

**TOWN OF HAMMONTON
COUNTY OF ATLANTIC
REPORT OF AUDIT
FOR THE YEAR 2007**

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TOWN OF HAMMONTON

PART 1

REPORT OF AUDIT OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2007



INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Town Council
Town of Hammonton
Hammonton, New Jersey 08037

We have audited the accompanying statements of assets, liabilities, reserves and fund balance-- regulatory basis of the various funds of the Town of Hammonton, in the County of Atlantic, State of New Jersey as of December 31, 2007 and 2006, and the related statements of operations and changes in fund balance-- regulatory basis for the years then ended, and the related statement of revenues-- regulatory basis, statement of expenditures-- regulatory basis, and statement of general fixed assets group of accounts for the year ended December 31, 2007. These financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 financial statements previously referred to have been prepared in conformity with accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which differ from accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects on the financial statements of the requirement that the Town prepare its financial statements in accordance with the accounting practices discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Town of Hammonton, in the County of Atlantic, State of New Jersey, as of December 31, 2007 and 2006, or the results of its operations and changes in fund balance for the years then ended.

Furthermore, in our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance-- regulatory basis of the various funds of the Town of Hammonton, in the County of Atlantic, State of New Jersey, as of December 31, 2007 and 2006, and the results of its operations and changes in fund balance-- regulatory basis of such funds for the years then ended, and the revenues-- regulatory basis, expenditures-- regulatory basis of the various funds, and general fixed assets, for the year ended December 31, 2007 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated July 18, 2008 on our consideration of the Town of Hammonton, in the County of Atlantic, State of New Jersey's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Hammonton's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and is not a required part of the financial statements. In addition, the supplementary financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements of each of the respective individual funds and account group taken as a whole.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Todd R. Saler
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
July 18, 2008



**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 Town Council
Town of Hammonton
Hammonton, New Jersey 08037

We have audited the financial statements (regulatory basis) of the Town of Hammonton, in the County of Atlantic, State of New Jersey, as of and for the year ended December 31, 2007, and have issued our report thereon dated July 18, 2008, which indicated that the financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and in compliance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

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

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

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be presented or detected by the Town's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be 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 Town of Hammonton's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under Government Auditing Standards and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs which are described in the accompanying Schedule of Findings and Questioned Costs as findings no.: 2007-1.

The Town of Hammonton's response to the finding identified in our report is described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the Town of Hammonton's response and, accordingly, we express no opinion on it.

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

Respectfully submitted,

Bowman : Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Todd R. Saler

Todd R. Saler
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
July 18, 2008

TOWN OF HAMMONTON

Current Fund

Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
For the Years Ended December 31, 2007 and 2006

<u>ASSETS</u>	<u>REFERENCE</u>	<u>2007</u>	<u>2006</u>
Current Fund:			
Cash -- Tax Collector - Treasurer	SA-1	\$ 6,043,987.14	\$ 6,640,637.15
Cash -- Change Fund	SA-2	585.00	585.00
Due From State of New Jersey -- Senior Citizens' and Veterans Deductions	SA-11	13,122.68	8,767.65
Due From County Open Space Trust Fund	A	28,000.00	28,000.00
Total		6,085,694.82	6,677,989.80
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	SA-3	52,971.15	22,816.29
Tax Title Liens Receivable	SA-4	265,970.49	339,574.27
Property Acquired for Taxes - Assessed Valuation	A	422,900.00	422,900.00
Revenue Accounts Receivable	SA-5	128,591.28	62,584.23
Due from Animal Control Fund	SB-3	104.77	139.54
		870,537.69	848,014.33
Deferred Charges:			
Special Emergency Authorization (N.J.S. 40A:4-55)	SA-6	4,800.00	7,200.00
		6,961,032.51	7,533,204.13
Federal and State Grant Fund:			
Cash	SA-1	18,670.59	18,041.78
Due from Current Fund	SA-1	58,928.96	55,236.61
Federal and State Grants Receivable	SA-16	52,125.06	36,265.18
		129,724.61	109,543.57
		\$ 7,090,757.12	\$ 7,642,747.70

(Continued)

TOWN OF HAMMONTON

Current Fund

Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
For the Years Ended December 31, 2007 and 2006

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>REFERENCE</u>	<u>2007</u>	<u>2006</u>
Current Fund:			
Liabilities:			
Appropriation Reserves	A-3 & SA-7	\$ 148,339.46	\$ 265,723.61
Reserve for Encumbrances	SA-8	336,775.11	449,637.63
Reserve for County Open Space Trust Fund	A	28,000.00	28,000.00
Prepaid Taxes	SA-9	507,987.59	444,093.99
Tax Overpayments	SA-10	1,045.42	62,405.26
Due State of New Jersey -- Marriage Licenses	SA-12	550.00	425.00
Local School Tax Payable	SA-13	0.28	0.28
Reserve for Garden State Preservation Trust Fund	A-2 & SA-1	46,328.57	47,527.33
Due to Federal and State Grant Fund	SA-1	58,928.96	55,236.61
Due to Trust - Other Funds	SB-5	49,590.00	69,860.00
		<u>1,177,545.39</u>	<u>1,422,909.71</u>
Reserve for Receivables and Other Assets	A	870,537.69	848,014.33
Fund Balance	A-1	4,912,949.43	5,262,280.09
		<u>6,961,032.51</u>	<u>7,533,204.13</u>
Federal and State Grant Fund:			
Reserve for Federal and State Grants:			
Unappropriated Reserves	SA-17	24,488.79	15,466.24
Appropriated Reserves	SA-18	97,368.82	90,003.85
Reserve for Encumbrances	SA-19	7,867.00	4,073.48
		<u>129,724.61</u>	<u>109,543.57</u>
Total Federal and State Grant Fund		<u>\$ 7,090,757.12</u>	<u>\$ 7,642,747.70</u>

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

TOWN OF HAMMONTON
Current Fund

Statement of Operations and Changes in Fund Balance - Regulatory Basis
For the Years Ended December 31, 2007 and 2006

	<u>2007</u>	<u>2006</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 2,820,000.00	\$ 1,700,000.00
Miscellaneous Revenue Anticipated	3,464,919.78	3,403,094.03
Receipts from Delinquent Taxes	103,709.65	36,891.17
Receipts from Current Taxes	27,356,836.25	26,986,923.82
Non-Budget Revenues	755,967.51	149,457.30
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	185,490.38	169,733.73
Liquidation of Reserves for:		
Due from Animal Control Fund	34.77	741.68
	34,686,958.34	32,446,841.73
Total Revenue and Other Income Realized		
<u>Expenditures</u>		
Operations Within "CAPS":		
Salaries and Wages	4,939,623.30	4,781,566.05
Other Expenses	3,875,606.09	2,154,621.86
Deferred Charges and Statutory Expenditures Within "CAPS"	239,436.00	235,100.34
Operations Excluded from "CAPS":		
Salaries and Wages	19,319.80	10,800.00
Other Expenses	460,589.66	1,766,690.67
Capital Improvements Excluded from "CAPS"	16,917.00	
Municipal Debt Service Excluded from "CAPS"	1,270,099.32	939,468.67
Deferred Charges - Municipal - Excluded from "CAPS"	2,400.00	2,400.00
Transferred to Board of Education for Use of Local School - Excluded from "CAPS"	700,000.00	
County Taxes	4,187,874.71	4,241,167.66
Due County for Added and Omitted Taxes	68,668.25	133,757.55
Local School Taxes	16,348,031.00	15,467,555.00
Prior Year Deductions Disallowed by Tax Collector		3,620.71
Reserve for Revenue Accounts Receivable	70,000.00	
Refund of Prior Year Revenue	17,723.87	1,000.00
	32,216,289.00	29,737,748.51
Total Expenditures		

