$ 13,828,398.87			
Reserve for Uncollected Taxes	A-2		\$ 1,462,500.00		
Disbursements	A-4		11,770,351.45		
Deferred Charges	A-26		1,938.00		
Reserve for Grants - Appropriated	A-19		78,745.70		
Accounts Payable	A-24		345,223.13		
			\$ 13,658,758.28		
Less: Refunds	A-4		413,431.87		
			\$ 13,245,326.41		

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

TRUST FUND

"B"

BOROUGH OF MANVILLE

TRUST FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2011</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2010</u>
<u>ASSETS</u>			
Animal Control Fund:			
Cash	B-1	\$ 9,035.28	\$ 10,191.45
		<u>\$ 9,035.28</u>	<u>\$ 10,191.45</u>
Other Funds:			
Cash	B-1	\$ 696,616.12	\$ 788,605.36
Community Development Block Grants Receivable	B-7	149,053.83	166,813.23
Due Current Fund	B-3	9,766.17	
		<u>\$ 855,436.12</u>	<u>\$ 955,418.59</u>
		<u>\$ 864,471.40</u>	<u>\$ 965,610.04</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Animal Control Fund:			
Due Current Fund	B-5	\$ 1,615.28	\$ 1,759.05
Reserve for Animal Control Fund Expenditures	B-8	7,420.00	8,432.40
		<u>\$ 9,035.28</u>	<u>\$ 10,191.45</u>
Other Funds:			
Reserve for Federal Housing and Urban Development	B-2	\$ 259,712.01	\$ 299,314.22
Due Current Fund	B-3		15,427.82
Reserve for:			
Community Development Block Grants	B-15	65,785.23	123,770.61
Unemployment Compensation	B-16	58,426.09	75,247.66
Payroll Deductions	B-17	69,308.20	60,784.25
Miscellaneous Trust Deposits	B-4	171,073.85	162,125.76
Law Enforcement Trust Fund	B-12	17,801.43	17,019.58
Developer's Escrow Deposits	B-13	21,688.93	21,677.58
Recreation Deposits	B-14	41,329.28	58,233.64
Accounts Payable	B-6	44,900.49	38,738.10
Federal Asset Forfeitures	B-11	16,510.61	23,279.37
Premiums on Tax Sale	B-9	88,900.00	59,800.00
		<u>\$ 855,436.12</u>	<u>\$ 955,418.59</u>
		<u>\$ 864,471.40</u>	<u>\$ 965,610.04</u>

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

GENERAL CAPITAL FUND

"C"

BOROUGH OF MANVILLE

GENERAL CAPITAL FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2011</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2010</u>
<u>ASSETS</u>			
Cash	C-2	\$ 735,189.85	\$ 956,676.65
Due Current Fund	C-9	100.00	75,309.70
Deferred Charges to Future Taxation - Funded	C-5	5,345,046.63	6,211,597.52
Deferred Charges to Future Taxation - Unfunded	C-4	<u>3,979,798.82</u>	<u>3,525,798.82</u>
		\$ <u>10,060,135.30</u>	\$ <u>10,769,382.69</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds	C-10	\$ 5,178,000.00	\$ 5,967,000.00
Wastewater Treatment - Fund Unit Bonds	C-11	67,046.63	99,597.52
Wastewater Treatment - Trust Unit Bonds	C-12	100,000.00	145,000.00
Bond Anticipation Note	C-13	2,700,000.00	2,950,000.00
Improvement Authorizations - Funded	C-7	63,269.79	85,275.17
Improvement Authorizations - Unfunded	C-7	1,345,870.40	1,006,420.83
Capital Improvement Fund	C-8	52,273.78	88,173.78
Contracts Payable	C-6	476,312.75	250,553.44
Fund Balance	C-1	<u>77,361.95</u>	<u>177,361.95</u>
		\$ <u>10,060,135.30</u>	\$ <u>10,769,382.69</u>

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

BOROUGH OF MANVILLE

GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	
Balance, December 31, 2010	C	\$ 177,361.95
Decreased by:		
Disbursements		
Anticipated Revenue in Current Fund	C-2	<u>100,000.00</u>
Balance, December 31, 2011	C	\$ <u><u>77,361.95</u></u>

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

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SEWER UTILITY FUND

BOROUGH OF MANVILLESEWER UTILITY FUNDBALANCE SHEETS - REGULATORY BASIS

<u>A S S E T S</u>	<u>REF.</u>	BALANCE DECEMBER 31, 2011	BALANCE DECEMBER 31, 2010
Operating Fund:			
Cash	D-5	\$ 878,672.46	\$ 1,063,971.86
Cash - Change Fund	D-6	200.00	200.00
		<u>\$ 878,872.46</u>	<u>\$ 1,064,171.86</u>
Receivable with Full Reserves:			
Consumer Accounts Receivable	D-8	\$ 180,690.24	\$ 228,030.28
Sewer Utility Liens	D-9	813.44	613.44
	D	<u>\$ 181,503.68</u>	<u>\$ 228,643.72</u>
<u>Total of Operating Fund</u>		<u>\$ 1,060,376.14</u>	<u>\$ 1,292,815.58</u>
Capital Fund:			
Cash	D-5:D-10	\$ 100,846.27	\$ 100,846.27
Fixed Capital	D-15	24,988.17	24,988.17
Fixed Capital Authorized and Uncompleted	D-16	<u>190,000.00</u>	<u>190,000.00</u>
<u>Total of Capital Fund</u>		<u>\$ 315,834.44</u>	<u>\$ 315,834.44</u>
		<u>\$ 1,376,210.58</u>	<u>\$ 1,608,650.02</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-4:D-11	\$ 199,534.71	\$ 340,406.59
Accounts Payable	D-13	151,330.93	124,273.67
Overpayments	D-7	5,167.92	4,307.15
		<u>\$ 356,033.56</u>	<u>\$ 468,987.41</u>
Reserve for Receivable	D	181,503.68	228,643.72
Fund Balance	D-1	<u>522,838.90</u>	<u>595,184.45</u>
<u>Total of Operating Fund</u>		<u>\$ 1,060,376.14</u>	<u>\$ 1,292,815.58</u>
Capital Fund:			
Reserve for Capital Improvement Fund	D-12	\$ 77,955.00	\$ 77,955.00
Reserve for Amortization	D-14	214,988.17	214,988.17
Fund Balance	D-2	<u>22,891.27</u>	<u>22,891.27</u>
<u>Total of Capital Fund</u>		<u>\$ 315,834.44</u>	<u>\$ 315,834.44</u>
		<u>\$ 1,376,210.58</u>	<u>\$ 1,608,650.02</u>

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

BOROUGH OF MANVILLE

SEWER UTILITY FUND

STATEMENTS OF OPERATIONS AND CHANGE
IN OPERATING FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	<u>YEAR ENDED DECEMBER 31, 2011</u>	<u>YEAR ENDED DECEMBER 31, 2010</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Fund Balance Utilized	D-1:D-3	\$ 130,000.00	\$ 220,000.00
Sewer Use Charges	D-3	1,898,532.35	1,949,542.17
Miscellaneous	D-3	16,311.42	21,757.17
Accounts Payable Canceled			287.96
Overpayments Canceled	D-7	399.18	20.49
Unexpended Balance of Appropriation Reserves	D-11	<u>340,791.50</u>	<u>223,944.96</u>
<u>Total Income</u>		<u>\$ 2,386,034.45</u>	<u>\$ 2,415,552.75</u>
<u>EXPENDITURES</u>			
Operating	D-4	\$ 2,045,380.00	\$ 2,013,000.00
Deferred Charges and Statutory Expenditures	D-4	33,000.00	30,000.00
Surplus - General Budget	D-5	<u>250,000.00</u>	<u>150,000.00</u>
<u>Total Expenditures</u>		<u>\$ 2,328,380.00</u>	<u>\$ 2,193,000.00</u>
Excess to Fund Balance		\$ 57,654.45	\$ 222,552.75
Fund Balance, January 1	D	<u>595,184.45</u>	<u>592,631.70</u>
		\$ <u>652,838.90</u>	\$ <u>815,184.45</u>
Decreased by:			
Utilization by Sewer Operating Budget	D-1	<u>130,000.00</u>	<u>220,000.00</u>
Fund Balance, December 31	D	<u>\$ 522,838.90</u>	<u>\$ 595,184.45</u>

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

BOROUGH OF MANVILLE

SEWER UTILITY FUND

STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	
Balance, December 31, 2010 and December 31, 2011	D	\$ <u>22,891.27</u>

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

BOROUGH OF MANVILLE

SEWER UTILITY FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>BUDGET</u>	<u>BUDGET AFTER MODIFICATION</u>	<u>EXPENDED</u>	
			<u>PAID OR CHARGED</u>	<u>RESERVED</u>
Operating:				
Salaries and Wages	\$ 275,280.00	\$ 275,280.00	\$ 270,914.25	\$ 4,365.75
Other Expenses	175,000.00	175,000.00	111,499.88	63,500.12
Group Insurance	120,000.00	120,000.00	120,000.00	
Other Insurance	75,000.00	75,000.00	75,000.00	
Somerset Raritan Valley Sewerage Authority:				
Treatment Costs	1,400,000.00	1,400,000.00	1,268,431.16	131,568.84
<u>Total Operating</u>	<u>\$ 2,045,280.00</u>	<u>\$ 2,045,280.00</u>	<u>\$ 1,845,845.29</u>	<u>\$ 199,434.71</u>
Capital Improvements:				
Capital Outlay	\$ 100.00	\$ 100.00	\$	\$ 100.00
Statutory Expenditures:				
Social Security System (O.A.S.I.)	\$ 33,000.00	\$ 33,000.00	\$ 33,000.00	\$
	<u>\$ 2,078,380.00</u>	<u>\$ 2,078,380.00</u>	<u>\$ 1,878,845.29</u>	<u>\$ 199,534.71</u>
	<u>REF.</u>	D-3		D:D-1
Disbursements		D-5	\$ 1,727,514.36	
Accounts Payable		D-13	<u>151,330.93</u>	
		D-1	<u>\$ 1,878,845.29</u>	

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

GENERAL FIXED ASSETS ACCOUNT GROUP

"E"

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

	BALANCE DECEMBER <u>31, 2011</u>	BALANCE DECEMBER <u>31, 2010</u>
General Fixed Assets:		
Land	\$ 13,536,350.00	\$ 13,186,350.00
Buildings	7,734,150.00	7,687,850.00
Machinery and Equipment	<u>4,802,636.00</u>	<u>4,753,196.00</u>
<u>TOTAL FIXED ASSETS</u>	<u>\$ 26,073,136.00</u>	<u>\$ 25,627,396.00</u>
Investments in General Fixed Assets	<u>\$ 26,073,136.00</u>	<u>\$ 25,627,396.00</u>

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

NOTES TO FINANCIAL STATEMENTS

BOROUGH OF MANVILLE

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011 AND 2010

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Borough of Manville is an instrumentality of the State of New Jersey established to function as a municipality. The Borough Council consists of elected officials and is responsible for the fiscal control of the Borough.

Except as noted below, the financial statements of the Borough of Manville include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Borough of Manville, as required by N.J.S.A. 40A:5-5. Accordingly, the financial statements of the Borough of Manville do not include the operations of the municipal library or the local school district, inasmuch as their activities are administered by separate boards.

B. Description of Funds

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB codification establishes three fund types and two account groups to be used by general purpose governmental units when reporting financial position and results of operations in accordance with U.S. Generally Accepted Accounting Principles (GAAP).

The accounting policies of the Borough of Manville conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the financial transactions and accounts of the Borough of Manville are organized on the basis of funds and an account group which is different from the fund structure required by GAAP. A fund or account group is an accounting entity with a separate set of self-balancing accounts established to record the financial position and results of operation of a specific governmental activity. As required by the Division of Local Government Services, the Borough accounts for its financial transactions through the following individual funds and account group:

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Description of Funds (Continued)

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

Trust Fund - receipts, custodianship and disbursements of funds in accordance with the purpose of which each reserve was created.

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

Sewer Operating and Capital Funds - account for the operations and acquisition of capital facilities of the municipally-owned sewer utility.

General Fixed Assets Account Group - utilized to account for property, land, buildings and equipment that have been acquired by other governmental funds.

C. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the State of New Jersey differ in certain respects from generally accepted accounting principles applicable to local governmental units. The more significant accounting policies and differences in the State of New Jersey are as follows:

A modified accrual basis of accounting is followed with minor exceptions.

Revenues - are recorded when received in cash except for certain amounts which are due from other governmental units. Federal and state grants are realized as revenue when anticipated in the Borough's budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Borough's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Borough which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received. GAAP requires revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Expenditures - are recorded on the "budgetary" basis of accounting. Generally expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System.

Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements and constitute part of the Borough's regulatory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31st of each year 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. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis, whereas interest on utility indebtedness is on the accrual basis.

Encumbrances - contractual orders at December 31 are reported as expenditures through the establishment of encumbrances payable. Under GAAP, encumbrances outstanding at year end are reported as reservations of fund balance because they do not constitute expenditures or liabilities.

Foreclosed Property - foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. GAAP requires such property to be recorded in the General Fixed Assets Account Group at its market value.

Sale of Municipal Assets - the proceeds from the sale of municipal assets can be held in a reserve until anticipated as a revenue in a future budget. GAAP requires such proceeds to be recorded as a revenue in the year of sale.

Interfunds - interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves. GAAP does not require the establishment of an offsetting reserve.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

General Fixed Assets – N.J.A.C. 5:30-5.6, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles, requires the inclusion of a statement of general fixed assets of the Borough as part of its basic financial statements. General fixed assets are defined as nonexpendable personal property having a physical existence, a useful life of more than one year and an acquisition cost of \$5,000.00 or more per unit.

Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. No depreciation has been provided on general fixed assets or reported in the financial statements.

The Borough has developed a fixed assets accounting and reporting system based on an inspection and valuation prepared by an independent appraisal firm. Fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Land is stated at the assessed value contained in the Borough's most recent property revaluation. Buildings are stated at the most recent insurance replacement value. General Fixed Assets that have been acquired and are utilized in a governmental fund operation are accounted for in the General Fixed Assets Account Group rather than in a governmental fund.

Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation.

Fixed assets acquired through grants in aid or contributed capital have not been accounted for separately.

Inventories of Supplies - the cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories are not included on the various balance sheets. GAAP requires the cost of inventories to be reported as a current asset and equally offset by a fund balance reserve.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Fixed Capital - Sewer Utility

Accounting for utility fund "fixed capital" remains unchanged under the requirements of N.J.A.C. 5:30-5.6.