(Continued)

TOWN OF HAMMONTON
Current Fund
Statement of Operations and Changes in Fund Balance - Regulatory Basis
For the Years Ended December 31, 2007 and 2006

	<u>2007</u>	<u>2006</u>
Excess in Revenue and Statutory Excess to Fund Balance	\$ 2,470,669.34	\$ 2,709,093.22
Fund Balance January 1	<u>5,262,280.09</u>	<u>4,253,186.87</u>
Total	7,732,949.43	6,962,280.09
Decreased by:		
Utilized as Revenue	<u>2,820,000.00</u>	<u>1,700,000.00</u>
Balance December 31	<u><u>\$ 4,912,949.43</u></u>	<u><u>\$ 5,262,280.09</u></u>

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

TOWN OF HAMMONTON
Current Fund
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2007

	<u>Budget</u>	<u>N.J.S.A.</u> <u>40A:4-87</u>	<u>Realized</u>	<u>Excess</u> <u>(Deficit)</u>
Fund Balance	\$ 2,820,000.00	-	\$ 2,820,000.00	-
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	10,000.00		10,680.00	\$ 680.00
Other	62,000.00		22,241.00	(39,759.00)
Fines and Costs - Municipal Court	200,000.00		225,853.09	25,853.09
Interest and Costs on Taxes	90,000.00		147,007.86	57,007.86
Interest on Investments and Deposits	299,565.00		413,117.53	113,552.53
Board of Health Fees	20,000.00		24,963.00	4,963.00
Tax Search Fees	250.00		120.00	(130.00)
Airport Rental	34,000.00		32,266.73	(1,733.27)
Legislative Initiative Municipal Block Grant Program	53,418.00		53,418.00	
Consolidated Municipal Property Tax Relief Act	615,684.00		615,684.00	
Energy Receipts Tax	966,961.00		966,961.00	
Supplemental Energy Receipts Tax	26,986.00		26,986.00	
Municipal Homeland Security Assistance Aid	70,000.00		70,000.00	
Municipal Property Tax Assistance	32,313.00		32,313.00	
Pinelands Property Tax Stabilization	7,043.00		7,043.00	
Garden State Trust Fund	47,527.33		47,527.33	
Uniform Construction Code Fees	205,435.00		185,677.50	(19,757.50)
Public and Private Revenues Offset with Appropriations:				
Drunk Driving Enforcement Fund	8,611.80		8,611.80	
Clean Communities	19,173.14	\$ 1,928.17	21,101.31	
Body Armor Fund	3,104.44		3,104.44	
Municipal Alliance on Alcoholism and Drug Abuse	13,224.03		13,224.03	
Smart Growth Planning Project	11,000.00		11,000.00	
Division of Highway Traffic Safety - Click It or Ticket		4,000.00	4,000.00	
Alcohol Impaired Driving Prevention Program		6,708.00	6,708.00	
NJ Recycling Tonnage Grant		15,037.76	15,037.76	
Alcohol Education/Rehabilitation Program		845.71	845.71	
Other Special Items:				
Uniform Fire Safety Act	36,025.18		34,503.41	(1,521.77)
Cable TV Franchise Fee	47,346.42		47,346.42	
Plymouth Place -- Payment In-Lieu of Taxes	86,600.00		84,950.00	(1,650.00)
General Capital Fund Balance	50,265.64		50,265.64	
Water Utility Management Fee	83,240.16		83,240.16	
Sewer Utility Management Fee	157,464.06		157,464.06	
Reserve for Payment of Bonds	41,658.00		41,658.00	
Total	<u>3,298,895.20</u>	<u>28,519.64</u>	<u>3,464,919.78</u>	<u>137,504.94</u>
Receipts from Delinquent Taxes	<u>30,000.00</u>	<u>-</u>	<u>103,709.65</u>	<u>73,709.65</u>
Amount to be Raised by Taxes for Support of Municipal Budget - Local Tax for Municipal Purposes	<u>6,168,533.00</u>	<u>-</u>	<u>7,272,779.28</u>	<u>1,104,246.28</u>
Budget Totals	12,317,428.20	28,519.64	13,661,408.71	1,315,460.87
Non-Budget Revenues	-	-	755,967.51	755,967.51
Total	<u>\$ 12,317,428.20</u>	<u>\$ 28,519.64</u>	<u>\$ 14,417,376.22</u>	<u>\$ 2,071,428.38</u>

(Continued)

TOWN OF HAMMONTON
Current Fund
Statement of Revenues - Regulatory Basis (Cont'd)
For the Year Ended December 31, 2007

Analysis of Realized Revenue

Allocation of Current Tax Collections:

Revenue from Collections		\$ 27,356,836.25
Allocated to:		
County Taxes	\$ 3,333,784.13	
County Library Taxes	413,088.43	
County Health Taxes	168,323.27	
County Open Space Taxes	272,678.88	
Due County for Added & Omitted	68,668.25	
School Taxes	<u>16,642,570.00</u>	
		<u>20,899,112.96</u>
Sub-Total		6,457,723.29
Add Appropriation - Reserve for Uncollected Taxes		<u>815,055.99</u>
Amount for Support of Municipal Budget Appropriations		<u>\$ 7,272,779.28</u>

Receipts from Delinquent Taxes:

Delinquent Tax Collections		\$ 5,019.34
Tax Title Lien Collections		<u>98,690.31</u>
		<u>\$ 103,709.65</u>

Licenses -- Other:

Raffle/Bingo		\$ 1,265.00
Marriage		312.00
Business License		<u>20,664.00</u>
		<u>\$ 22,241.00</u>

Interest on Investments:

Treasurer -- Tax Collector		\$ 410,625.40
Municipal Court		2,387.36
Due from Animal Control Fund		<u>104.77</u>
		<u>\$ 413,117.53</u>

Board of Health Fees:

Burial Permits		\$ 1,444.00
Birth and Death Certificates		<u>23,719.00</u>
		25,163.00

Less: Refunds

		<u>(200.00)</u>
		<u>\$ 24,963.00</u>

(Continued)

TOWN OF HAMMONTON
Current Fund
Statement of Revenues - Regulatory Basis (Cont'd)
For the Year Ended December 31, 2007

Analysis of Non-Budget Revenue

Miscellaneous Revenue Not Anticipated:

Revenue Accounts Receivable:

Police Department	\$ 6,381.59
Use of Police Vehicle Fees	26,380.00
Town Clerk:	
Street Opening Permits	4,095.00
Tree Removal Permit	1,625.00
Municipal Court - Cancellation of Old Outstanding Checks	1,199.32
Municipal Court - Restitution	40.00
Business Registration Certificates	16,684.50
Landlord Registration Fees	14,915.00
Freon Fees and Permits	590.00
Fire Inspection Fees	9,707.00
Rental of Polling Places	75.00
Planning Board	6,770.00
Zoning Board	486.00
Tax Assessor	735.75

89,684.16

Less: Refunds

(105.00)

\$ 89,579.16

Tax Collector - Treasurer:

State of New Jersey -- Administrative Reimbursement	4,329.36
Photocopies	3,659.15
Recreation Insurance	6,850.00
Unclaimed Property	276.36
Prior Year Refunds	67,261.09
Telephone Rental	19,619.40
Division of Inspections and Fines	2,433.00
Sale of Fire Equipment	1,000.00
Sale of Town Property	428,655.79
Sale of Scrap Metal	1,313.20
Cell Tower Lease Agreement	8,250.00
Returned Check Fees	100.00
Lot Grading Application Fee	390.00
School Agreement	120,000.00
Cancellation of Old Outstanding balances in Premium Account	1,721.00
Donation	500.00
Duplicate Tax Sale Certificates	30.00

666,388.35

\$ 755,967.51

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

TOWN OF HAMMONTON
Current Fund

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2007

	<u>Appropriations</u>		<u>Expended</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
GENERAL APPROPRIATIONS:					
<i>Operations Within "CAPS":</i>					
GENERAL GOVERNMENT					
Administrative and Executive					
Salaries and Wages	\$ 378,346.23	\$ 389,346.23	\$ 386,183.33	\$ 3,162.90	
Other Expenses	38,850.00	76,350.00	72,340.08	4,009.92	
Elections					
Other Expenses	5,500.00	5,000.00	4,573.30	426.70	
Financial Administration					
Salaries and Wages	169,053.05	183,653.05	183,131.54	521.51	
Other Expenses	9,700.00	12,700.00	12,262.48	437.52	
Annual Audit	6,000.00	6,000.00	6,000.00		
Assessment of Taxes					
Salaries and Wages	100,600.00	101,936.00	101,859.50	76.50	
Other Expenses	16,515.00	19,515.00	16,670.57	2,844.43	
Collection of Taxes					
Other Expenses	17,500.00	23,500.00	20,635.29	2,864.71	
Legal Services and Costs:					
Salaries and Wages	75,000.00	75,000.00	73,557.82	1,442.18	
Other Expenses	46,800.00	51,800.00	50,419.50	1,380.50	
Engineering Services and Costs					
Other Expenses	17,500.00	17,500.00	14,582.50	2,917.50	
Public Buildings and Grounds					
Salaries and Wages	39,951.52	41,151.52	38,945.01	2,206.51	
Other Expenses	34,800.00	28,600.00	24,706.40	3,893.60	
Natural Gas	48,000.00	49,000.00	48,067.07	932.93	
Electricity	70,000.00	78,425.00	76,671.92	1,753.08	
Telephone	55,000.00	58,500.00	57,369.18	1,130.82	
Gasoline	167,000.00	167,000.00	164,944.70	2,055.30	

(Continued)

GENERAL APPROPRIATIONS:

TOWN OF HAMMONTON
Current Fund

Statement of Expenditures - Regulatory Basis
 For the Year Ended December 31, 2007

	<u>Appropriations</u>		<u>Expended</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
<i>Operations Within "CAPS" (Cont'd):</i>					
<u>GENERAL GOVERNMENT (Cont'd)</u>					
Municipal Land Use Law (N.J.S.A. 40:55D-1)	\$ 42,260.00	\$ 43,360.00	\$ 42,767.45	\$ 592.55	
Planning Board:	24,350.00	19,925.00	14,053.65	5,871.35	
Salaries and Wages					
Other Expenses					
Board of Adjustments					
Salaries and Wages	3,700.00	3,700.00	3,628.90	71.10	
Other Expenses	1,250.00	1,250.00	465.08	784.92	
Historical Society:					
Salaries and Wages	700.00	700.00		700.00	
Other Expenses	10,603.41	10,603.41	9,951.00	652.41	
Rent Control					
Salaries and Wages	1,200.00	1,200.00	1,176.80	23.20	
Other Expenses	200.00	200.00	109.40	90.60	
Shade Tree Commission					
Salaries and Wages	1,200.00	1,800.00	900.00	900.00	
Other Expenses	500.00	500.00	124.50	375.50	
Environmental Commission (N.J.S. 40:56A-1 et seq.)					
Salaries and Wages	1,200.00	1,400.00	1,100.00	300.00	
Other Expenses	1,000.00	1,000.00	760.99	239.01	
Economic Development					
Other Expenses	10,000.00	10,000.00	10,000.00		
Liquidation of Tax Title Liens					
Other Expenses	10,000.00				
Computer					
Salaries and Wages	48,200.00	58,300.00	53,234.93	5,065.07	
Other Expenses	12,200.00	13,700.00	12,024.80	1,675.20	

(Continued)

GENERAL APPROPRIATIONS:

**TOWN OF HAMMONTON
Current Fund**

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2007

	<u>Appropriations</u>		<u>Expended</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
Operations Within "CAPS" (Cont'd):					
Insurance					
Group Insurance Plan for Employees	\$ 1,340,505.48	\$ 1,134,184.07	\$ 1,132,129.33	\$ 2,054.74	
Workers Compensation Insurance	311,219.00	311,219.00	310,219.00	1,000.00	
Liability Insurance	34,000.00	30,325.64	30,325.64		
Temporary Disability Insurance	13,000.00	13,000.00	13,000.00		
Unemployment Insurance	1,000.00				
<u>PUBLIC SAFETY</u>					
Fire					
Other Expenses	88,550.00	88,550.00	88,506.46	43.54	
State Fire Prevention Code					
Salaries and Wages	23,800.00	24,800.00	24,279.01	520.99	
Other Expenses	17,113.20	17,113.20	16,852.13	261.07	
Police					
Salaries and Wages	2,548,998.83	2,521,462.83	2,506,156.60	15,306.23	
Other Expenses	200,600.00	251,100.00	242,219.46	8,880.54	
Police Radio and Communications					
Salaries and Wages	251,100.00	251,100.00	245,928.09	5,171.91	
Other Expenses	13,700.00	13,700.00	13,518.16	181.84	
Municipal Court:					
Salaries and Wages	193,444.10	196,044.10	195,533.66	510.44	
Other Expenses	16,900.00	24,400.00	19,587.00	4,813.00	
Prosecutor:					
Salaries and Wages	22,500.00	22,900.00	17,105.30	5,794.70	
Rescue Squad					
Other Expenses	5,000.00	5,000.00	4,950.00	50.00	
Special Services					
Other Expenses	5,500.00	5,500.00	4,207.16	1,292.84	

GENERAL APPROPRIATIONS:

(Continued)