Property and equipment purchased by the Sewer Utility Fund are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent reproduction costs or current value. The fixed capital reported is as taken from the municipal records and does not necessarily reflect the true condition of such fixed capital. Contributions in aid of construction are not capitalized. The balance in the Reserve for Amortization account in the utility capital fund represent charges to operations for the cost of acquisitions of property, equipment and improvements. The utility does not record depreciation on fixed assets.

D. Basic Financial Statements

The GASB codification also defines the financial statements of a governmental unit to be presented in the general purpose financial statements to be in accordance with GAAP. The Borough presents the financial statements listed in the table of contents of the "Requirements of Audit and Accounting Revision of 1987" as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which differ from the financial statements required by GAAP.

NOTE 2: CASH AND CASH EQUIVALENTS

The Borough considers petty cash, change funds, cash in banks and certificates of deposit as cash and cash equivalents.

A. Deposits

New Jersey statutes permit the deposit of public funds in institutions which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA) or the State of New Jersey Cash Management Fund. GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. All collateral must be deposited with the Federal Reserve Bank or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.00.

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

A. Deposits (Continued)

The Borough of Manville had the following cash and cash equivalents at December 31, 2011:

	Change Fund	Cash in Bank	Additions	Deletions	Reconciled Balance
Cuurent Fund	\$800.00	\$2,832,118.57	\$14,169.20	\$48,102.31	\$2,798,185.46
Animal Contol Fund		9,035.28			9,035.28
Trust Other Fund		720,320.57		26,496.45	693,824.12
General Capital Fund		735,189.85			735,189.85
Sewer Operating Fund	200.00	880,386.21	3,109.75	4,823.50	878,672.46
Sewer Capital Fund		101,144.62		298.35	100,846.27
	<u>\$1,000.00</u>	<u>\$5,278,195.10</u>	<u>\$17,278.95</u>	<u>\$79,720.61</u>	<u>\$5,215,753.44</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The Borough does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of December 31, 2011, based upon the coverage provided by FDIC and NJ GUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on balance in the bank, \$500,000.00 was covered by Federal Depository Insurance and \$4,778,195.10 was covered under the provisions of NJ GUDPA.

B. Investments

The purchase of investments by the Borough are strictly limited by the express authority of the New Jersey Local Fiscal Affairs Law, N.J.S.A. 40A:5-15.1. Permitted investments include any of the following type of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments (Continued)

2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a-1 et seq., and operated in accordance with 17 C.F.R. § 270.2a-7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. These funds are also required to be rated by a nationally recognized statistical rating organization.
3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located.
5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Investment of the Department of Treasury for investment by Local Units;
6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization.
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C. 52:18A-90.4); or

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments (Continued)

8. Agreements for the repurchase of fully collateralized securities if:
 - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
 - b. the custody of collateral is transferred to a third party;
 - c. the maturity of the agreement is not more than 30 days;
 - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C. 17:19-41); and
 - e. a master repurchase agreement providing for the custody and security of collateral is executed.

The Borough of Manville's investment activities during the year were in accordance with the above New Jersey Statute.

NOTE 3: LONG-TERM DEBT

The Local Bond Law, Chapter 40A:2, governs the issuance of bonds to finance general municipal capital expenditures. All bonds are retired in annual installments within the regulatory period of usefulness. All bonds issued by the Borough are general obligation bonds, backed by the full faith and credit of the Borough. Bond Anticipation Notes, which are issued to temporarily finance capital projects, shall mature and be paid off within ten years or financed by the issuance of bonds.

NOTE 3: LONG-TERM DEBT (CONTINUED)

SUMMARY OF MUNICIPAL DEBT

	<u>YEAR 2011</u>	<u>YEAR 2010</u>	<u>YEAR 2009</u>
Issued:			
General:			
Bonds and Notes	<u>\$8,030,046.63</u>	<u>\$9,146,597.52</u>	<u>\$9,200,452.03</u>
Net Debt Issued	<u>\$8,030,046.63</u>	<u>\$9,146,597.52</u>	<u>\$9,200,452.03</u>
Authorized But Not Issued:			
General:			
Bonds and Notes	<u>\$1,279,798.82</u>	<u>\$574,798.82</u>	<u>\$1,575,798.82</u>
<u>TOTAL BONDS AND NOTES ISSUED AND AUTHORIZED BUT NOT ISSUED</u>	<u>\$9,309,845.45</u>	<u>\$9,721,396.34</u>	<u>\$10,776,250.85</u>

SUMMARY OF STATUTORY DEBT CONDITION
ANNUAL DEBT STATEMENT

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 0.83%.

	<u>GROSS DEBT</u>	<u>DEDUCTIONS</u>	<u>NET DEBT</u>
Local School District Debt	\$914,000.00	\$914,000.00	
General Debt	<u>9,309,845.45</u>		<u>\$9,309,845.45</u>
	<u>\$10,223,845.45</u>	<u>\$914,000.00</u>	<u>\$9,309,845.45</u>

NET DEBT \$9,309,845.45 DIVIDED BY EQUALIZED VALUATION BASIS PER N.J.S.A. 40A:2-2, AS AMENDED, \$1,114,414,793.33 EQUALS 0.83%.

NOTE 3: LONG-TERM DEBT (CONTINUED)

BORROWING POWER UNDER N.J.S.A. 40A:2-6 AS AMENDED

Equalized Valuation Basis* - December 31, 2011	<u>\$1,114,414,793.33</u>
3-1/2% of Equalized Valuation Basis	\$39,004,517.77
Net Debt	<u>9,309,845.45</u>
Remaining Borrowing Power	<u>\$29,694,672.32</u>

*Equalized Valuation Basis is the average of the equalized valuation of real estate, including improvements, and the assessed valuation of Class II Rail Road Property of the Borough of Manville for the last three (3) preceding years.

CALCULATION OF "SELF-LIQUIDATING PURPOSE"
SEWER UTILITY PER N.J.S.A. 40A:2-45

Cash Receipts from Surplus, Fees, Rents, or Other Charges for Year	\$2,044,843.77
Deductions:	
Operating and Maintenance Costs	<u>2,078,280.00</u>
Deficit in Revenues (not self liquidating)	<u>\$ (33,436.23)</u>

NOTE 3: LONG-TERM DEBT (CONTINUED)

LONG-TERM DEBT

New Jersey Wastewater Treatment Financing Program Loan Payable:

\$645,692.00 1993 Loans due in bi-annual installments of \$767.71 to \$33,523.32 through August 2013	<u>\$67,046.63</u>
	<u><u>\$67,046.63</u></u>

New Jersey Wastewater Treatment Trust Financing Program Loan Payable:

\$655,000.00 Refunding Bonds of 1992 due in annual installments of \$35,000.00 to \$50,000.00 through February 2013 at an interest rate of 4.60% to 4.80%	<u>\$100,000.00</u>
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NOTE 3: LONG-TERM DEBT (CONTINUED)

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST
FOR BONDED DEBT ISSUED AND OUTSTANDING DECEMBER 31, 2011

<u>CALENDAR YEAR</u>	<u>GENERAL</u>		<u>TOTAL</u>
	<u>PRINCIPAL</u>	<u>INTEREST</u>	
2012	\$775,000.00	\$203,692.50	\$978,692.50
2013	710,000.00	172,792.50	882,792.50
2014	745,000.00	142,480.00	887,480.00
2015	755,000.00	110,580.00	865,580.00
2016	765,000.00	77,442.50	842,442.50
2017	780,000.00	43,730.00	823,730.00
2018	648,000.00	13,365.00	661,365.00
	<u>\$5,178,000.00</u>	<u>\$764,082.50</u>	<u>\$5,942,082.50</u>

BOND ANTICIPATION NOTES

Outstanding Bond Anticipation Notes are summarized as follows:

	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Amount</u>
General Capital Fund	1.30%	06/29/12	<u>\$2,700,000.00</u>
			<u>\$2,700,000.00</u>

NOTE 3: LONG-TERM DEBT (CONTINUED)

STATEMENT OF ANNUAL DEBT FOR WASTEWATER TREATMENT

<u>CALENDAR YEAR</u>	<u>STATE PRINCIPAL</u>	<u>TRUST PRINCIPAL</u>	<u>TRUST INTEREST</u>	<u>TOTAL</u>
2012	\$34,391.03	\$50,000.00	\$3,600.00	\$87,991.03
2013	<u>32,755.60</u>	<u>50,000.00</u>	<u>1,200.00</u>	<u>83,955.60</u>
	<u>\$67,146.63</u>	<u>\$100,000.00</u>	<u>\$4,800.00</u>	<u>\$171,946.63</u>

The Borough entered into various agreements with the State of New Jersey and the New Jersey Wastewater Treatment Trust in order to secure loans for the purpose of funding allowable costs of various Wastewater Improvement Projects. Under the terms of the agreements any unexpended funds from the Trust Loan Fund would be held and invested by the State of New Jersey and be applied to the payment of debt on an annual basis.

NOTE 4: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2011, which were appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2012, as introduced were as follows:

Current Fund	\$1,350,000.00
Sewer Utility Fund	\$ 145,000.00

NOTE 5: PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied based on the final adoption of the current year municipal budget, and are payable in four installments on February 1, May 1, August 1 and November 1. The Borough bills and collects its own property taxes and also the taxes for the County and the Local School District. The collections and remittance of county and school taxes are accounted for in the Current Fund. Borough property tax revenues are recognized when collected in cash and any receivables are recorded with offsetting reserves on the balance sheet of the Borough's Current Fund:

	BALANCE DECEMBER 31, 2011	BALANCE DECEMBER 31, 2010
Prepaid Taxes	<u>\$376,422.67</u>	<u>\$337,389.24</u>

NOTE 6: PENSION PLANS

Borough employees, who are eligible for a pension plan, are enrolled in one of three pension systems administered by the Division of Pensions, Treasury Department of the State of New Jersey. The plans are: the Public Employees' Retirement System, the Police and Firemen's Retirement System, and Defined Contribution Retirement Program (DCRP). The Division annually charges participating government units for their respective contributions to the plans based upon actuarial methods. Certain portions of the cost are contributed by the employees. The Borough's share of pension costs, which is based upon the annual billings received from the State, amounted to \$864,953.96 for 2011, \$733,089.50 for 2010 and \$369,675.35 for 2009.

Certain Borough employees are also covered by the Federal Insurance Contribution Act.

Information as to the comparison of the actuarially computed value of vested benefit with the system's assets is not available from the State Retirement System and, therefore, is not presented.

NOTE 7: COMPENSATED ABSENCES

Under the existing policy of the Borough, employees are allowed to accumulate unused sick pay over the life of their working careers which may be taken as time off at a later date. The accumulated cost of such unpaid compensation is not required to be reported in the financial statements as presented and has not been determined, but is probably material. The Borough annually appropriates the amounts that are required to be paid in that year's budget and no liability is accrued at December 31, 2011.

NOTE 8: LITIGATION

The Borough is involved in several pending legal proceedings, the impact on the financial statements of which, either individually or in the aggregate, in the opinion of the Borough's legal counsel would not be material.

NOTE 9: CONTINGENT LIABILITIES

The Borough participates in several federal and state financial assistance grant programs. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditures of funds for eligible purposes. These programs are subject to compliance and financial audits by the grantors or their representatives. As of December 31, 2011, the Borough does not believe that any material liabilities will result from such audits.

NOTE 10: TAX APPEALS

There are several tax appeals filed requesting a reduction of assessments for 2011 and prior years. Any reduction in assessed valuation will result in a refund of prior year's taxes in the year of settlement, which may be funded from tax revenues through the establishment of a reserve or by the issuance of refunding bonds per N.J.S.A. 40A:2-51.

NOTE 11: RISK MANAGEMENT

The Borough is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Borough maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Borough. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

New Jersey Unemployment Compensation Insurance - The Borough has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Borough is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Borough is billed quarterly for amounts due to the State. Below is a summary of Borough contributions, employee contributions, reimbursements to the State for benefits paid, and the ending balance of the Borough's expendable trust fund for the current and previous two years:

<u>Year</u>	<u>Borough Contributions / Interest Earned</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2011	\$ 1,127.99	\$ 5,617.93	\$ 23,567.49	\$ 58,426.09
2010	836.47	4,053.08	35,104.85	75,247.66
2009	72,274.53	5,539.41	40,166.10	105,462.96

NOTE 12: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at December 31, 2011:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund	\$ 1,615.28	\$ 9,866.17
Animal Control Fund		1,615.28
Trust Other Fund	9,766.17	
General Capital Fund	100.00	
	<u>\$ 11,481.45</u>	<u>\$ 11,481.45</u>

All Interfund balances resulted from the time lag between the dates that payments between funds are made.

NOTE 13: DEFERRED COMPENSATION PLAN

The Borough offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Borough employees, permits them to defer a portion of their salaries until future years. The Borough does not make any contribution to the plan. The deferred compensation is not available to employees until retirement, death, disability, termination or financial hardships.

In accordance with the requirements of the Small Business Job Protection Act of 1996 and the funding requirements of Internal Revenue Code Section 457(g), the Borough's Plan was amended to require that all amounts of compensation deferred under the Plan are held for the exclusive benefits of plan participants and beneficiaries. All assets and income under the Plan are held in trust, in annuity contracts or custodial accounts.

The Plan is administered by the AIG Retirement (AIG) and AXA-Equitable.

The accompanying financial statements do not include the Borough's Deferred Compensation Plan activities. The Borough's Deferred Compensation Plan financial statements are contained in a separate review report.

NOTE 14: LENGTH OF SERVICE AWARDS PROGRAM

During 2003, the Borough of Manville adopted an ordinance establishing a Length of Service Awards Program for the members of the Manville Fire Department and the Manville First Aid/Rescue Squad pursuant to N.J.S.A. 40A:14-183 *et seq.*

Under this program, each volunteer of the Manville Fire Department that performs the minimum amount of service will have an annual amount up to \$1,150.00 deposited into a tax deferred income account that will earn interest for the volunteer. Each volunteer of the Manville First Aid/Rescue Squad that performs the minimum amount of service will have an amount up to \$1,150.00 deposited into a tax deferred income account for the volunteer. The Borough's costs amounted to \$20,025.00 in 2011, \$8,900.00 in 2010 and \$14,100.00 in 2009.

The accompanying financial statements do not include the Borough's Length of Service Awards Program's activities. The Borough's Length of Service Awards Program's financial statements are contained in a separate review report, as required by state regulations.

NOTE 15: GASB 45: OTHER POST-EMPLOYMENT BENEFITS (UNAUDITED)

The Borough provides Post Retirement Benefits to certain employees, per the terms of their various labor agreements, who have retired from the Borough after twenty-five (25) years of service.

During the year ended December 31, 2011 there were no Borough employees who received benefits under this plan.

Commencing with the year ending December 31, 2009 the above noted post employment benefits require the Borough to implement the note disclosure provision of GASB Statement 45, "Accounting and Financial Reporting by Employers for Post Employment Benefits Other Than Pension." This statement which was adopted during 2004 by the Government Accounting Standard Board (GASB) requires the Borough to disclose in the notes of the financial statements the future cost of the other post employment benefits (OPEB) on a present value basis instead of the present pay as you go method. OPEB obligations are non-pension benefits that the Borough has contractually agreed to provide employees once they have retired.

NOTE 16: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING YEAR'S BUDGET

	Balance December 31, <u>2010</u>	Resulting in <u>2011</u>	Raised in 2011 <u>Budget</u>	Balance Deferral To Succeeding <u>Years</u>
Current Fund:				
Emergency Appropriation				
- Fire Rescue Boat	\$1,938.00		\$1,938.00	
- Hurricane Irene		\$500,000.00		\$500,000.00
- Repairs to Fire Truck		30,000.00		30,000.00
	<u>\$1,938.00</u>	<u>\$530,000.00</u>	<u>\$1,938.00</u>	<u>\$530,000.00</u>

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BOROUGH OF MANVILLE

SUPPLEMENTARY SCHEDULES – ALL FUNDS

YEAR ENDED DECEMBER 31, 2011

BOROUGH OF MANVILLECURRENT FUNDSCHEDULE OF CASH-TREASURER

	<u>REF.</u>		
Balance, December 31, 2010	A		\$ 2,915,060.84
Increased by Receipts:			
Taxes Receivable	A-8	\$ 24,500,185.56	
Tax Overpayments	A-23	26,811.07	
Prepaid Taxes	A-22	362,292.23	
2011 Appropriation Refunds	A-3	413,431.87	
2010 Appropriation Reserve Refunds	A-16	11,210.28	
Tax Title Liens	A-7	8,050.23	
Senior Citizens and Veterans Deductions	A-9	169,221.61	
Miscellaneous Revenue Not Anticipated	A-2	336,562.65	
Petty Cash	A-5	950.00	
Revenue Accounts Receivable	A-13	2,750,617.77	
Reserve for Police Outside Overtime	A-21	242,778.82	
Reserve for Grants-Unappropriated	A-14	16,847.14	
Interfunds	A-12	17,490.95	
Grants Receivable	A-15	185,933.24	
Reserve for Grants-Appropriated	A-19	219.00	
		<u>29,042,602.42</u>	
			\$ <u>31,957,663.26</u>
Decreased by Disbursements:			
2011 Appropriations	A-3	\$ 11,770,351.45	
2010 Appropriation Reserves	A-16	262,424.72	
Refund of Other Licenses	A-2	100.00	
Refund of Tax Overpayments	A-23	30,962.22	
Interfunds	A-12	76,115.56	
County Taxes	A-17	3,539,893.22	
Local District School Tax	A-18	13,130,251.00	
Reserve for Police Outside Overtime	A-21	242,778.82	
Reserve for Grants-Appropriated	A-19	96,602.48	
Reserve for Accounts Payable	A-24	3,823.33	
Reserve for Length of Service Award Program	A-25	5,225.00	
Petty Cash	A-5	950.00	
		<u>29,159,477.80</u>	
Balance, December 31, 2011	A		\$ <u>2,798,185.46</u>

"A-5"

BOROUGH OF MANVILLE

CURRENT FUND

SCHEDULE OF PETTY CASH

	<u>RECEIPTS</u>	<u>DISBURSEMENTS</u>
Borough Clerk	\$ 350.00	\$ 350.00
Police	200.00	200.00
Public Works	200.00	200.00
Police - Narcotics Enforcement	200.00	200.00
	<u>950.00</u>	<u>950.00</u>
<u>REF.</u>	A-4	A-4

"A-6"

SCHEDULE OF CHANGE FUNDS

	<u>BALANCE DECEMBER 31, 2010 AND 2011</u>
Tax Collector	\$ 200.00
Board of Health	100.00
Recreation	50.00
Clerk	50.00
Municipal Court	400.00
	<u>800.00</u>
<u>REF.</u>	A

BOROUGH OF MANVILLE

CURRENT FUND

SCHEDULE OF TAX TITLE LIENS

	<u>REF.</u>		
Balance, December 31, 2010	A		\$ 45,442.75
Increased by:			
Transferred from 2011 Taxes	A-8	\$ 12,833.97	
Interest and Costs on Tax Sale		<u>2,084.00</u>	
			<u>14,917.97</u>
			\$ 60,360.72
Decreased by:			
Receipts	A-4		<u>8,050.23</u>
Balance, December 31, 2011	A		<u>\$ 52,310.49</u>

BOROUGH OF MANVILLE

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

<u>YEAR</u>	<u>BALANCE</u>	<u>2011</u>	<u>ADDED</u>	<u>COLLECTION BY CASH</u>		<u>CANCELED</u>	<u>TRANSFERRED</u>	<u>OVERPAYMENTS</u>	<u>BALANCE</u>
	<u>DECEMBER</u>			<u>LEVY</u>	<u>2010</u>				<u>2011</u>
	<u>31, 2010</u>						<u>TO LIENS</u>	<u>APPLIED</u>	<u>31, 2011</u>
Prior	\$ 532,914.34	\$	\$ 6,250.00	\$	\$ 538,938.88	\$ 224.36	\$	\$	\$ 1.10
	\$ 532,914.34	\$	\$ 6,250.00	\$	\$ 538,938.88	\$ 224.36	\$	\$	\$ 1.10
2010		25,207,717.00		337,389.24	24,137,994.97	120,676.39	12,833.97	4,466.36	594,356.07
	\$ 532,914.34	\$ 25,207,717.00	\$ 6,250.00	\$ 337,389.24	\$ 24,676,933.85	\$ 120,900.75	\$ 12,833.97	\$ 4,466.36	\$ 594,357.17
<u>REF.</u>	A			A-2; A-22	A-2		A-7	A-2; A-23	A
			<u>REF.</u>						
Cash Collector			A-4		\$ 24,500,185.56				
State Share of 2011 Senior Citizens and Veterans Deductions			A-9		176,748.29				
					\$ 24,676,933.85				

ANALYSIS OF 2011 PROPERTY TAX LEVY

TAX YIELD

General Purpose Tax		\$ 25,182,876.08
Added Taxes (54-63.1 et seq.)		24,840.92
		<u>\$ 25,207,717.00</u>

TAX LEVY

Local District School Tax (Abstract)	A-18	\$ 13,130,255.00
County Taxes:		
County Taxes (Abstract)		\$ 3,199,739.67
County Open Space Taxes		336,433.27
County Added Taxes		3,720.28
<u>TOTAL COUNTY TAXES</u>	A-17	3,539,893.22
Local Tax for Municipal Purposes (Abstract)	A-2	\$ 8,504,953.17
Add: Additional Tax Levied		32,615.61
Local Tax for Municipal Purposes Levied		8,537,568.78
		<u>\$ 25,207,717.00</u>

BOROUGH OF MANVILLE

CURRENT FUND

SCHEDULE OF DUE FROM STATE OF NEW JERSEY
PER CHAPTER 20, P.L. 1971

	<u>REF.</u>		
Balance, December 31, 2010 (Due From)	A	\$	87,682.34
Increased by:			
Senior Citizens and Veterans Deductions Per Tax Billings		\$	174,750.00
Senior Citizens and Veterans Deductions Allowed by Tax Collector			<u>3,996.79</u>
			178,746.79
		\$	<u>266,429.13</u>
Decreased by:			
Senior Citizens Deductions Disallowed by Tax Collector		\$	1,998.50
Received in Cash From State	A-4		<u>169,221.61</u>
			<u>171,220.11</u>
Balance, December 31, 2011 (Due From)	A	\$	<u>95,209.02</u>

CALCULATION OF STATE'S SHARE OF
2011 SENIOR CITIZENS DEDUCTIONS
ALLOWED BY COLLECTOR (CHAPTER 20, P.L. 1971)

Senior Citizens Deductions Per Tax Billings		\$	48,500.00
Veterans Deductions Per Tax Billings			126,250.00
Senior Citizens and Veterans Deductions Allowed by Tax Collector			<u>3,996.79</u>
		\$	<u>178,746.79</u>
Less: Senior Citizens Deductions Disallowed by Collector			<u>1,998.50</u>
	A-8	\$	<u>176,748.29</u>

"A-10"

BOROUGH OF MANVILLE

CURRENT FUND

SCHEDULE OF RESERVE FOR PROPERTY ACQUIRED FOR TAXES

REF.

Balance, December 31, 2010
and December 31, 2011

A

\$ 196,229.11

"A-11"

SCHEDULE OF RESERVE FOR SALE
OF MUNICIPAL ASSETS

Balance, December 31, 2010
and December 31, 2011

A

\$ 343.33

BOROUGH OF MANVILLE

CURRENT FUND

SCHEDULE OF INTERFUNDS

	<u>REF.</u>	<u>TOTAL</u>	<u>ANIMAL CONTROL TRUST FUND</u>	<u>OTHER TRUST FUND</u>	<u>GENERAL CAPITAL FUND</u>
Balance, December 31, 2010:					
Interfunds Receivable	A	\$ 17,186.87	\$ 1,759.05	\$ 15,427.82	
Interfunds Payable	A	75,309.70			\$ 75,309.70
Receipts	A-4	17,490.95	1,759.05	15,631.90	100.00
Cancel		10,365.95		10,365.95	
Disbursements	A-4	76,115.56	2.00	803.86	75,309.70
Transfer	A-2	<u>1,613.28</u>	<u>1,613.28</u>		
Balance, December 31, 2011:					
Interfunds Receivable	A	\$ 1,615.28	\$ 1,615.28		
Interfunds Payable	A	<u>9,866.17</u>		<u>9,766.17</u>	<u>100.00</u>

BOROUGH OF MANVILLE

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2010</u>	<u>ACCRUED</u> <u>IN 2011</u>	<u>COLLECTED</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2011</u>
Clerk:					
Licenses:					
Alcohol Beverages	A-2	\$	\$ 14,656.00	\$ 14,656.00	\$
Other Licenses	A-2	175.00	7,736.00	7,891.00	20.00
Fees and Permits	A-2	478.05	26,844.10	26,670.15	652.00
Police Department:					
Fees and Permits	A-2	17.40	480.41	467.64	30.17
Planning Board/Board of Adjustment:					
Fees and Permits	A-2		11,156.56	11,156.56	
Zoning:					
Fees and Permits	A-2	225.00	2,525.00	2,605.00	145.00
Health Officer:					
Other Licenses	A-2		16,329.00	15,386.00	943.00
Fees and Permits	A-2		2,260.25	1,610.25	650.00
Construction Code Official:					
Fees and Permits	A-2	6,248.00	75,034.00	77,319.00	3,963.00
Fire:					
Fees and Permits	A-2		10,898.00	10,898.00	
Engineering:					
Fees and Permits	A-2		500.00	500.00	
Building/ Fire Inspection Fees:					
Fees and Permits	A-2	510.00	9,410.00	8,890.00	1,030.00
Registrar:					
Other Licenses	A-2	9.00	195.00	204.00	
Fees and Permits	A-2	1,920.00	16,960.00	16,720.00	2,160.00
Municipal Court:					
Fines and Costs	A-2	9,588.81	121,821.46	124,356.88	7,053.39
Interest and Costs on Taxes	A-2		96,540.97	96,540.97	
Interest on Investments and Deposits	A-2	70.29	12,629.05	12,673.28	26.06
Utility Operating Surplus Prior Year	A-2		250,000.00	250,000.00	
Consolidated Municipal Property Tax Relief Aid	A-2		573,841.00	573,841.00	
Energy Receipts Tax	A-2		1,035,134.00	1,035,134.00	
Assessment of Taxes - Boro of Raritan	A-2		44,284.16	44,284.16	
Cable TV Franchise Fee	A-2		78,433.00	78,433.00	
Verizon Franchise Fee	A-2		31,393.61	31,393.61	
Capital Surplus	A-2		100,000.00	100,000.00	
Library Administrative Fee	A-2		35,000.00	35,000.00	
FEMA Reimbursement - Snowstorm	A-2		22,113.29	22,113.29	
FEMA Reimbursement - Flood	A-2		133,280.10	133,280.10	
Uniform Fire Safety Act	A-2		18,593.88	18,593.88	
		<u>\$ 19,241.55</u>	<u>\$ 2,748,048.84</u>	<u>\$ 2,750,617.77</u>	<u>\$ 16,672.62</u>
<u>REF.</u>		<u>A</u>		<u>A-4</u>	<u>A</u>

BOROUGH OF MANVILLE

CURRENT FUND

SCHEDULE OF GRANTS AND STATE AID UNAPPROPRIATED

	BALANCE DECEMBER <u>31, 2009</u>	<u>RECEIPTS</u>	APPLIED TO <u>RECEIVABLE</u>	BALANCE DECEMBER <u>31, 2010</u>
DDEF	\$ 4,751.76	\$ 4,472.58	\$ 4,751.76	\$ 4,472.58
Youth Services - 2011		5,000.00		5,000.00
Office of Emergency Management - 2011		5,000.00		5,000.00
Body Armor Replacement Program	<u>3,271.82</u>	<u>2,374.56</u>	<u>3,271.82</u>	<u>2,374.56</u>
	<u>\$ 8,023.58</u>	<u>\$ 16,847.14</u>	<u>\$ 8,023.58</u>	<u>\$ 16,847.14</u>
<u>REF.</u>	A	A-4	A-15	A

BOROUGH OF MANVILLE

CURRENT FUND

SCHEDULE OF GRANTS RECEIVABLE

	BALANCE DECEMBER 31, 2010	2011 BUDGET ANTICIPATED REVENUE	RECEIPTS	UNAPPROPRIATED RESERVE APPLIED	CANCELED	BALANCE DECEMBER 31, 2011
Office of Emergency Management	\$ 5,000.00	\$	\$	\$	\$ 5,000.00	\$
Click It or Ticket Program	4,000.00	4,000.00	4,000.00		4,000.00	
Clean Communities Program		17,726.62	17,726.62			
Recycling Tonnage Grant		24,051.89	24,051.89			
Drunk Driving Enforcement Fund		4,751.76		4,751.76		
D.O.T. - 13th Avenue	225,000.00		113,411.99			111,588.01
Municipal Alliance Alcohol & Drug Abuse	2,930.76	9,696.00	10,609.82		(5,157.21)	7,174.15
Alcohol Education Rehabilitation Fund		323.61	323.61			
Body Armor Replacement Fund		3,271.82		3,271.82		
Federal Bulletproof Vest Partnership	421.87				421.87	
Cell Phone Enforcement Grant		8,000.00	5,700.00			2,300.00
Manville Summer Adventure Challenge	6,500.00				6,500.00	
Child Passenger Safety Grant	850.08	4,500.00	4,499.81		850.27	
Business Stimulus Fund	6,915.00		5,609.50			1,305.50
	<u>\$ 251,617.71</u>	<u>\$ 76,321.70</u>	<u>\$ 185,933.24</u>	<u>\$ 8,023.58</u>	<u>\$ 11,614.93</u>	<u>\$ 122,367.66</u>
<u>REF.</u>	A	A-2	A-4	A-14		A