TOWN OF HAMMONTON
Current Fund

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2007

	<u>Appropriations</u>		<u>Expended</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
<i>Operations Within "CAPS" (Cont'd):</i>					
<u>STREETS AND ROADS</u>					
Streets and Roads					
Salaries and Wages	\$ 750,429.57	\$ 761,429.57	\$ 760,133.29	\$ 1,296.28	
Other Expenses	807,505.00	867,505.00	857,019.47	10,485.53	
Street Lighting					
Other Expenses	310,000.00	335,595.77	310,962.42	24,633.35	
<u>HEALTH AND WELFARE</u>					
Dog Regulation					
Salaries and Wages					
Other Expenses	7,200.00	7,200.00	7,200.00		
Registrar of Vital Statistics					
Other Expenses	3,000.00	3,000.00	2,442.00	558.00	
<u>RECREATION AND EDUCATION</u>					
Parks Commission:					
Salaries and Wages	1,200.00	1,300.00	1,200.00	100.00	
Other Expenses	1,000.00	1,000.00		1,000.00	
Recreation					
Salaries and Wages	49,100.00	49,100.00	48,481.80	618.20	
Other Expenses	28,000.00	28,000.00	26,639.09	1,360.91	
Celebration of Public Events, Anniversaries and Holidays	1,000.00	1,000.00	1,000.00		
<u>CODE ENFORCEMENT</u>					
Property Maintenance Officer					
Salaries and Wages	21,000.00	21,400.00	21,136.44	263.56	
Other Expenses	1,000.00	1,000.00	957.78	42.22	
Construction Code Official					
Salaries and Wages	190,040.00	185,540.00	180,013.91	5,526.09	
Other Expenses	15,395.00	25,895.00	25,330.97	564.03	

(Continued)

GENERAL APPROPRIATIONS:

**TOWN OF HAMMONTON
Current Fund**

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2007

	<u>Appropriations</u>		<u>Expended</u>		<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Balance Canceled</u>
<i>Operations Within "CAPS" (Cont'd):</i>					
<u>UNCLASSIFIED</u>					
Advertising					
Other Expenses	\$ 55,000.00	\$ 55,000.00	\$ 53,981.50	\$ 1,018.50	
Municipal Airport					
Salaries and Wages	3,000.00	3,000.00	2,942.44	57.56	
Other Expenses	3,750.00	5,250.00	4,505.74	744.26	
Total Operations Including Contingent - Within "CAPS"	8,799,229.39	8,815,229.39	8,671,681.54	143,547.85	\$ -
Detail:					
Salaries and Wages	4,916,023.30	4,939,623.30	4,889,395.82	50,227.48	
Other Expenses	3,883,206.09	3,875,606.09	3,782,285.72	93,320.37	
GENERAL APPROPRIATIONS:					
<i>Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS":</i>					
DEFERRED CHARGES:					
Deferred Charges to Future Taxation:					
Ordinance # 6-06(d)	436.00	436.00	436.00		
STATUTORY EXPENDITURES:					
Contribution to:					
Social Security System (O.A.S.I.)	255,000.00	239,000.00	234,208.39	4,791.61	
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	255,436.00	239,436.00	234,644.39	4,791.61	-
Total General Appropriations - For Municipal Purposes Within "CAPS"	9,054,665.39	9,054,665.39	8,906,325.93	148,339.46	-

(Continued)

TOWN OF HAMMONTON

Current Fund

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2007

	<u>Appropriations</u>		<u>Expended</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
Operations Excluded from "CAPS":					
STATUTORY EXPENDITURES:					
Contribution to:					
Public Employees Retirement System of N.J.	\$ 78,939.20	\$ 78,939.20	\$ 78,939.20		
Police and Firemen's Retirement System of N.J.	314,031.20	314,031.20	314,031.20		
Public and Private Programs Offset By Revenues:					
Atlantic County Municipal Alliance Grant	16,530.04	16,530.04	16,530.04		
Clean Communities Program (NJSA 40A:4-87, \$1,928.17)	19,173.14	21,101.31	21,101.31		
Alcohol Education and Rehabilitation Fund (NJSA 40A:4-87, \$845.71)		845.71	845.71		
Drunk Driving Enforcement Fund	8,611.80	8,611.80	8,611.80		
Body Armor Fund	3,104.44	3,104.44	3,104.44		
Recycling Tonnage Grant (NJSA 40A:4-87, \$15,037.76)		15,037.76	15,037.76		
Smart Growth Planning Project	11,000.00	11,000.00	11,000.00		
Alcohol Impaired Driving Prevention Program (NJSA 40A:4-87, \$6,708.00)		6,708.00	6,708.00		
Click It or Ticket (NJSA 40A:4-87, \$4,000.00)		4,000.00	4,000.00		
Total Operations - Excluded From "CAPS"	\$ 451,389.82	\$ 479,909.46	\$ 479,909.46	\$ -	\$ -
Detail:					
Salaries and Wages	8,611.80	19,319.80	19,319.80		
Other Expenses	443,978.02	460,589.66	460,589.66		
Capital Improvements--Excluded from "CAPS"					
Capital Improvement Fund	16,917.00	16,917.00	16,917.00		

GENERAL APPROPRIATIONS:

(Continued)

TOWN OF HAMMONTON

Current Fund

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2007

	<u>Appropriations</u>		<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Expended</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>				<u>Reserved</u>		
<i>Municipal Debt Service - Excluded from "CAPS"</i>							
Payment of Bond & Loan Principal	\$ 445,000.00	\$	445,000.00	\$ 443,388.00		\$	1,612.00
Interest on Bonds	432,000.00		432,000.00	430,751.94			1,248.06
Note Principal	100,000.00		100,000.00	99,449.42			550.58
Interest on Notes	290,000.00		290,000.00	287,182.48			2,817.52
Green Trust Loan Program --Principal and Interest	10,000.00		10,000.00	9,327.48			672.52
<i>Total Municipal Debt Service - Excluded from "CAPS"</i>	1,277,000.00		1,277,000.00	1,270,099.32		-	6,900.68
GENERAL APPROPRIATIONS:							
<i>Deferred Charges - Municipal - Excluded from "CAPS"</i>							
Special Emergency Authorizations	2,400.00		2,400.00	2,400.00			-
Transferred to Board of Education for Use of Local Schools (N.J.S.A. 40:48-17.1 & 17.3)	700,000.00		700,000.00	700,000.00			-
<i>Total General Appropriations for Municipal Purposes Excluded from "CAPS"</i>	2,447,706.82		2,476,226.46	2,469,325.78			6,900.68
Subtotal General Appropriations	11,502,372.21		11,530,891.85	11,375,651.71		\$	148,339.46
Reserve for Uncollected Taxes	815,055.99		815,055.99	815,055.99			
TOTAL GENERAL APPROPRIATIONS	\$ 12,317,428.20		\$ 12,345,947.84	\$ 12,190,707.70		\$	6,900.68

(Continued)

TOWN OF HAMMONTON

Current Fund

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2007

	<u>Appropriations</u>		<u>Expended</u>		<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Balance Canceled</u>
Appropriation by N.J.S.A. 40A:4-87		\$ 28,519.64			
Original Budget		<u>12,317,428.20</u>			
		\$ <u>12,345,947.84</u>			
Reserve for Federal and State Grants -- Appropriated			\$ 86,939.06		
Deferred Charges - Special Emergency Authorization			2,400.00		
Reserve for Encumbrances			247,745.80		
Reserve for Uncollected Taxes			815,055.99		
Disbursed			<u>11,038,566.85</u>		
			\$ <u>12,190,707.70</u>		