BOROUGH OF MANVILLE

CURRENT FUND

SCHEDULE OF 2010 APPROPRIATION RESERVES

	BALANCE DECEMBER <u>31, 2010</u>	BALANCE AFTER <u>TRANSFERS</u>	PAID OR <u>CHARGED</u>	BALANCE <u>LAPSED</u>
<u>SALARIES AND WAGES:</u>				
Administrative & Executive	\$ 65.19	\$ 65.19	\$	\$ 65.19
Mayor & Council	354.67	354.67		354.67
Legal Services and Costs	0.18	0.18		0.18
Police	9,641.05	9,641.05	2,707.78	6,933.27
Municipal Court	109.25	109.25		109.25
Board of Health	228.10	228.10		228.10
Recreation	232.00	232.00		232.00
Property Maintenance	56.51	56.51		56.51
<u>OTHER EXPENSES:</u>				
Administrative and Executive	1,507.47	5,979.86	2,377.35	3,602.51
Mayor & Council	2,975.00	1,025.75	1,006.35	19.40
Financial Administration	400.67	200.67	164.00	36.67
Audit Services	375.00	375.00		375.00
Assessment of Taxes	1,262.18	8,598.82	7,932.82	666.00
Collection of Taxes	721.46	979.16	421.38	557.78
Legal Services and Costs	2,209.45	7,336.45	5,196.14	2,140.31
Engineering Services & Costs	66.08	571.51	505.43	66.08
Public Buildings and Grounds	86.90	5,409.69	4,814.74	594.95
Planning Board	55.29	1,217.57	1,162.28	55.29
Zoning Commission		650.00	650.00	
Fire	38.23	4,861.73	4,229.50	632.23
Police	8.00	17,645.86	17,275.73	370.13
Municipal Court	156.58	5,275.05	4,872.74	402.31
Emergency Management	632.85	1,504.53	1,504.53	
Public Works Department	15.54	100,655.92	93,571.83	7,084.09
Board of Health	34.35	540.07	429.24	110.83
Bloodborne Pathogens	100.00	100.00		100.00
Recreation	79.80	4,332.92	4,126.37	206.55
Celebration of Events, Anniversary, or Holiday	18.13	18.13		18.13
Contributions to Youth Services Commission	3,000.00	3,000.00	3,000.00	
Construction Office	334.28	1,079.30	250.00	829.30
Property Maintenance	60.39	60.39		60.39
Uniform Fire Safety Act		75.00	75.00	
Gasoline & Fuel	5.57	7,523.96	5,932.58	1,591.38
Electricity	16,601.83	20,918.26	20,254.47	663.79
Natural Gas	4,287.65	6,948.61	6,948.61	
Telephone	498.75	10,860.57	10,336.89	523.68
Street Lighting	16,450.10	33,053.53	33,053.53	
Fire Hydrant Service	784.32	784.32		784.32
Water	2,159.54	2,361.15	822.56	1,538.59

BOROUGH OF MANVILLE

CURRENT FUND

SCHEDULE OF 2010 APPROPRIATION RESERVES

	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2010</u>	<u>BALANCE</u> <u>AFTER</u> <u>TRANSFERS</u>	<u>PAID</u> <u>OR</u> <u>CHARGED</u>	<u>BALANCE</u> <u>LAPSED</u>
<u>OTHER EXPENSES (CONTINUED):</u>				
Contingent	\$ 1,000.00	\$ 1,000.00	\$	\$ 1,000.00
Maintenance of Free Public Library	14,707.47	14,707.47	14,707.47	
Social Security System	6,914.79	6,914.79		6,914.79
Assessment of Taxes (Borough of Raritan)	19.64	19.64		19.64
Length of Service Awards Program	20,000.00	20,000.00	14,800.00	5,200.00
Group Insurance Plan for Employees	5,386.42	4,086.42	3,052.82	1,033.60
Other Insurance Premiums	1,178.61	178.61		178.61
Workmen Comp Insurance	850.50	850.50		850.50
Health Services Contract - Somerville & Raritan	44.25	44.25		44.25
Health Services Contract - County of Somerset	0.03	10,390.69	10,390.66	0.03
Police and Firemen's Retirement System of NJ	1.00	1.00		1.00
Animal Control Contact - Twp. Of Bridgewater and Borough of Raritan	3,130.00	3,130.00		3,130.00
DCRP	772.50	772.50	626.78	145.72
	<u>\$ 119,617.57</u>	<u>\$ 326,726.60</u>	<u>\$ 277,199.58</u>	<u>\$ 49,527.02</u>

REF.

A

A-1

Balance, December 31, 2010
Accounts Payable

A-16
A-24

\$ 119,617.57
207,109.03
\$ 326,726.60

Disbursements
Accounts Payable

A-4
A-24

\$ 262,424.72
25,985.14
\$ 288,409.86

Less: Refunds

A-4

11,210.28
\$ 277,199.58

"A-17"

BOROUGH OF MANVILLE

CURRENT FUND

SCHEDULE OF COUNTY TAXES PAYABLE

	<u>REF.</u>		
Increased by:			
2011 Tax Levy		\$ 3,536,172.94	
Added Taxes		<u>3,720.28</u>	
	A-1:A-2:A-8		\$ 3,539,893.22
Decreased by:			
Payments	A-4		\$ <u>3,539,893.22</u>

"A-18"

SCHEDULE OF LOCAL DISTRICT SCHOOL TAX PAYABLE

Increased by:			
Levy Year 2011 - (Calendar Year)	A-1:A-2:A-8		\$ 13,130,255.00
Decreased by:			
Disbursements	A-4		<u>13,130,251.00</u>
Balance, December 31, 2011	A		\$ <u><u>4.00</u></u>

BOROUGH OF MANVILLE

CURRENT FUND

SCHEDULE OF GRANTS-APPROPRIATED

	BALANCE DECEMBER 31, 2010	TRANSFERRED FROM 2011 BUDGET APPROPRIATIONS	DISBURSEMENTS	ACCOUNTS PAYABLE	CANCELED	BALANCE DECEMBER 31, 2011
Emergency Management Assistance Program	\$ 333.55		\$ 333.55			
Emergency Management Assistance Program	4,680.00		4,680.00			
Office of Emergency Management	3,900.00		3,051.51	(1,100.00)		1,948.49
Office of Emergency Management	3,076.90			1,990.00		1,086.90
Click It or Ticket Program		4,000.00	3,800.00		200.00	
N.J. DOT - 13th Avenue	225,000.00					225,000.00
Alcohol Education Rehabilitation - 2008	678.46		300.01			378.45
Alcohol Education Rehabilitation - 2010	928.19					928.19
Alcohol Education Rehabilitation - 2011		323.61	207.75	115.86		
Drunk Driving Enforcement Fund - 2009	5,786.96		447.59			5,339.37
Drunk Driving Enforcement Fund - 2010	5,952.08					5,952.08
Drunk Driving Enforcement Fund - 2011		4,751.76	4,126.30			625.46
Clean Communities Program - 2010	6,924.00		10,993.98	(4,069.98)		
Clean Communities Program - 2011		17,726.62	6,449.53	1,797.50		9,479.59
Body Armor Replacement Fund			2.10	(2.10)		
Body Armor Replacement Fund - 2005			2,004.41	(2,004.41)		
Body Armor Replacement Fund - 2006			2,065.39	(2,065.39)		
Body Armor Replacement Fund - 2007	1,456.29		624.98			388.37
Body Armor Replacement Fund - 2008	2,349.72			760.20		1,589.52
Body Armor Replacement Fund - 2009	2,141.87					2,141.87
Body Armor Replacement Fund - 2011		3,271.82				3,271.82
Federal Bulletproof Vest Partnership			33.50	(33.50)		
Youth Services - Summer Camp	100.00		100.00			
Youth Services - Summer Camp	10,000.00		900.00	4,000.00	4,952.00	148.00
Youth Services Grant - 2008	1,183.31		1,183.31			
Youth Services Grant - 2009	3,500.00		5,000.00	(1,500.00)		
Youth Services Grant - 2010	3,500.00		4,818.58	(1,500.00)		181.42
SC Manville Summer Adventure Challenge	1,548.00					1,548.00
Child Passenger Safety Grant	850.08				850.08	
Child Passenger Safety Grant - 2011		4,500.00	4,499.81		0.19	
2009 Business Stimulus Fund	6,915.00		3,689.50			3,225.50
Wal-Mart - Summer Nights Grant	1,000.00					1,000.00
Recycling Tonnage Grant - 2010	4,019.74		11,102.14	(7,332.00)		249.60
Recycling Tonnage Grant - 2011		24,051.89	6,860.87	5,685.00		11,506.02
Municipal Alliance Alcohol & Drug Abuse - 2010	319.35		712.55	(399.82)		
Municipal Alliance Alcohol & Drug Abuse - 2011		9,696.00	8,272.12	1,269.07		154.81
Municipal Alliance Alcohol & Drug Abuse - Local Match		2,424.00	2,424.00		6.62	
Cell Phone Enforcement Grant		8,000.00	5,700.00			2,300.00
Traffic Records Diagramming Software - Electronic Upload			2,000.00	(2,000.00)		
N.J. SPARKS	2,933.72					2,933.72
	\$ 299,077.22	\$ 78,745.70	\$ 96,383.48	\$ (5,946.63)	\$ 6,008.89	\$ 281,377.18
REF.	A	A-3			A-1	A
Disbursements	A-4		\$ 96,602.48			
Less: Refunds	A-4		219.00			
			\$ 96,383.48			
Accounts Payable	A-24			\$ 16,685.55		
Prior Year Accounts Payable	A-24			(22,632.18)		
				\$ (5,946.63)		

"A-20"

BOROUGH OF MANVILLE

CURRENT FUND

SCHEDULE OF RESERVE FOR INSURANCE DAMAGE

	<u>REF.</u>	
Balance, December 31, 2010 and December 31, 2011	A	\$ <u>273,400.05</u>

"A-21"

SCHEDULE OF RESERVE FOR POLICE OUTSIDE OVERTIME

Increased by:		
Receipts	A-4	\$ 242,778.82
Decreased by:		
Disbursements	A-4	\$ <u>242,778.82</u>

"A-22"

BOROUGH OF MANVILLE

CURRENT FUND

SCHEDULE OF PREPAID TAXES

	<u>REF.</u>		
Balance, December 31, 2010	A		\$ 337,389.24
Increased by:			
Collection - 2012 Taxes	A-4	\$ 362,292.23	
Overpayments Applied	A-23	<u>14,130.44</u>	
			\$ <u>376,422.67</u>
			\$ 713,811.91
Decreased by:			
Applied to 2011 Taxes Receivable	A-8		<u>337,389.24</u>
Balance, December 31, 2011	A		\$ <u><u>376,422.67</u></u>

"A-23"

SCHEDULE OF TAX OVERPAYMENTS

Balance, December 31, 2010	A		\$ 22,747.95
Increased by:			
Overpayments in 2011	A-4		<u>26,811.07</u>
			\$ 49,559.02
Decreased by:			
Refunds	A-4	\$ 30,962.22	
Applied to Taxes Receivable	A-8	4,466.36	
Overpayments Applied	A-22	<u>14,130.44</u>	
			\$ <u><u>49,559.02</u></u>

BOROUGH OF MANVILLE

CURRENT FUND

SCHEDULE OF ACCOUNTS PAYABLE

	<u>REF.</u>		
Balance, December 31, 2010	A		\$ 251,125.37
Increased by:			
2011 Appropriations	A-3	\$ 345,223.13	
2010 Appropriation Reserves	A-16	25,985.14	
Grants Appropriated	A-19	<u>16,685.55</u>	
			<u>387,893.82</u>
			\$ <u>639,019.19</u>
Decreased by:			
Disbursements	A-4	\$ 3,823.33	
Canceled	A-1	17,560.83	
Transferred to Appropriation Reserves	A-16	207,109.03	
Transferred to Grants Appropriated	A-19	<u>22,632.18</u>	
			<u>251,125.37</u>
Balance, December 31, 2011	A		\$ <u><u>387,893.82</u></u>

"A-25"

BOROUGH OF MANVILLE

CURRENT FUND

SCHEDULE OF RESERVE FOR LENGTH OF SERVICE AWARD PROGRAM

	<u>REF.</u>		
Balance, December 31, 2010	A	\$	27,100.00
Decreased by:			
Disbursements	A-4		<u>5,225.00</u>
Balance, December 31, 2011	A	\$	<u><u>21,875.00</u></u>

"A-26"

SCHEDULE OF DEFERRED CHARGES

Balance, December 31, 2010	A	\$	1,938.00
Increased by:			
2011 Emergency - Hurricane Flood Damage	A-3	\$	500,000.00
2011 Emergency - Repair to Fire Tower Truck	A-3		<u>30,000.00</u>
			<u>530,000.00</u>
		\$	<u>531,938.00</u>
Decreased by:			
2011 Appropriation	A-3		<u>1,938.00</u>
Balance, December 31, 2011	A	\$	<u><u>530,000.00</u></u>

BOROUGH OF MANVILLETRUST FUNDSCHEDULE OF CASH-TREASURER

	<u>REF.</u>	<u>ANIMAL CONTROL</u>	<u>OTHER</u>
Balance, December 31, 2010	B	\$ <u>10,191.45</u>	\$ <u>788,605.36</u>
Increased by Receipts:			
Due Current Fund	B-5:B-3	\$ 2.00	\$ 803.86
Reserve for Recreation Deposits	B-14		63,370.00
Community Development Block Grants Receivable	B-7		28,371.00
Animal Control License Fees	B-8	3,069.40	
Reserve for Premiums on Taxes	B-9		97,100.00
Reserve for Redemption of Outside Liens	B-10		256,554.67
Unemployment Compensation	B-16		6,745.92
Federal Housing Urban Development-Section 8	B-2		789,770.69
Reserve for Developer's Escrow Deposits	B-13		11.35
Reserve for Law Enforcement Trust Fund	B-12		781.85
Reserve for Federal Asset Forfeitures	B-11		60.13
Reserve for Payroll Deductions	B-17		2,878,046.75
Miscellaneous Trust Deposits	B-4		25,564.89
		\$ <u>3,071.40</u>	\$ <u>4,147,181.11</u>
		\$ <u>13,262.85</u>	\$ <u>4,935,786.47</u>
Decreased by Disbursements:			
Due Current Fund	B-5:B-3	\$ 1,759.05	\$ 15,631.90
Expenditures Under (R.S.4:19-15.11)	B-8	2,468.52	
Reserve for Community Development Block Grants	B-15		78,497.55
Miscellaneous Trust Deposits	B-4		10,919.79
State of New Jersey - Unemployment Compensation	B-16		23,567.49
Reserve for Federal Asset Forfeitures	B-11		6,828.89
Reserve for Premiums on Taxes	B-9		68,000.00
Reserve for Redemption of Outside Liens	B-10		256,554.67
Reserve for Recreation Deposits	B-14		80,274.36
Reserve for Payroll Deductions	B-17		2,869,522.80
Federal Housing Urban Development-Section 8	B-2		829,372.90
		\$ <u>4,227.57</u>	\$ <u>4,239,170.35</u>
Balance, December 31, 2011	B	\$ <u>9,035.28</u>	\$ <u>696,616.12</u>