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

TOWN OF HAMMONTON
Trust Fund
Statement of Assets, Liabilities and Reserves - Regulatory Basis
As of December 31, 2007 and 2006

<u>ASSETS</u>	<u>REFERENCE</u>	<u>2007</u>	<u>2006</u>
Animal Control Fund:			
Cash	SB-1	\$ 2,466.97	\$ 1,909.34
Other Funds:			
Cash	SB-1	868,994.41	757,412.66
Investments -- U.S. Government Securities	SB-2	297,055.20	275,217.95
Due from Current Fund	SB-5	49,590.00	69,860.00
Total Other Funds		1,215,639.61	1,102,490.61
Total		\$ 1,218,106.58	\$ 1,104,399.95
 <u>LIABILITIES AND RESERVES</u> 			
Animal Control Fund:			
Due to Current Fund	SB-3	\$ 104.77	\$ 139.54
Reserve for Animal Control Fund Expenditures	SB-4	2,362.20	1,769.80
Total Animal Control Fund		2,466.97	1,909.34
Other Funds:			
Due to VCCB - Criminal Disposition	SB-10	12,144.27	9,564.93
Reserve for Prosecutor's Trust Fund	SB-6	7,624.21	10,754.05
Reserve for Recreation Fees	SB-7	20,946.11	12,686.21
Street Opening Escrow Deposits	SB-8	30,050.00	21,700.00
Reserve for Escrow Deposits	SB-9	167,290.01	153,780.56
Reserve for Public Defender Trust Fund	SB-10	17,606.88	13,527.84
Reserve for Parking Offense Adjudication Act	SB-11	1,627.33	1,531.33
Reserve for Municipal Drug Alliance Funds	SB-12	4,933.34	5,418.39
Reserve for Airport Security Deposit	SB-13	1,894.95	1,821.40
Reserve for Police Outside Detail	SB-14	49,590.00	68,670.00
Reserve for Tax Title Lien Redemption	SB-15	13,790.42	34,860.94
Reserve for Tax Sale Premium	SB-16	135,600.00	36,800.00
Payroll Deductions Payable	SB-17	64,557.37	54,630.36
Park Recreation Trust Fund	SB-18	14,597.32	47,585.85
Recaptured Grant Funds	SB-19	6,646.00	4,617.45
Uniform Fire Penalties Rider	SB-20	1,126.27	1,082.51
State Landfill Tax Escrow Fund	SB-21	159,483.23	153,277.06
State Landfill Closure -- Escrow Fund	SB-22	297,055.20	275,217.95
Reserve for Celebration of Public Events	SB-23	2,223.47	2,136.67
Reserve for COAH Fees	SB-24	199,821.74	192,045.08
Reserve for Police Equipment Donations	SB-25	7,031.49	782.03
Total Other Funds		1,215,639.61	1,102,490.61
Total		\$ 1,218,106.58	\$ 1,104,399.95

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

TOWN OF HAMMONTON
General Capital Fund

Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
As of December 31, 2007 and 2006

	<u>REFERENCE</u>	<u>2007</u>	<u>2006</u>
<u>ASSETS</u>			
Cash	SC-1 & SC-2	\$ 850,309.00	\$ 3,000,789.44
Federal Grants Receivable	SC-4	1,385,071.23	2,949,436.26
State Grants Receivable	SC-5	8,000.00	111,244.00
County and Local Grants Receivable	SC-6	1,841,778.13	63,000.00
Deferred Charges to Future Taxation:			
Funded	SC-7	12,150,088.63	6,200,093.95
Unfunded	SC-8	6,911,944.00	12,118,885.42
		<u> </u>	<u> </u>
Total Assets		<u>\$ 23,147,190.99</u>	<u>\$ 24,443,449.07</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Serial Bonds	SC-16	\$ 11,746,000.00	\$ 5,721,000.00
Bond Anticipation Notes Payable	SC-15	3,500,000.00	6,962,000.00
NJDEP Loan Payable	SC-14	273,552.00	341,940.00
Green Acres Trust Fund Loan Payable	SC-13	130,536.63	137,153.95
Capital Improvement Fund	SC-11	0.49	51,133.49
Contracts Payable	SC-10	4,159,794.14	7,439,579.67
Improvement Authorizations:			
Funded	SC-9	2,430,890.88	1,566,658.34
Unfunded	SC-9	836,076.72	1,883,939.98
Reserve for Bond Sale Deposit	SC-16		248,120.00
Reserve for Payment of Bonds	SC-12	37,556.13	41,658.00
Fund Balance	C-1	32,784.00	50,265.64
		<u> </u>	<u> </u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 23,147,190.99</u>	<u>\$ 24,443,449.07</u>

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

TOWN OF HAMMONTON
General Capital Fund
Statement of Changes in Fund Balance - Regulatory Basis
For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 50,265.64
Increased by:		
Premium Received in Issuance of Bond Anticipation Notes	\$ 9,348.50	
Premium Received in Issuance of Bonds	<u>23,435.50</u>	
		<u>32,784.00</u>
		83,049.64
Decreased By:		
Anticipated as Revenue in 2007 Current Fund Budget		<u>50,265.64</u>
Balance December 31, 2007		<u><u>\$ 32,784.00</u></u>

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

TOWN OF HAMMONTON
Water Utility Fund

Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
As of December 31, 2007 and 2006

<u>ASSETS</u>	<u>REFERENCE</u>	<u>2007</u>	<u>2006</u>
Operating Fund:			
Cash	SD-1	\$ 2,506,431.09	\$ 2,578,600.37
Receivables with Full Reserves:			
Consumer Accounts Receivable	SD-3	28,487.10	15,047.10
Water Utility Liens	SD-4	1,420.44	1,705.44
Total Regular Fund		29,907.54	16,752.54
Total Operating Fund		2,536,338.63	2,595,352.91
Assessment Trust Fund:			
Assessments Receivable	SD-5	10,084.80	12,366.95
Assessment Liens Receivable	D	2,928.58	2,928.58
Due from Water Utility Operating Fund	SD-6	394,046.91	406,764.76
Total Assessment Trust Fund		407,060.29	422,060.29
Capital Fund:			
Cash	SD-1&SD-2	4,065,773.85	3,499,512.09
Fixed Capital	SD-7	7,252,212.94	7,252,212.94
Fixed Capital Authorized and Uncompleted	SD-8	8,284,396.53	6,364,396.53
Federal Grants Receivable	SD-9	770,000.00	
Refunds Receivable	SD-16	68,891.10	
Due from Water Utility Operating Fund	SD-18		11,246.59
Due from Sewer Utility Capital Fund	SE-8	470,367.00	168,901.65
Total Capital Fund		20,911,641.42	17,296,269.80
Total Assets		\$ 23,855,040.34	\$ 20,313,683.00

(Continued)

TOWN OF HAMMONTON

Water Utility Fund

Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis (Cont'd)