BOROUGH OF MANVILLE

TRUST FUND

SCHEDULE OF RESERVE FOR FEDERAL HOUSING AND
URBAN DEVELOPMENT PROGRAM

	<u>REF.</u>	
Balance, December 31, 2010	B	\$ 299,314.22
Increased by:		
Receipts	B-1	789,770.69
		\$ <u>1,089,084.91</u>
Decreased by:		
Disbursements	B-1	<u>829,372.90</u>
Balance, December 31, 2011	B	\$ <u><u>259,712.01</u></u>

BOROUGH OF MANVILLE

TRUST FUND

SCHEDULE OF DUE CURRENT FUND-OTHER TRUST FUND

	<u>REF.</u>		
Balance, December 31, 2010 (Due To)	B		\$ 15,427.82
Increased by:			
Receipts	B-1	\$ 803.86	
Canceled Reserve	B-15	<u>19,022.45</u>	
			<u>19,826.31</u>
			\$ <u>35,254.13</u>
Decreased by:			
Disbursements	B-1	15,631.90	
Canceled Receivable	B-7	<u>29,388.40</u>	
			<u>45,020.30</u>
Balance, December 31, 2011 (Due From)	B		\$ <u><u>9,766.17</u></u>

BOROUGH OF MANVILLE

TRUST FUND

SCHEDULE OF RESERVE FOR MISCELLANEOUS TRUST DEPOSITS

	BALANCE DECEMBER 31, 2010	RECEIPTS	DISBURSEMENTS	ACCOUNTS PAYABLE	BALANCE DECEMBER 31, 2011
Parking Offense Adjudication Act	\$ 1,349.36	\$ 202.00	\$ 309.00	\$	\$ 1,242.36
Developers/Engineering Escrow	39,957.88	910.00	1,578.00	786.00	38,503.88
Donation	550.00				550.00
Public Defender	23,480.00	2,576.00	5,500.00	5,300.00	15,256.00
Fire Penalties - Fire Department	5,654.87	1,250.00			6,904.87
Fire Penalties - Fire Marshall	4,532.04	4,075.00	3,396.79	(388.99)	5,599.24
Housing Assistance	86,601.61	16,551.89	136.00		103,017.50
	<u>\$ 162,125.76</u>	<u>\$ 25,564.89</u>	<u>\$ 10,919.79</u>	<u>\$ 5,697.01</u>	<u>\$ 171,073.85</u>
<u>REF.</u>	B	B-1	B-1		B
Current Year Accounts Payable	B-6			\$ 8,610.00	
Prior Year Accounts Payable	B-6			<u>(2,912.99)</u>	
				<u>\$ 5,697.01</u>	

"B-5"

BOROUGH OF MANVILLE

TRUST FUND

SCHEDULE OF DUE CURRENT FUND
ANIMAL CONTROL FUND

	<u>REF.</u>		
Balance, December 31, 2010 (Due To)	B	\$	1,759.05
Increased by:			
Excess Reserve for Animal Control Expenditures	B-8		1,613.28
Receipts	B-1		2.00
		\$	<u>3,374.33</u>
Decreased by:			
Disbursements	B-1		<u>1,759.05</u>
Balance, December 31, 2011 (Due To)	B	\$	<u><u>1,615.28</u></u>

"B-6"

SCHEDULE OF RESERVE FOR ACCOUNTS PAYABLE

Balance, December 31, 2010	B	\$	38,738.10
Increased by:			
Miscellaneous Trust Deposits	B-4	\$	8,610.00
Community Development Block Grant	B-15		<u>36,290.49</u>
			<u>44,900.49</u>
		\$	<u>83,638.59</u>
Decreased by:			
Miscellaneous Trust Deposits	B-4	\$	2,912.99
Community Development Block Grant	B-15		<u>35,825.11</u>
			<u>38,738.10</u>
Balance, December 31, 2011	B	\$	<u><u>44,900.49</u></u>

BOROUGH OF MANVILLE

TRUST FUND

SCHEDULE OF COMMUNITY DEVELOPMENT BLOCK GRANTS RECEIVABLE

<u>PURPOSE</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2010</u>	<u>2011</u> <u>GRANTS</u>	<u>RECEIPTS</u>	<u>CANCELED</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2011</u>
Handicap Accessible Improv. at Lib & Rec -2005	\$ 20,000.00	\$	\$	\$ 20,000.00	\$
Handicap Accessible Improv. at Lib & Rec - 2008	3,600.00			3,600.00	
Sanitary Sewer Improvements - 2008	14,842.23			5,788.40	9,053.83
Catch Basin - 2009	50,000.00				50,000.00
Park Improvements - 2009	28,371.00		28,371.00		
Sidewalk Improvements - 2010	50,000.00				50,000.00
Sidewalk Improvements - 2011		40,000.00			40,000.00
	<u>\$ 166,813.23</u>	<u>\$ 40,000.00</u>	<u>\$ 28,371.00</u>	<u>\$ 29,388.40</u>	<u>\$ 149,053.83</u>
<u>REF.</u>	B	B-15	B-1	B-3	B

BOROUGH OF MANVILLE

TRUST FUND

SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	<u>REF.</u>		
Balance, December 31, 2010	B		\$ 8,432.40
Increased by:			
Dog License Fees Collected		\$ 2,559.20	
Late Fees - Dog and Cat		193.00	
Cat License Fees Collected		<u>317.20</u>	
	B-1		<u>3,069.40</u>
			\$ <u>11,501.80</u>
Decreased by:			
Excess Reserve for Expenditures Due Current Fund	B-5	\$ 1,613.28	
Expenditures Under R.S.4:19-15.11 - Cash	B-1	<u>2,468.52</u>	
			<u>4,081.80</u>
Balance, December 31, 2011	B		\$ <u><u>7,420.00</u></u>

<u>LICENSE FEES COLLECTED</u>	
<u>YEAR</u>	<u>AMOUNT</u>
2010	\$ 3,115.60
2009	<u>4,304.40</u>
	\$ <u><u>7,420.00</u></u>

"B-9"

BOROUGH OF MANVILLE

TRUST FUND

SCHEDULE OF RESERVE FOR TAX SALE PREMIUMS

	<u>REF.</u>	
Balance, December 31, 2010	B	\$ 59,800.00
Increased by:		
Receipts	B-1	97,100.00
		\$ <u>156,900.00</u>
Decreased by:		
Disbursements	B-1	<u>68,000.00</u>
Balance, December 31, 2011	B	\$ <u><u>88,900.00</u></u>

"B-10"

SCHEDULE OF RESERVE FOR REDEMPTION OF OUTSIDE LIENS

Increased by:		
Receipts	B-1	\$ 256,554.67
Decreased by:		
Disbursements	B-1	\$ <u>256,554.67</u>

"B-11"

BOROUGH OF MANVILLE

TRUST FUND

SCHEDULE OF RESERVE FOR FEDERAL ASSET FORFEITURES

	<u>REF.</u>	
Balance, December 31, 2010	B	\$ 23,279.37
Increased by:		
Receipts	B-1	60.13
		<u>\$ 23,339.50</u>
Decreased by:		
Disbursements	B-1	<u>6,828.89</u>
Balance, December 31, 2011	B	<u>\$ 16,510.61</u>

"B-12"

SCHEDULE OF RESERVE FOR LAW ENFORCEMENT TRUST FUND

Balance, December 31, 2010	B	\$ 17,019.58
Increased by:		
Receipts	B-1	<u>781.85</u>
Balance, December 31, 2011	B	<u>\$ 17,801.43</u>

"B-13"

BOROUGH OF MANVILLE

TRUST FUND

SCHEDULE OF RESERVE FOR DEVELOPER'S ESCROW DEPOSITS

	<u>REF.</u>		
Balance, December 31, 2010	B	\$	21,677.58
Increased by:			
Receipts	B-1		<u>11.35</u>
Balance, December 31, 2011	B	\$	<u>21,688.93</u>

Detail of Balance on File in Treasurer's Office

"B-14"

SCHEDULE OF RESERVE FOR RECREATION DEPOSITS

Balance, December 31, 2010	B	\$	58,233.64
Increased by:			
Receipts	B-1		<u>63,370.00</u>
		\$	<u>121,603.64</u>
Decreased by:			
Disbursements	B-1		<u>80,274.36</u>
Balance, December 31, 2011	B	\$	<u>41,329.28</u>

BOROUGH OF MANVILLE

TRUST FUND

SCHEDULE OF RESERVE FOR COMMUNITY DEVELOPMENT BLOCK GRANTS

<u>PURPOSE</u>	<u>BALANCE DECEMBER 31, 2010</u>	<u>2011 GRANTS</u>	<u>PRIOR YEAR ACCOUNTS PAYABLE</u>	<u>DECREASED</u>	<u>ACCOUNTS PAYABLE</u>	<u>BALANCE DECEMBER 31, 2011</u>
Handicap Accessible Improv. at Lib & Rec	\$ 19,022.45	\$	\$ 500.00	\$ 19,022.45	\$ 500.00	\$
Handicap Accessible Improv. at Lib & Rec	2,648.44					2,648.44
Sanitary Sewer Improvements - 2008			9,053.83	2,739.59	6,314.24	
Catch Basin - 2009	50,000.00			44,500.00	5,500.00	
Park Improvements - 2009	2,099.72		26,271.28	26,271.28		2,099.72
Sidewalk Improvements - 2010	50,000.00			4,986.68	23,976.25	21,037.07
Sidewalk Improvements - 2011		40,000.00				40,000.00
	<u>\$ 123,770.61</u>	<u>\$ 40,000.00</u>	<u>\$ 35,825.11</u>	<u>\$ 97,520.00</u>	<u>\$ 36,290.49</u>	<u>\$ 65,785.23</u>
<u>REF.</u>	B	B-7	B-6		B-6	B
Disbursements	B-1			\$ 78,497.55		
Canceled	B-3			<u>19,022.45</u>		
				<u>\$ 97,520.00</u>		

BOROUGH OF MANVILLE

TRUST FUND

SCHEDULE OF RESERVE FOR UNEMPLOYMENT COMPENSATION

	<u>REF.</u>	
Balance, December 31, 2010	B	\$ 75,247.66
Increased by:		
Receipts	B-1	<u>6,745.92</u>
		\$ 81,993.58
Decreased by:		
Disbursements	B-1	<u>23,567.49</u>
Balance, December 31, 2011	B	<u><u>\$ 58,426.09</u></u>

BOROUGH OF MANVILLE

TRUST FUND

SCHEDULE OF RESERVE - PAYROLL DEDUCTIONS

	<u>REF.</u>	
Balance, December 31, 2010	B	\$ 60,784.25
Increased by:		
Receipts	B-1	<u>2,878,046.75</u>
		\$ <u>2,938,831.00</u>
Decreased by:		
Disbursements	B-1	<u>2,869,522.80</u>
Balance, December 31, 2011	B	\$ <u><u>69,308.20</u></u>

BOROUGH OF MANVILLE
GENERAL CAPITAL FUND
SCHEDULE OF CASH-TREASURER

	<u>REF.</u>		
Balance, December 31, 2010	C	\$	956,676.65
Increased by Receipts:			
2011 Budget Appropriation:			
Capital Improvement Fund	C-8	\$	100.00
Due Current Fund	C-9		75,309.70
Bond Anticipation Notes Payable	C-13		2,700,000.00
Deferred Charges To Future Taxation - Unfunded	C-4		200,000.00
			<u>2,975,409.70</u>
		\$	<u>3,932,086.35</u>
Decreased by Disbursements:			
Contracts Payable	C-7	\$	196,796.50
Bond Anticipation Notes Payable	C-13		2,900,000.00
Fund Balance	C-1		100,000.00
Due Current Fund	C-9		100.00
			<u>3,196,896.50</u>
Balance, December 31, 2011	C:C-3	\$	<u><u>735,189.85</u></u>

"C-3"

BOROUGH OF MANVILLE

GENERAL CAPITAL FUND

ANALYSIS OF GENERAL CAPITAL CASH

	BALANCE DECEMBER <u>31, 2011</u>
Fund Balance	\$ 77,361.95
Capital Improvement Fund	52,273.78
Improvement Authorizations Funded as Set Forth on "C-8"	63,269.79
Improvement Authorizations-Expended as Set Forth on "C-4"	(807,879.03)
Unexpended Proceeds of Bond Anticipation Notes as Set Forth on "C-4"	873,950.61
Due Current Fund	(100.00)
Contracts Payable	<u>476,312.75</u>
	<u>\$ 735,189.85</u>

REF.