As of December 31, 2007 and 2006

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>REFERENCE</u>	<u>2007</u>	<u>2006</u>
Operating Fund:			
Appropriation Reserves	D-6 & SD-10	\$ 35,395.71	\$ 66,711.30
Due to Water Assessment Trust Fund	SD-6	394,046.91	406,764.76
Reserve for Encumbrances	SD-11	131,466.75	47,997.61
Prepaid Water Rents	SD-12	9,467.95	15,534.29
Accrued Interest Payable	SD-13	106,446.07	164,238.59
Due to Water Utility Capital Fund	SD-18	<u> </u>	<u>11,246.59</u>
Total Liabilities		676,823.39	712,493.14
Reserve for Receivables	D	29,907.54	16,752.54
Fund Balance	D-1	<u>1,829,607.70</u>	<u>1,866,107.23</u>
Total Operating Fund		<u>2,536,338.63</u>	<u>2,595,352.91</u>
Assessment Trust Fund:			
Serial Bonds	SD-15	166,600.00	181,600.00
Reserve for Assessments and Liens	SD-14	13,013.38	15,295.53
Fund Balance	D-2	<u>227,446.91</u>	<u>225,164.76</u>
Total Assessment Trust Fund		<u>407,060.29</u>	<u>422,060.29</u>

(Continued)

TOWN OF HAMMONTON
Water Utility Fund

Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis (Cont'd)
As of December 31, 2007 and 2006

<u>LIABILITIES, RESERVES AND FUND BALANCE (CONT'D)</u>	<u>REFERENCE</u>	<u>2007</u>	<u>2006</u>
Capital Fund:			
Serial Bonds	SD-25	\$ 5,035,400.00	\$ 1,367,400.00
Bond Anticipation Notes Payable	SD-24	450,000.00	4,042,600.00
N.J.D.E.P.E. Loan Payable	SD-23	36,436.88	59,695.65
USRD Loan Payable	SD-22	289,753.99	292,942.18
Reserves for:			
Deferred Amortization	SD-21	786,277.20	527,468.64
Amortization	SD-19	7,548,741.40	6,938,503.00
Contracts Payable	SD-17	642,115.51	2,390,251.06
Improvement Authorizations:			
Funded	SD-16	1,512,804.02	25,850.79
Unfunded	SD-16	1,450,490.59	1,441,536.01
Reserve for Payment of Bonds and Notes	SD-20	628,232.17	157,865.17
Capital Improvement Fund	D	22,969.73	22,969.73
Fund Balance	D-3	2,508,419.93	29,187.57
Total Capital Fund		<u>20,911,641.42</u>	<u>17,296,269.80</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 23,855,040.34</u>	<u>\$ 20,313,683.00</u>

The fixed capital reported is as taken from the municipal records and does not necessarily reflect the true condition of such fixed capital.

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

TOWN OF HAMMONTON
Water Utility Operating Fund

Statement of Operations and Changes in Fund Balance - Regulatory Basis
For the Years Ended December 31, 2007 and 2006

	<u>2007</u>	<u>2006</u>
Revenue and Other Income Realized:		
Operating Fund Balance Utilized	\$ 350,000.00	\$ 300,000.00
Water Rents	1,087,885.22	1,123,714.42
Water Utility Capital Fund Balance	29,187.57	
Miscellaneous	353,627.57	541,088.83
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	34,917.77	76,071.73
	<u>1,855,618.13</u>	<u>2,040,874.98</u>
Total Revenue and Other Income Realized		
Expenditures:		
Operating	1,150,512.32	979,594.00
Debt Service	358,605.34	341,257.62
Deferred Charges and Statutory Expenditures	33,000.00	30,984.22
Refund of Prior Year Revenue		44,784.00
	<u>1,542,117.66</u>	<u>1,396,619.84</u>
Total Expenditures		
Excess in Revenue and Statutory Excess to Fund Balance	313,500.47	644,255.14
Fund Balance January 1	<u>1,866,107.23</u>	<u>1,521,852.09</u>
	2,179,607.70	2,166,107.23
Decreased by:		
Utilization by Water Operating Budget	<u>350,000.00</u>	<u>300,000.00</u>
Fund Balance December 31	<u>\$ 1,829,607.70</u>	<u>\$ 1,866,107.23</u>

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

TOWN OF HAMMONTON
Water Utility Assessment Trust Fund
Statement of Fund Balance - Regulatory Basis
For the Year Ended December 31, 2007 and 2006

	<u>2007</u>	<u>2006</u>
Balance January 1	\$ 225,164.76	\$ 220,562.84
Increased by:		
Collection of Unpledged Assessments	<u>2,282.15</u>	<u>4,601.92</u>
Balance December 31	<u>\$ 227,446.91</u>	<u>\$ 225,164.76</u>

TOWN OF HAMMONTON
Water Utility Capital Fund
Statement of Changes in Fund Balance - Regulatory Basis
For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 29,187.57
Increased By:		
Settlement Agreement	\$ 2,500,000.00	
Premium Received in Issuance of Bond Anticipation Notes	1,201.95	
Premium Received in Issuance of Bonds	<u>7,217.98</u>	
		<u>2,508,419.93</u>
		2,537,607.50
Decreased By:		
Anticipated as Revenue in 2007 Water Utility Operating Fund Budget		<u>29,187.57</u>
Balance December 31, 2007		<u><u>\$ 2,508,419.93</u></u>

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

TOWN OF HAMMONTON
Water Utility Operating Fund
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2007

	<u>Budget</u>	<u>Realized</u>	<u>Excess (Deficit)</u>
Fund Balance Anticipated	\$ 350,000.00	\$ 350,000.00	
Rents	946,924.75	1,087,885.22	\$ 140,960.47
Water Utility Capital Fund Balance	29,187.57	29,187.57	
Miscellaneous	250,000.00	353,627.57	103,627.57
	<u> </u>	<u> </u>	<u> </u>
Total	<u>\$ 1,576,112.32</u>	<u>\$ 1,820,700.36</u>	<u>\$ 244,588.04</u>

Analysis of Realized Revenues

Rents:

Consumer Accounts Receivable:

Rents Collected	\$ 1,073,826.94
Prepaid Applied	13,635.28
Liens Collected	423.00
	<u> </u>

Total \$ 1,087,885.22

Miscellaneous:

Penalty on Delinquent Accounts	\$ 15,697.31
Interest on Investments	118,949.44
Meters	12,518.00
Taps	9,820.00
Hookup	46,500.00
Street Opening Fees	725.00
Road Restoration	600.00
Miscellaneous Fees and Permits	431.20
	<u> </u>
	205,240.95

Due from Water Utility Capital Fund:

Interest on Investments	148,386.62
	<u> </u>

Total \$ 353,627.57

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

TOWN OF HAMMONTON
Water Utility Assessment Trust Fund
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2007

	<u>Budget</u>	<u>Realized</u>	<u>Excess (Deficit)</u>
Assessment Cash	\$ 15,000.00	\$ 15,000.00	\$ -

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

TOWN OF HAMMONTON
Water Utility Operating Fund

Statement of Expenditures - Regulatory Basis
 For the Year Ended December 31, 2007

	<u>Expended</u>			<u>Uncanceled</u> Balance
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	
Operating:				
Salaries and Wages	\$ 295,484.00	\$ 295,484.00	\$ 288,894.85	\$ 6,589.15
Other Expenses	855,028.32	855,028.32	828,146.41	26,881.91
Debt Service:				
Payment of Bond Principal	64,000.00	64,000.00	63,188.19	\$ 811.81
Interest on Bonds & Loans	265,000.00	265,000.00	234,788.84	30,211.16
Payment of Note Principal	12,600.00	12,600.00	12,600.00	
Interest on Notes	25,000.00	25,000.00	23,008.57	1,991.43
N.J.D.E.P.E. Loan (Principal & Interest)	26,000.00	26,000.00	25,019.74	980.26
Deferred Charges and Statutory Expenditures:				
Statutory Expenditures:				
Contribution to:				
Social Security System (O.A.S.I.)	24,000.00	24,000.00	22,543.50	1,456.50
New Jersey Disability Insurance	1,000.00	1,000.00	531.85	468.15
PERS	8,000.00	8,000.00	8,000.00	
Total	<u>\$ 1,576,112.32</u>	<u>\$ 1,576,112.32</u>	<u>\$ 1,506,721.95</u>	<u>\$ 33,994.66</u>
Interest on Bonds			\$ 234,788.84	
Interest on Loans			1,760.97	
Interest on Notes			23,008.57	
Encumbrances			130,286.75	
Disbursed			<u>1,116,876.82</u>	
			<u>\$ 1,506,721.95</u>	

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

TOWN OF HAMMONTON
Water Utility Assessment Trust Fund
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2007

	<u>Budget</u>	<u>Expended</u>	<u>Reserved</u>
Payment of Bond Principal	\$ 15,000.00	\$ 15,000.00	\$ -
		<u>\$ 15,000.00</u>	
Paid by Water Utility Operating Fund		<u>\$ 15,000.00</u>	

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

TOWN OF HAMMONTON
Sewer Utility Fund
Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
As of December 31, 2007 and 2006

	<u>REFERENCE</u>	<u>2007</u>	<u>2006</u>
<u>ASSETS</u>			
Operating Fund:			
Cash	SE-1	\$ 3,779,920.40	\$ 4,488,429.42
Small Cities Grant Receivable	E	73,620.62	73,620.62
		<u>3,853,541.02</u>	<u>4,562,050.04</u>
Receivables with Full Reserves:			
Consumer Accounts Receivable	SE-4	47,588.76	23,549.91
Sewer Utility Liens	SE-5	5,129.89	9,249.65
		<u>52,718.65</u>	<u>32,799.56</u>
Total Regular Fund		<u>3,906,259.67</u>	<u>4,594,849.60</u>
Capital Fund:			
Cash	SE-1&SE-2	2,414,342.08	2,182,681.73
Due from Sewer Utility Operating Fund	SE-3		194,933.60
Fixed Capital	SE-6	8,487,982.72	7,987,982.72
Fixed Capital Authorized and Uncompleted	SE-7	31,290,175.67	31,325,175.67
		<u>42,192,500.47</u>	<u>41,690,773.72</u>
Total Assets		<u>\$ 46,098,760.14</u>	<u>\$ 46,285,623.32</u>

(Continued)

TOWN OF HAMMONTON

Sewer Utility Fund

Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis (Cont'd)

As of December 31, 2007 and 2006

	<u>REFERENCE</u>	<u>2007</u>	<u>2006</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Liabilities:			
Appropriation Reserves	E-4 & SE-9	\$ 194,110.03	\$ 185,631.19
Reserve for Encumbrances	SE-10	134,209.81	83,016.99
Prepaid Rents	SE-11	16,355.94	23,393.19
Accrued Interest on Bonds, Loans and Notes	SE-12	294,759.63	259,827.15
Due to Sewer Utility Capital Fund	SE-3		194,933.60
Reserve for Small Cities Grant	E	72,608.10	72,608.10
Total Liabilities		712,043.51	819,410.22
Reserve for Receivables	E	52,718.65	32,799.56
Fund Balance	E-1	3,141,497.51	3,742,639.82
Total Operating Fund		3,906,259.67	4,594,849.60
Capital Fund:			
Serial Bonds	SE-22	11,783,000.00	9,870,000.00
Bond Anticipation Notes Payable	SE-21	710,000.00	2,911,000.00
USRD Loan Payable	SE-20	801,750.33	811,658.79
FmHA Loans Payable	SE-19	2,840,140.74	2,883,046.95
Wastewater Treatment Trust Loan Payable	SE-18	1,861,661.02	2,187,045.64
Improvement Authorizations:			
Funded	SE-13	913,741.80	357,013.92
Unfunded	SE-13	990,841.33	1,266,293.79
Contracts Payable	SE-14	156,467.34	702,769.91
Reserve for Amortization	SE-16	18,848,892.38	15,325,316.20
Deferred Reserve for Amortization	SE-17	2,528,100.00	4,785,476.89
Reserve for Payment of Bonds and Notes	SE-15	266,831.56	386,831.56
Due to Water Utility Capital Fund	SE-8	470,367.00	168,901.65
Capital Improvement Fund	E	14,400.00	14,400.00
Fund Balance	E-2	6,306.97	21,018.42
Total Capital Fund		42,192,500.47	41,690,773.72
Total Liabilities, Reserves and Fund Balance		\$ 46,098,760.14	\$ 46,285,623.32

The Fixed Capital reported is as taken from the municipal records and does not necessarily reflect the true condition of such fixed capital

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

TOWN OF HAMMONTON
Sewer Utility Operating Fund

Statement of Operations and Changes in Fund Balance - Regulatory Basis
For the Years Ended December 31, 2007 and 2006

	<u>2007</u>	<u>2006</u>
Revenue and Other Income Realized:		
Operating Fund Balance Utilized	\$ 1,100,000.00	\$ 600,000.00
Sewer Rents	2,545,395.24	2,537,253.45
Sewer Utility Capital Fund Balance	21,018.42	
Reserve for Payment of Bonds	120,000.00	
Miscellaneous	395,581.90	612,027.72
Other Credits to Income:		
Prior Years' Encumbrances Canceled		58,660.07
Unexpended Balance of Appropriation Reserves	147,967.27	216,994.05
	4,329,962.83	4,024,935.29
Total Revenue and Other Income Realized		
Expenditures:		
Operating	1,634,221.46	1,562,482.00
Debt Service	1,659,383.68	1,643,178.72
Deferred Charges and Statutory Expenditures	537,500.00	34,500.00
	3,831,105.14	3,240,160.72
Total Expenditures		
Excess in Revenue and Statutory Excess to Fund Balance	498,857.69	784,774.57
Fund Balance January 1	3,742,639.82	3,557,865.25
Total	4,241,497.51	4,342,639.82
Decreased by:		
Utilized by Sewer Operating Budget	1,100,000.00	600,000.00
Balance December 31	\$ 3,141,497.51	\$ 3,742,639.82

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

TOWN OF HAMMONTON
Sewer Utility Capital Fund
Statement of Changes in Fund Balance - Regulatory Basis
For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 21,018.42
Increased By:		
Premium Received in Issuance of Bond Anticipation Notes	\$ 1,896.41	
Premium Received in Issuance of Bonds	4,410.56	
		6,306.97
		27,325.39
Decreased By:		
Anticipated as Revenue in 2007 Sewer Utility Operating Fund Budget		21,018.42
Balance December 31, 2007		\$ 6,306.97