C-2

BOROUGH OF MANVILLE

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION-UNFUNDED

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2010	2011 AUTHORIZATIONS	PAID BY BUDGET	GRANTS	BALANCE DECEMBER 31, 2011	ANALYSIS OF BALANCE		
							BOND ANTICIPATION NOTES	EXPENDITURES	UNEXPENDED IMPROVEMENT AUTHORIZATIONS
830	General Improvement.								
	1996 Road and Drainage Improvements Program	\$ 141,000.00	\$	\$	\$	\$ 141,000.00	\$	\$ 141,000.00	\$
896	1998 Road Improvements	164,537.82				164,537.82		164,537.82	
943	Improvement to North Street and Gladys Avenue	160,261.00				160,261.00		160,261.00	
1052	Various Public Improvements	2,036,400.00		50,000.00		1,986,400.00	1,900,000.00		86,400.00
1090	Various Public Improvements	1,023,600.00			200,000.00	823,600.00	800,000.00		23,600.00
1107	Various Public Improvements		704,000.00			704,000.00		342,080.21	361,919.79
		<u>\$ 3,525,798.82</u>	<u>\$ 704,000.00</u>	<u>\$ 50,000.00</u>	<u>\$ 200,000.00</u>	<u>\$ 3,979,798.82</u>	<u>\$ 2,700,000.00</u>	<u>\$ 807,879.03</u>	<u>\$ 471,919.79</u>
	REF.	C	C-7	C-13	C-2	C	C-13	C-3	
	Improvement Authorization Unfunded		C-7						\$ 1,345,870.40
	Less: Unexpended Proceeds of Bond Anticipation Note		C-3						<u>873,950.61</u>
									<u>\$ 471,919.79</u>

BOROUGH OF MANVILLE

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION-FUNDED

	<u>REF.</u>		
Balance, December 31, 2010	C		\$ 6,211,597.52
Decreased by:			
Current Fund Budget Appropriation:			
Payment of Serial Bonds	C-10	\$ 789,000.00	
Payment of Fund Local Unit Bonds	C-11	32,550.89	
Payment of Trust Local Unit Bonds	C-12	<u>45,000.00</u>	
			<u>866,550.89</u>
Balance, December 31, 2011	C		\$ <u><u>5,345,046.63</u></u>

BOROUGH OF MANVILLE

GENERAL CAPITAL FUND

SCHEDULE OF CONTRACTS PAYABLE

	<u>REF.</u>		
Balance, December 31, 2010	C		\$ 250,553.44
Increased by:			
Improvement Authorizations-Expended	C-7		<u>423,113.43</u>
			\$ <u>673,666.87</u>
Decreased by:			
Disbursements	C-2	\$ 196,796.50	
Improvement Authorizations-Canceled	C-7	<u>557.62</u>	
			<u>197,354.12</u>
Balance, December 31, 2011	C		\$ <u><u>476,312.75</u></u>

BOROUGH OF MANVILLE
 GENERAL CAPITAL FUND
 SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	ORDINANCE AMOUNT	BALANCE DECEMBER 31, 2010		2011 AUTHORIZATIONS	CONTRACTS PAYABLE	CONTRACTS PAYABLE CANCELED	BALANCE DECEMBER 31, 2011	
				FUNDED	UNFUNDED				FUNDED	UNFUNDED
<u>General Improvements</u>										
974	Various Public Improvements	09/09/02	\$ 1,340,000.00	\$ 29,449.19	\$	\$	\$	\$	\$ 29,449.19	\$
993/1025	Various Public Improvements	6/14/2004:02/27/06	1,322,640.00							
995	Rehabilitation of Housing Units	09/27/04	350,000.00	27,886.74			22,563.00		5,323.74	
997	Acquisition of Real Property	11/22/04	1,955,000.00							
1024	Rehabilitation of Housing Units	02/27/06	350,000.00	27,939.24				557.62	28,496.86	
1052	Various Public Improvements	04/23/07	2,453,500.00		191,583.72		805.10			190,778.62
1090	Various Public Improvements	11/09/09	1,075,000.00		814,837.11		21,665.12			793,171.99
1107	Various Public Improvements	11/14/11	740,000.00			740,000.00	378,080.21			361,919.79
				<u>\$ 85,275.17</u>	<u>\$ 1,006,420.83</u>	<u>\$ 740,000.00</u>	<u>\$ 423,113.43</u>	<u>\$ 557.62</u>	<u>\$ 63,269.79</u>	<u>\$ 1,345,870.40</u>
				REF. C	C		C-6	C-6	C:C-3	C:C-4
	Deferred Charges to Future Taxation-Unfunded			C-4		\$ 704,000.00				
	Capital Improvement Fund			C-8		<u>36,000.00</u>				
						<u>\$ 740,000.00</u>				

BOROUGH OF MANVILLE

GENERAL CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>REF.</u>	
Balance, December 31, 2010	C	\$ 88,173.78
Increased by:		
Current Budget Appropriation	C-2	<u>100.00</u>
		\$ 88,273.78
Decreased by:		
Appropriated to Finance Improvements	C-7	<u>36,000.00</u>
Balance, December 31, 2011	C	<u><u>\$ 52,273.78</u></u>

BOROUGH OF MANVILLE
GENERAL CAPITAL FUND
SCHEDULE OF DUE CURRENT FUND

	<u>REF.</u>	
Balance, December 31, 2010 (Due From)	C	\$ 75,309.70
Increased by:		
Disbursements	C-2	100.00
		<u>\$ 75,409.70</u>
Decreased by:		
Receipts	C-2	<u>75,309.70</u>
Balance, December 31, 2011 (Due From)	C	<u><u>\$ 100.00</u></u>

BOROUGH OF MANVILLE
 GENERAL CAPITAL FUND
 SCHEDULE OF GENERAL SERIAL BONDS

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING DECEMBER 31, 2011		INTEREST RATE	BALANCE DECEMBER 31, 2010	DECREASED	BALANCE DECEMBER 31, 2011
			DATE	AMOUNT				
General Improvement	09/15/01	\$ 3,159,000.00				\$ 459,000.00	\$ 459,000.00	\$
Pension Refunding Bonds, Series 2004	05/05/04	915,000.00	04/01/12	75,000.00	5.500%	675,000.00	70,000.00	605,000.00
			04/01/13	85,000.00	5.500%			
			04/01/14	95,000.00	5.500%			
			04/01/15	105,000.00	5.750%			
			04/01/16	115,000.00	5.750%			
			04/01/17	130,000.00	5.750%			
General Improvement Bonds	06/15/06	5,173,000.00	06/15/12	700,000.00	4.000%	4,833,000.00	260,000.00	4,573,000.00
			06/15/13	625,000.00	4.000%			
			06/15/14	650,000.00	4.000%			
			6/15/15-17	650,000.00	4.125%			
			04/01/18	648,000.00	4.125%			
						<u>4,833,000.00</u>	<u>260,000.00</u>	<u>4,573,000.00</u>
						<u>\$ 5,967,000.00</u>	<u>\$ 789,000.00</u>	<u>\$ 5,178,000.00</u>
<u>REF.</u>						C	C-5	C

BOROUGH OF MANVILLE
GENERAL CAPITAL FUND
SCHEDULE OF FUND LOCAL UNIT BONDS

<u>PURPOSE</u>	<u>DATE OF ISSUE</u>	<u>ORIGINAL ISSUE</u>	<u>MATURITIES OF BONDS OUTSTANDING DECEMBER 31, 2011</u>		<u>BALANCE DECEMBER 31, 2010</u>	<u>DECREASED</u>	<u>BALANCE DECEMBER 31, 2011</u>
			<u>DATE</u>	<u>AMOUNT</u>			
Wastewater Treatment	10/15/93	\$ 645,692.00	02/01/12	\$ 33,523.32	\$ 99,597.52	\$ 32,550.89	\$ 67,046.63
			08/01/12	767.71			
			02/01/13	32,755.60			
					\$ 99,597.52	\$ 32,550.89	\$ 67,046.63
					<u>\$ 99,597.52</u>	<u>\$ 32,550.89</u>	<u>\$ 67,046.63</u>
				<u>REF.</u>	C	C-5	C

BOROUGH OF MANVILLE

GENERAL CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE

<u>ORDINANCE</u>	<u>ORIGINAL DATE OF ISSUE</u>	<u>DATE OF ISSUE</u>	<u>DATE OF MATURITY</u>	<u>INTEREST RATE</u>	<u>BALANCE DECEMBER 31, 2010</u>	<u>INCREASED</u>	<u>DECREASED</u>	<u>BALANCE DECEMBER 31, 2011</u>
Various Public Improvements	07/02/07	07/01/11	06/29/12	1.30%	\$ 2,950,000.00	\$ 1,900,000.00	\$ 2,950,000.00	\$ 1,900,000.00
Various Public Improvements	07/01/10	07/01/11	06/29/12	1.30%		800,000.00		800,000.00
					<u>\$ 2,950,000.00</u>	<u>\$ 2,700,000.00</u>	<u>\$ 2,950,000.00</u>	<u>\$ 2,700,000.00</u>
				<u>REF.</u>	C	C-2-C-4		C
			Disbursements	C-2			\$ 2,900,000.00	
			Paid by Budget	C-4			<u>50,000.00</u>	
							<u>\$ 2,950,000.00</u>	

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

<u>ORDINANCE</u> <u>NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2011</u>
	<u>General Improvements</u>	
830	1996 Road and Drainage Improvement Program	\$ 141,000.00
896	1997 Road Improvements	164,537.82
943	Improvements of North Street and Gladys Avenue	160,261.00
1052	Various Public Improvements	86,400.00
1090	Various Public Improvements	23,600.00
1107	Various Public Improvements	<u>704,000.00</u>
		<u>\$ 1,279,798.82</u>

BOROUGH OF MANVILLE

SEWER UTILITY FUND

SCHEDULE OF CASH-TREASURER

	<u>REF.</u>	<u>OPERATING</u>		<u>CAPITAL</u>	
Balance, December 31, 2010	D	\$	1,063,971.86	\$	100,846.27
Increased by Receipts:					
Consumer Accounts Receivable	D-8	\$	1,898,532.35		
Miscellaneous Revenue Not Anticipated	D-3		16,311.42		
Overpayments	D-7		1,719.59		
			<u>1,916,563.36</u>		
		\$	2,980,535.22	\$	100,846.27
Decreased by Disbursements:					
Appropriations	D-4	\$	1,727,514.36		
Appropriation Reserves	D-11		123,888.76		
Overpayments	D-7		459.64		
Fund Balance	D-1		250,000.00		
			<u>2,101,862.76</u>		
Balance, December 31, 2011	D	\$	<u>878,672.46</u>	\$	<u>100,846.27</u>

"D-6"

BOROUGH OF MANVILLE
SEWER UTILITY FUND
SCHEDULE OF CHANGE FUND

	<u>REF.</u>	
Balance, December 31, 2010 and December 31, 2011	D	\$ <u>200.00</u>

"D-7"

SCHEDULE OF OVERPAYMENTS

Balance, December 31, 2010	D	\$ 4,307.15
Increased by:		
Receipts	D-5	<u>1,719.59</u>
		\$ <u>6,026.74</u>
Decreased by:		
Canceled	D-1	\$ 399.18
Disbursements	D-5	<u>459.64</u>
		<u>858.82</u>
Balance, December 31, 2011	D	\$ <u>5,167.92</u>

"D-8"

BOROUGH OF MANVILLE

SEWER UTILITY FUND

SCHEDULE OF CONSUMERS ACCOUNTS RECEIVABLE

	<u>REF.</u>		
Balance, December 31, 2010	D		\$ 228,030.28
Increased by:			
Levied in 2011			<u>1,851,392.31</u>
			\$ <u>2,079,422.59</u>
Decreased by:			
Collections	D-3:D-5	\$ 1,898,532.35	
Transferred to Liens	D-9	<u>200.00</u>	
			<u>1,898,732.35</u>
Balance, December 31, 2011	D		\$ <u><u>180,690.24</u></u>

"D-9"

SCHEDULE OF SEWER UTILITY LIENS

Balance, December 31, 2010	D		\$ 613.44
Increased by:			
Transferred From Consumer Accounts Receivable	D-8		<u>200.00</u>
Balance, December 31, 2011	D		\$ <u><u>813.44</u></u>

"D-10"

BOROUGH OF MANVILLE

SEWER UTILITY FUND

ANALYSIS OF SEWER UTILITY CAPITAL CASH

	BALANCE DECEMBER 31, 2011
Capital Improvement Fund	\$ 77,955.00
Fund Balance	<u>22,891.27</u>
	<u>\$ 100,846.27</u>
<u>REF.</u>	D

"D-11"

BOROUGH OF MANVILLE

SEWER UTILITY FUND

SCHEDULE OF 2010 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2010	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
Operating:				
Salaries and Wages	\$ 4,936.22	\$ 4,936.22	\$	\$ 4,936.22
Other Expenses	61,128.57	72,535.49	11,022.01	61,513.48
Somerset Raritan Valley Sewerage Authority:				
Treatment Costs	<u>274,341.80</u>	<u>387,208.55</u>	<u>112,866.75</u>	<u>274,341.80</u>
	<u>\$ 340,406.59</u>	<u>\$ 464,680.26</u>	<u>\$ 123,888.76</u>	<u>\$ 340,791.50</u>
	D		D-5	D-1
2010 Appropriation Reserves	D-11	\$ 340,406.59		
Transferred from Accounts Payable	D-13	<u>124,273.67</u>		
		<u>\$ 464,680.26</u>		

"D-12"

BOROUGH OF MANVILLE

SEWER UTILITY FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>REF.</u>	
Balance, December 31, 2010 and December 31, 2011	D	\$ <u>77,955.00</u>

"D-13"

SCHEDULE OF ACCOUNTS PAYABLE

Balance, December 31, 2010	D	\$ 124,273.67
Increased by:		
2011 Appropriations	D-4	<u>151,330.93</u>
		\$ <u>275,604.60</u>
Decreased by:		
Transferred to Appropriation Reserves	D-11	<u>124,273.67</u>
Balance, December 31, 2011	D	\$ <u>151,330.93</u>

"D-14"

BOROUGH OF MANVILLE

SEWER UTILITY FUND

SCHEDULE OF RESERVE FOR AMORTIZATION

REF.

Balance, December 31, 2010
and December 31, 2011

D

\$ 214,988.17

"D-15"

SCHEDULE OF FIXED CAPITAL

ACCOUNT

Pumping Station and Structures
Electric Power Pumping Equipment
Land and Right of Way

BALANCE
DECEMBER
31, 2011

\$ 10,098.42
8,669.75
6,220.00
\$ 24,988.17

REF.

D

BOROUGH OF MANVILLE
SEWER UTILITY FUND
SCHEDULE OF FIXED CAPITAL
AUTHORIZED AND UNCOMPLETED

<u>ORDINANCE</u> <u>NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2011</u>
	General Improvements:	
713	Improvement to the Water Distribution System	\$ 45,000.00
734/739	Purchase of Equipment	50,000.00
897	Acquisition of Tractor/Mower	30,000.00
899	Construction of Ductile Iron Pipe	<u>65,000.00</u>
		<u>\$ 190,000.00</u>
	<u>REF.</u>	D

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BOROUGH OF MANVILLE

PART II

SINGLE AUDIT SECTION

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

REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO MAJOR FEDERAL FINANCIAL
PROGRAMS AND INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH U.S. OMB CIRCULAR NO. A-133

SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE

NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS



SUPLEE, CLOONEY & COMPANY

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

The Honorable Mayor and Members
of the Borough Council
Borough of Manville
County of Somerset
Manville, New Jersey 08835

We have audited the accompanying financial statements - regulatory basis of the Borough of Manville, County of Somerset, New Jersey as of and for the year ended December 31, 2011, and have issued our report thereon dated March 7, 2012. Our report disclosed that, as described in Note 1 to the financial statements, the Borough of Manville prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles. We conducted our audit in accordance with U.S. generally accepted auditing standards, audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

SUPLEE, CLOONEY & COMPANY

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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Borough of Manville's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses as defined above.

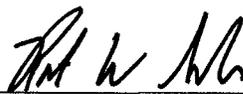
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough of Manville's financial statements – regulatory basis are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information of the Borough of Manville, County of Somerset, New Jersey, the Division of Local Government Services and federal and state audit agencies, and is not intended to be and should not be used by anyone other than these specified parties.



CERTIFIED PUBLIC ACCOUNTANTS



REGISTERED MUNICIPAL ACCOUNTANT NO. 439

March 7, 2012



SUPLEE, CLOONEY & COMPANY

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH REQUIREMENTS APPLICABLE TO MAJOR FEDERAL
FINANCIAL ASSISTANCE PROGRAMS AND
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH U.S. OMB CIRCULAR A -133

The Honorable Mayor and Members
of the Borough Council
Borough of Manville
County of Somerset
Manville, New Jersey 08835

Compliance

We have audited the compliance of the Borough of Manville, County of Somerset, with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that is applicable to each of its major federal programs for the year ended December 31, 2011. The Borough of Manville's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Borough of Manville's management. Our responsibility is to express an opinion on the Borough of Manville's compliance based on our audit.

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the provisions of U.S. Office of Management and Budget (OMB) Circular A-133 "Audits of States, Local Governments and Non-Profit Organizations." Those standards and provisions require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Borough of Manville's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Borough of Manville's compliance with those requirements.

SUPLEE, CLOONEY & COMPANY

In our opinion, the Borough of Manville complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2011.

Internal Control Over Compliance

The management of the Borough of Manville is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Borough of Manville's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended for the information of the Borough of Manville, County of Somerset, New Jersey, the Division of Local Government Services and federal and state audit agencies and is not intended to be and should not be used by anyone other than these specified parties.



CERTIFIED PUBLIC ACCOUNTANTS



REGISTERED MUNICIPAL ACCOUNTANT NO. 439

March 7, 2012

BOROUGH OF MANVILLE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2011

FEDERAL GRANTOR/PASS THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS THROUGH GRANTORS NUMBER	GRANT PERIOD		GRANT AWARD AMOUNT	2011		CUMULATIVE EXPENDITURES DECEMBER 31, 2011
			FROM	TO		FUNDS RECEIVED	FUNDS EXPENDED	
<u>U. S. Department of Housing and Urban Development</u>								
<u>Direct Programs</u>								
Section 8 Housing Assistance Program - 2011	14.871	N.J.112VO	01/01/11	12/31/11	\$ 756,940.90	\$ 703,290.00	\$ 756,940.90	\$ 756,940.90
Section 8 Housing Assistance Program - administrative	14.871	N.J.112AF	01/01/11	12/31/11	67,586.00	67,022.00	67,586.00	67,586.00
						<u>\$ 770,312.00</u>	<u>\$ 824,526.90</u>	<u>\$ 824,526.90</u>
<u>Pass Through From County of Somerset</u>								
<u>Community Development Block Grant:</u>								
Handicapped Accessible Imps. at Library and Recreation	14.218	05-U1152-11	09/01/05	08/31/06	\$ 40,000.00	\$	\$	\$ 40,000.00
Handicapped Accessible Imps. at Library and Recreation	14.218	08-U1181-11	09/01/08	08/31/09	18,000.00			18,000.00
Sanitary Sewer Improvements	14.218	08-U1182-11	09/01/08	08/31/09	100,000.00			90,946.17
Catch Basin	14.218	09-U1191-11	09/01/09	08/31/10	50,000.00		50,000.00	50,000.00
Park Improvements	14.218	09-U1192-11	09/01/09	08/31/10	28,371.00	28,371.00	26,271.28	26,271.28
Sidewalk Improvements	14.218	10-U1101-11	09/01/10	08/31/11	50,000.00		28,962.93	28,962.93
Sidewalk Improvements	14.218	11-U1111-11	09/01/11	08/31/12	40,000.00			
						<u>\$ 28,371.00</u>	<u>\$ 105,234.21</u>	<u>\$ 254,180.38</u>
<u>U.S. Department of Transportation</u>								
Safety Belt Performance Grant - Cell Phone Enforcement - Hang Up ! Just Drive Grant	20.609	PT 11-46-01-04	10/01/10	09/30/11	\$ 8,000.00	\$ 5,700.00	\$ 5,700.00	\$ 5,700.00
<u>U. S. Department of Homeland Security</u>								
<u>Pass Through From State of New Jersey</u>								
Emergency Management Assistance - 2006	97.042	1200-100-066-1200-264-YEMR-6120		continuous	\$ 5,000.00	\$	\$ 333.55	\$ 5,000.00
Emergency Management Assistance - 2007	97.042	1200-100-066-1200-264-YEMR-6120		continuous	5,000.00		4,680.00	5,000.00
Emergency Management Assistance - 2009	97.042	1200-100-066-1200-264-YEMR-6120		continuous	5,000.00		1,951.51	3,051.51
Emergency Management Assistance - 2010	97.042	1200-100-066-1200-264-YEMR-6120		continuous	5,000.00		1,990.00	3,913.10
Emergency Management Assistance - Unappropriated	97.042	1200-100-066-1200-264-YEMR-6120		continuous	5,000.00	5,000.00		
						<u>\$ 5,000.00</u>	<u>\$ 8,955.06</u>	<u>\$ 16,964.61</u>
						<u>\$ 809,383.00</u>	<u>\$ 944,416.17</u>	<u>\$ 1,101,371.89</u>

BOROUGH OF MANVILLE

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2011

STATE GRANTOR/PASS THROUGH GRANTOR/PROGRAM TITLE	STATE ACCOUNT NUMBER	GRANT PERIOD		GRANT AWARD AMOUNT	2011		CUMULATIVE EXPENDITURES DECEMBER 31, 2011
		FROM	TO		FUNDS RECEIVED	FUNDS EXPENDED	
<u>Department of Law and Public Safety</u>							
Drunk Driving Enforcement Fund - 2009	6400-100-078-6400-YYYY		Continuous	\$ 5,874.05	\$	\$ 447.59	\$ 534.68
Drunk Driving Enforcement Fund - 2010	6400-100-078-6400-YYYY		Continuous	6,236.08			284.00
Drunk Driving Enforcement Fund - 2011	6400-100-078-6400-YYYY		Continuous	4,751.76		4,126.30	4,126.30
Drunk Driving Enforcement Fund - Unappropriated	6400-100-078-6400-YYYY		Continuous	4,472.58	4,472.58		
Alcohol Education Rehabilitation Fund - 2008	9735-760-098-Y900-001-X100-6020		Continuous	1,181.00		300.01	802.55
Alcohol Education Rehabilitation Fund - 2010	9735-760-098-Y900-001-X100-6020		Continuous	928.19			
Alcohol Education Rehabilitation Fund - 2011	9735-760-098-Y900-001-X100-6020		Continuous	323.61	323.61	323.61	323.61
Click it or Ticket Program	1160-100-066-1160-116-YHTS-6120		Continuous	4,000.00	4,000.00	3,800.00	4,000.00
Child Passenger Safety Grant	1160-100-066-1160-113-YHTS-6020		Continuous	6,000.00			6,000.00
Child Passenger Safety Grant	1160-100-066-1160-113-YHTS-6020		Continuous	4,500.00	4,499.81	4,499.81	4,500.00
Body Armor Replacement Fund - 2007	1020-718-066-1020-001-YCJS-0120		Continuous	2,081.27		1,067.92	1,692.90
Body Armor Replacement Fund - 2008	1020-718-066-1020-001-YCJS-0120		Continuous	2,349.72		760.20	760.20
Body Armor Replacement Fund - 2009	1020-718-066-1020-001-YCJS-0120		Continuous	2,141.87			
Body Armor Replacement Fund - 2011	1020-718-066-1020-001-YCJS-0120		Continuous	3,271.82			
Body Armor Replacement Fund - Unappropriated	1020-718-066-1020-001-YCJS-0120		Continuous	2,374.56	2,374.56		
					\$ 15,670.56	\$ 15,325.44	\$ 23,024.24
<u>Department of Environmental Protection</u>							
Clean Communities Program - 2010	4900-765-042-4900-004-VCMB-6020	01/01/10	12/31/10	\$ 18,842.87	\$	\$ 6,924.00	\$ 18,842.87
Clean Communities Program - 2011	4900-765-042-4900-004-VCMB-6020	01/01/11	12/31/11	17,726.62	17,726.62	8,247.03	8,247.03
Recycling Tonnage Grant - 2010	4900-752-042-4900-001-V42Y-6020		Continuous	12,671.11		3,770.14	12,421.51
Recycling Tonnage Grant - 2011	4900-752-042-4900-001-V42Y-6020		Continuous	24,051.89	24,051.89	12,545.87	12,545.87
Business Stimulus Fund		01/01/10	12/31/10	6,915.00	5,609.50	3,689.50	3,689.50
					\$ 47,388.01	\$ 35,176.54	\$ 55,746.78
<u>Department of Transportation</u>							
Brooks Boulevard	09-480-078-6320-AKE-6010		Continuous	\$ 200,000.00	\$ 200,000.00	\$	\$ 200,000.00
13th Avenue	10-480-078-6320-AKN-6010		Continuous	225,000.00	113,411.99		
Whalen Street	11-480-078-6320-AK3-6010		Continuous	175,000.00			
					\$ 313,411.99		\$ 200,000.00
<u>Pass Through County of Somerset</u>							
Municipal Alliance on Alcoholism and Drug Abuse - 2010	10-433-420	7/1/09	6/30/10	\$ 12,120.00	\$ 8,087.97	\$ 312.73	\$ 12,120.00
Municipal Alliance on Alcoholism and Drug Abuse - 2011	11-433-420	7/1/10	6/30/11	9,696.00	2,521.85	9,541.19	9,541.19
					\$ 10,609.82	\$ 9,853.92	\$ 21,661.19
					\$ 387,080.38	\$ 60,355.90	\$ 300,432.21

BOROUGH OF MANVILLE

NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

YEAR ENDED DECEMBER 31, 2011

NOTE 1. GENERAL

The accompanying schedules of expenditures of Federal Awards and State Financial Assistance present the activity of all federal and state financial assistance programs of the Borough of Manville, County of Somerset, New Jersey. All federal awards and state financial assistance received directly from federal or state agencies, as well as federal financial assistance passed through other government agencies is included on the Schedules of Expenditures of Federal Awards and State Financial Assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of financial assistance are presented on the prescribed basis of accounting, modified accrual basis with certain exceptions, prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the budget laws of New Jersey, which is a comprehensive basis of accounting, other than U.S. generally accepted accounting principles. The basis of accounting, with exception, is described in Note 1 to the Borough's financial statements - statutory basis.

NOTE 3. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 4. RELATIONSHIP TO FINANCIAL STATEMENTS - STATUTORY BASIS

Amounts reported in the accompanying schedules of expenditures agree with amounts reported in the Borough's statutory basis financial statements. These amounts are reported in either the Current Fund, Trust Other Fund or General Capital Fund.

Revenues:

	<u>Federal</u>	<u>State</u>	<u>Other</u>	<u>Total</u>
Current Fund	\$ 10,700.00	\$ 187,080.38	\$ 5,000.00	\$ 202,780.38
Trust Other Fund	798,683.00			798,683.00
General Capital Fund		200,000.00		200,000.00
	<u>\$ 809,383.00</u>	<u>\$ 387,080.38</u>	<u>\$ 5,000.00</u>	<u>\$ 1,201,463.38</u>

Expenditures:

	<u>Federal</u>	<u>State</u>	<u>Other</u>	<u>Total</u>
Current Fund	\$ 14,655.06	\$ 60,355.90	\$ 15,425.89	\$ 90,436.85
Trust Other Fund	929,761.11			929,761.11
	<u>\$ 944,416.17</u>	<u>\$ 60,355.90</u>	<u>\$ 15,425.89</u>	<u>\$ 1,020,197.96</u>

NOTE 5. OTHER

Matching contributions expended by the Borough in accordance with terms of the various grants are not reported in the accompanying schedules.

BOROUGH OF MANVILLE
SOMERSET COUNTY, NEW JERSEY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2011

Section I - Summary of Auditor's Results

Financial Statements

- | | |
|--|---------------|
| (1) Type of Auditor Report Issued: | Unqualified |
| (2) Internal Control Over Financial Reporting: | |
| (a) Material weakness identified? | No |
| (b) Significant deficiencies identified that are not considered to be material weaknesses? | N/A |
| (3) Noncompliance material to the financial statements noted? | None Reported |

Federal Program(s)

- | | |
|---|---------------|
| (1) Internal Control Over Major Federal Programs: | |
| (a) Material weakness identified? | No |
| (b) Significant deficiencies identified that are not considered to be material weaknesses? | N/A |
| (2) Type of Auditor's Report issued on compliance for major federal program(s)? | Unqualified |
| (3) Any audit findings disclosed that are required to be reported in accordance with Circular OMB A-133 and listed in Section III of this schedule? | None Reported |
| (4) Identification of Major Federal Program(s): | |

<u>Program</u>	<u>Grant Number</u>	<u>Grant Period</u>	<u>Type</u>	<u>Award Amount</u>	<u>Amounts Expended in 2011</u>
US Department of Housing and Urban Development: Section 8 Housing Assistance Program	NJ 112VO/ NJ 112AF	2011	A	\$ 824,526.90	\$ 824,526.90

BOROUGH OF MANVILLE
SOMERSET COUNTY, NEW JERSEY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2011

Section I - Summary of Auditor's Results (Continued)

Federal Program(s) (Continued)

- (5) Program Threshold Determination:
Type A Federal Program Threshold > \$300,000.00
Type B Federal Program Threshold <= \$300,000.00
- (6) Auditee qualified as a low-risk auditee under OMB Circular A-133? Yes

State Programs(s) - Not Applicable

**Section II - Financial Statement Audit - Reported Findings Under
Government Auditing Standards**

Internal Control Findings

None Reported.

Compliance Findings

None Reported

Section III - Findings and Questioned Costs Relative to Major Federal Programs

Federal Programs - None Reported

Status of Prior Year Audit Findings - Not Applicable

BOROUGH OF MANVILLE
SUPPLEMENTARY INFORMATION

FINANCIAL DATA SCHEDULE - SECTION 8 HOUSING CHOICE VOUCHER PROGRAM
FOR THE YEAR ENDED DECEMBER 31, 2011

Line Item No.	Description	Total Programs	14.871 Housing Choice Vouchers
	Balance Sheet		
111	Cash-Unrestricted	\$ -	
113	Cash-Other Restricted	\$ 295,712	\$ 295,712
100	Total Cash	\$ 295,712	\$ 295,712
122	Accounts Receivable-HUD Other Projects	\$ -	
120	Total receivables, Net of Allowance for Doubtful Accounts	\$ -	\$ -
150	Total Current Assets	\$ 295,712	\$ 295,712
190	Total Assets	\$ 295,712	\$ 295,712
312	Accounts Payable <= 90 days	\$0	
331	Accounts Payable-HUD PHA Programs	\$0	
332	Accounts Payable-PHA Programs	\$0	
342	Deferred Revenues	\$0	
310	Total Current Liabilities	\$0	\$0
300	Total Liabilities	\$0	\$0
509.2	Fund Balance Reserved	\$ 259,712	\$ 259,712
512.2	Unreserved, Undesignated Fund Balance	\$ -	
513	Total Equity/Net Assets	\$ 259,712	\$ 259,712
600	Total Liabilities and Equity/Net Assets	\$ 259,712	\$ 259,712

Income Statement			
70600	HUD PHA Operating Grants	\$ 770,312	\$ 770,312
71100	Investment Income-Unrestricted	\$ -	
71100	Investment Income-Unrestricted	\$ 116	\$ 116
71400	Fraud Recovery	\$ 1,108	\$ 1,108
72000	Investment Income-Restricted	\$ 115	\$ 115
70000	Total Revenue	\$ 771,651	\$ 771,651
91100	Administrative Salaries		
91200	Auditing Fees	\$ -	
91300	Management Fee	\$ 67,586	\$ 67,586
91900	Other	\$ -	
91000	Total Operating-Administrative	\$ 67,586	\$ 67,586
96200	Other General Expenses	\$ -	
96000	Total Other General Expenses	\$ -	\$ -
96900	Total Operating Expenses	\$ 67,586	\$ 67,586
97000	Excess Revenue Over Operating Expenses	\$ 704,065	\$ 704,065

BOROUGH OF MANVILLE
SUPPLEMENTARY INFORMATION

FINANCIAL DATA SCHEDULE - SECTION 8 HOUSING CHOICE VOUCHER PROGRAM

FOR THE YEAR ENDED DECEMBER 31, 2011

Line Item No.	Description	Total Programs	Housing Choice Vouchers
			14.871
97300	Housing Assistance Payments	\$ 756,941	\$ 756,941
97350	HAP Portability-In	\$ 4,846	\$ 4,846
90000	Total Expenses	\$ 829,373	\$ 829,373
10000	Excess (Deficiency) of Revenue Over (Under) Expenses	\$ (57,722)	\$ (57,722)
11030	Beginning Equity	\$ 299,314	\$ 299,314
11040	Prior period adjustments, equity transfers, and correction of errors	\$ 18,120	\$ 18,120
11170	Administrative Fee Equity	\$ -	
11180	Housing Assistance Payments Equity	\$ 259,712	\$ 259,712
11190	Unit Months Available	1080	1080
11210	Unit Months Leased	819	819

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PART III

BOROUGH OF MANVILLE

STATISTICAL DATA

LIST OF OFFICIALS

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2011

COMPARATIVE STATEMENTS OF OPERATIONS AND
CHANGE IN FUND BALANCE - CURRENT FUND

	YEAR 2011		YEAR 2010	
	AMOUNT	%	AMOUNT	%
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 1,611,729.00	5.39%	\$ 1,880,000.00	6.32%
Miscellaneous-From Other Than Local				
Property Tax Levies	3,272,706.18	10.94%	3,269,817.54	10.99%
Collection of Delinquent Taxes and Tax Title Liens	546,989.11	1.83%	573,810.64	1.93%
Collection of Current Tax Levy	24,479,850.57	81.84%	24,017,880.88	80.76%
<u>Total Income</u>	<u>\$ 29,911,274.86</u>	<u>100.00%</u>	<u>\$ 29,741,509.06</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Municipal Purposes	\$ 12,350,832.68	42.50%	\$ 11,790,577.22	41.85%
County Taxes	3,539,893.22	12.18%	3,501,771.49	12.43%
Local District School Tax	13,130,255.00	45.18%	12,841,391.00	45.58%
Other	41,003.33	0.14%	39,551.13	0.14%
<u>Total Expenditures</u>	<u>\$ 29,061,984.23</u>	<u>100.00%</u>	<u>\$ 28,173,290.84</u>	<u>100.00%</u>
Excess in Revenue	\$ 849,290.63		\$ 1,568,218.22	
Adjustments to Income Before Fund Balance:				
Expenditures Included Above Which are by Statute Deferred Charges to Budget of Succeeding Year	530,000.00		1,938.00	
Statutory Excess to Fund Balance	\$ 1,379,290.63		1,570,156.22	
Fund Balance, January 1	1,842,964.88		2,152,808.66	
	<u>\$ 3,222,255.51</u>		<u>\$ 3,722,964.88</u>	
Less: Utilization as Anticipated Revenue	1,611,729.00		1,880,000.00	
Fund Balance, December 31	<u>\$ 1,610,526.51</u>		<u>\$ 1,842,964.88</u>	

COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGE
IN FUND BALANCE - SEWER UTILITY OPERATING FUND

	<u>YEAR 2011</u>		<u>YEAR 2010</u>	
	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>
<u>REVENUE AND OTHER</u>				
<u>INCOME REALIZED</u>				
Fund Balance Utilized	\$ 130,000.00	5.45%	\$ 220,000.00	9.11%
Sewer Use Charges	1,898,532.35	79.57%	1,949,542.17	80.71%
Miscellaneous	357,502.10	14.98%	246,010.58	10.18%
	<u>2,386,034.45</u>	<u>100.00%</u>	<u>2,415,552.75</u>	<u>100.00%</u>
<u>Total Income</u>				
<u>EXPENDITURES</u>				
Budget Expenditures:				
Operations	\$ 2,045,380.00	87.84%	\$ 2,013,000.00	91.79%
Statutory Expenditures	33,000.00	1.42%	30,000.00	1.37%
Surplus - General Budget	250,000.00	10.74%	150,000.00	6.84%
	<u>2,328,380.00</u>	<u>100.00%</u>	<u>2,193,000.00</u>	<u>100.00%</u>
<u>Total Expenditures</u>				
Excess in Revenue	\$ 57,654.45		\$ 222,552.75	
Fund Balance, January 1	595,184.45		592,631.70	
	<u>\$ 652,838.90</u>		<u>\$ 815,184.45</u>	
Less:				
Utilization as Anticipated Revenue	130,000.00		220,000.00	
Fund Balance, December 31	<u>\$ 522,838.90</u>		<u>\$ 595,184.45</u>	

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Tax Rate	<u>\$2.174</u>	<u>\$2.120</u>	<u>\$2.072</u>
Appointment of Tax Rate:			
Municipal	\$0.733	\$0.711	\$0.686
County	0.277	0.271	0.274
County Open Space	0.030	0.031	0.031
Local School	<u>1.134</u>	<u>1.107</u>	<u>1.081</u>

Assessed Valuation:

Year 2011	<u>\$158,365,965.00</u>		
Year 2010		<u>\$1,159,805,394.00</u>	
Year 2009			<u>\$1,157,697,495.00</u>

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

A study of this tabulation could indicate a possible trend in future tax levies. A decrease in the percentage of current collection could be an indication of a probable increase in future tax levies.

<u>YEAR</u>	<u>TAX LEVY</u>	<u>CASH COLLECTIONS</u>	<u>CURRENTLY PERCENTAGE OF COLLECTION</u>
2011	\$25,207,717.00	\$24,479,850.57	97.11%
2010	\$24,637,982.93	\$24,017,880.88	97.48%
2009	\$24,033,177.64	\$23,417,245.82	97.43%

DELINQUENT TAXES AND TAX TITLE LIENS

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

<u>DECEMBER 31, YEAR</u>	<u>AMOUNT OF TAX TITLE LIENS</u>	<u>AMOUNT OF DELINQUENT TAXES</u>	<u>TOTAL DELINQUENT</u>	<u>PERCENTAGE OF TAX LEVY</u>
2011	\$52,310.49	\$594,357.17	\$646,667.66	2.57%
2010	\$45,442.75	\$532,914.34	\$578,357.09	2.35%
2009	\$221,343.09	\$569,484.90	\$790,827.99	3.29%

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

The value of property acquired by liquidation of tax title liens on December 31st on the basis of the last assessed valuations of such properties was as follows:

<u>YEAR</u>	<u>AMOUNT</u>
2011	\$196,229.11
2010	\$196,229.11
2009	\$163,000.00

COMPARISON OF UTILITY LEVIES

<u>YEAR</u>	<u>SEWER LEVY</u>
2011	\$1,851,392.31
2010	\$1,989,797.87
2009	\$2,022,441.00

COMPARATIVE SCHEDULE OF FUND BALANCES

	<u>YEAR</u>	<u>BALANCE DECEMBER 31</u>	<u>UTILIZED IN BUDGET OF SUCCEEDING YEAR</u>
Current Fund	2011	\$1,610,526.51	\$1,350,000.00 *
	2010	\$1,842,964.88	\$1,611,729.00
	2009	\$2,152,808.66	\$1,880,000.00
	2008	\$1,993,770.73	\$1,725,000.00
	2007	\$1,868,812.37	\$1,500,000.00
Sewer Utility Operating Fund	2011	\$522,838.90	\$145,000.00 *
	2010	\$595,184.45	\$130,000.00
	2009	\$592,631.70	\$220,000.00
	2008	\$344,373.10	\$100,000.00
	2007	\$389,623.52	\$240,000.00

* Per introduced budget

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 BOND</u>	<u>NAME OF SURETY</u>
Lillian Zuza	Mayor		
Susan Asher	President of Council		
Lou Fischer	Councilman		
Sherri Lynn	Councilwoman		
Richard Onderko	Councilman		
Lou Petzinger	Councilman		
Steven H. Szabo	Councilman		
Gary P. Garwacke	Administrator, Borough Engineer	*	
Lori Majeski	Chief Financial Officer	*	
Lisa Gerickont	Tax Collector, Search Officer and Sewer Collector	\$500,000.00	Selective Risks Insurance Company
Philip E. Petrone	Borough Clerk, Public Works Superintendent	*	
Robert J. Foley	Municipal Magistrate	*	
Joy A. Lenner	Court Administrator	*	
Jennifer Jeremiah	Deputy Court Administrator	*	
Francis Linnus	Borough Attorney	*	

OFFICIALS IN OFFICE AND SURETY BONDS (CONTINUED)

<u>NAME</u>	<u>TITLE</u>	<u>AMOUNT OF BOND</u>	<u>NAME OF SURETY</u>
John Tamburini	Construction Code Official Building Sub-Code Official	*	
Michael Resetar	Plumbing Sub-Code Official	*	
Walter Wilczek	Zoning Officer	*	
Patrick Renaldi	Fire Official	*	
Richard Armstrong	Recreation Director	*	
Kathleen Suydam	Registrar of Vital Statistics	*	
Mark Peltack	Police Chief	*	
Tom Collins	Fire Chief	*	
Ken Otrinski	Director of OEM	*	
Glen Stiles	Tax Assessor	*	
Paul Masaba	Health Officer (County)	*	

All of the bonds were examined and were properly executed.

*Covered by Honesty Blanket Position Policy - Statewide Insurance Company - \$1,000,000.00.

COMMENTS AND RECOMMENDATIONS

GENERAL COMMENTS

CONTRACTS AND AGREEMENTS REQUIRED TO BE ADVERTISED FOR N.J.S.A. 40A:11-4

"Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the amount set forth in, or the amount calculated by the Governor pursuant to Section 3 P.L. 1971 C. 198 (C. 40A:11-3), except by contract or agreement."

Effective January 1, 2011, the bid threshold in accordance with N.J.S.A. 40A:11-3 is \$17,500.00 without a qualified purchasing agent.

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed \$17,500.00 within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Borough Counsel's opinion should be sought before a commitment is made.

The minutes indicate that bids were requested by public advertising for the following items:

Neighborhood Sidewalk Improvement Project

The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S.A. 40A:11-5.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear cut violations existed.

Our examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$17,500.00 for the performance of any work or the furnishing or hiring of any materials or supplies, other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of N.J.S.A. 40A:11-6.

COLLECTION OF INTEREST ON DELINQUENT
TAXES, UTILITY AND ASSESSMENTS

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

The governing body on January 2, 2011 adopted the following resolution authorizing interest to be charged on delinquent taxes and assessments:

WHEREAS, N.J.S.A. 54:4-67 governs the interest rates charged on delinquent tax and utility payments.

NOW THEREFORE BE IT RESOLVED, by the Mayor and Council of the Borough of Manville, County of Somerset that the interest rates charged on delinquent tax and utility payments shall be 8% on the first \$1,500.00 of delinquency and 18% on any excess over \$1,500.00 thereafter, for the year 2011; and

WHEREAS, N.J.S.A. 54:5-61 WHEREAS, relating to the amount of penalty to be charged on a tax sale certificate has been amended to read as follows:

When taxes, interest and costs shall in excess of \$200.00 but less than \$5,000.00, a 2% penalty on any amount due shall be charged. When taxes, interest and costs shall exceed the sum of \$5,000.00, such additional sum shall be equal to 4% of such amount paid and when the sum exceeds \$10,000.00 such additional sum paid shall be equal to 6% of such amount paid. This section shall also apply to all existing tax sale certificates held by municipalities on the effective date of this act.

NOW THEREFORE BE IT RESOLVED, by the Mayor and Council of the Borough of Manville, County of Somerset that under N.J.S.A. 54:4-61, the Tax Collector of the Borough of Manville is authorized to charge, on a tax sale certificate, a 2% penalty on any amount due in excess of \$200.00 but less than \$5,000.00; a 4% penalty on any amount due in excess of \$5,000.00 but less than \$10,000.00; and a 6% penalty on any amount due in excess of \$10,000.00. These penalties are to be applied to all municipal held tax sale certificates as well as those which may be acquired by the municipality as a result of future tax sales.

DELINQUENT TAXES AND TAX TITLE LIENS

The last tax sale was held on June 10, 2011 and was complete.

Inspection of Tax Sale Certificates on file revealed that all Tax Sale Certificates were available for audit.

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

<u>YEAR</u>	<u>NUMBER OF LIENS</u>
2011	6
2010	7
2009	7

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

VERIFICATION OF DELINQUENT TAXES AND OTHER CHARGES

A test verification of delinquent charges and current payments was made in accordance with the regulations of the Division of Local Government Services, consisting of the mailing of verification notices as follows:

<u>TYPE</u>	
Payments of 2012 Taxes	50
Payments of 2011 Taxes	50
Delinquent Taxes	25
Payment of Sewer Utility Charges	50
Delinquent Sewer Utility Charges	25

OTHER COMMENTS

Interfunds

Transactions invariably occur in one fund which require a corresponding entry to be made in another fund, thus creating interfund balances. References to the various balance sheets show the interfund balances remaining at year end. As a general rule all interfund balances should be closed out as of the end of the year.

It is the Borough's policy to review and liquidate all interfund balances on a periodic basis.

RECOMMENDATIONS

None