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

TOWN OF HAMMONTON

Sewer Utility Operating Fund

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2007

	Appropriations		EXPENDED		Unexpended Balance Canceled
	Budget	Budget After Transfers	Paid or Charged	Reserved	
Operating:					
Salaries and Wages	\$ 348,765.16	\$ 348,765.16	\$ 331,409.59	\$ 17,355.57	
Other Expenses	1,285,456.30	1,285,456.30	1,110,930.99	174,525.31	
Debt Service:					
Payment of Bond & Loan Principal	745,000.00	745,000.00	743,199.29		\$ 1,800.71
Interest on Bonds & Loans	960,000.00	960,000.00	861,649.55		98,350.45
Payment of Note Principal	23,000.00	23,000.00	23,000.00		
Interest on Notes	35,000.00	35,000.00	31,534.84		3,465.16
Deferred Charges & Statutory Expenditures:					
Deferred Charges:					
Unfunded Balance of Ord. # 13-06	500,000.00	500,000.00	500,000.00		
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)	28,000.00	28,000.00	26,013.03	1,986.97	
PERS	8,000.00	8,000.00	8,000.00		
N.J. Disability Insurance	1,500.00	1,500.00	1,257.82	242.18	
Total	\$ 3,934,721.46	\$ 3,934,721.46	\$ 3,636,995.11	\$ 194,110.03	\$ 103,616.32
Interest on Bonds and Loans			\$ 861,649.55		
Interest on Notes			31,534.84		
Due to Sewer Utility Capital Fund			500,000.00		
Encumbrances			128,415.41		
Disbursed			2,115,395.31		
			<u>\$ 3,636,995.11</u>		

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

TOWN OF HAMMONTON
Statement of General Fixed Assets Account Group
For the Year Ended December 31, 2007

	Balance <u>Dec. 31, 2006</u>	<u>Additions</u>	Deletions/ <u>Adjustments</u>	Balance <u>Dec. 31, 2007</u>
General Fixed Assets:				
Land	\$ 6,133,900.00		\$ (105,900.00)	\$ 6,028,000.00
Building	650,265.00			650,265.00
Equipment	<u>5,288,940.54</u>	<u>\$ 401,488.00</u>	<u>(217,862.00)</u>	<u>5,472,566.54</u>
Total General Fixed Assets	<u>\$12,073,105.54</u>	<u>\$ 401,488.00</u>	<u>\$ (323,762.00)</u>	<u>\$12,150,831.54</u>
Total Investments in General Fixed Assets	<u>\$12,073,105.54</u>	<u>\$ 401,488.00</u>	<u>\$ (323,762.00)</u>	<u>\$12,150,831.54</u>

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

TOWN OF HAMMONTON
Notes to Financial Statements
For the Year Ended December 31, 2007

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

Description of Financial Reporting Entity - The Town of Hammonton was incorporated in 1866 and is located in Southern New Jersey in Atlantic County. The population according to the 2000 census is 12,604.

The Town is governed by a Mayor and a six-member Town Council. The mayor is the chief executive officer and Council is the legislative body of the Town. The Mayor is elected to a two-year term and three Town Council members are elected to alternating two-year terms. The Town Clerk monitors the daily administrative responsibilities.

Component Units - The Town of Hammonton had no component units as defined by Governmental Accounting Standards Board Statement No. 14.

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

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

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

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

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

Water and Sewer Utility Operating and Capital Funds - The Water and Sewer Utility Operating and Capital Funds account for the operations and acquisition of capital facilities of the municipally owned Water and Sewer Utilities.

Water Utility Assessment Trust Fund - The Water Utility Assessment Trust Fund accounts for special assessments levied against property owners for water improvements which benefit property owners, rather than the Town as a whole.

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

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

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

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

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

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

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the Governmental Units.

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

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

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

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

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

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

Utility Fixed Assets - Property and equipment purchased by a utility fund are recorded in the utility capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not represent replacement cost or current value. The Reserve for Amortization and Deferred Reserve for Amortization accounts in the utility capital fund represent charges to operations for the cost of acquisition of property and equipment and improvements and contributed capital.

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

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

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

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

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

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

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

School Taxes - The municipality is responsible for levying, collecting and remitting school taxes for the Town of Hammonton School District. Operations is charged for the Town's share of the amount required to be raised by taxation for the period from July 1 to June 30, increased by the amount deferred at December 31, 2006 and decreased by the amount deferred at December 31, 2007.

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

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

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

Appropriations for principal payments on outstanding general capital 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.

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

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

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

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

Note 2: **CASH AND CASH EQUIVALENTS**

Custodial Credit Risk - Custodial credit risk is the risk that, in the event of a bank failure, the Town's deposits may not be returned to it. Although the Town does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act. Of the Town's bank balance of \$20,935,407.53 as of December 31, 2007, \$457,132.42 was uninsured and uncollateralized.

Note 3: **INVESTMENTS**

Custodial Credit Risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Town, and are held by either the counterparty or the counterparty's trust department or agent but not in the Town's name. All of the Town's \$297,055.20 investments in United States Treasury Notes and Government Obligations are held by the counterparty, not in the name of the Town.

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Town does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – Credit risk is the risk that an issuer or counterparty to an investment will not fulfill its obligations. N.J.S.A. 40A:5-15.1 limits the investments that the Town may purchase such as Treasury securities in order to limit the exposure of governmental units to credit risk. The Town has no investment policy that would further limit its investment choices.

Concentration of Credit Risk – The Town does not place a limit on the amount that may be invested in any one issuer. All of the Town's investments are either in treasury obligations, money market funds or direct Treasury Securities.

Note 3: **INVESTMENTS (CONT'D)**

As of December 31, 2007, the Town had the following investments and maturities:

<u>Investment</u>	<u>Maturities</u>	<u>Credit Rating</u>	<u>Fair Value</u>
U.S. Treasury Notes	9/15/2011	N/A	\$ 10,596.90
U.S. Treasury Notes	1/15/2013	N/A	10,237.50
U.S. Treasury Notes	2/17/2009	N/A	4,965.10
U.S. Treasury Notes	8/15/2008	N/A	19,868.80
U.S. Treasury Notes	9/15/2012	N/A	10,203.10
U.S. Treasury Notes	10/15/2013	N/A	15,440.70
U.S. Treasury Notes	3/15/2011	N/A	5,270.30
U.S. Treasury Notes	3/15/2012	N/A	10,865.60
U.S. Treasury Notes	10/22/2010	N/A	15,300.00
U.S. Treasury Notes	2/18/2015	N/A	25,461.00
U.S. Treasury Notes	12/16/2016	N/A	15,314.10
U.S. Treasury Notes	11/18/2011	N/A	20,750.00
U.S. Treasury Notes	3/15/2009	N/A	29,821.80
U.S. Treasury Notes	11/15/2009	N/A	40,353.20
U.S. Treasury Notes	2/15/2014	N/A	20,432.80
U.S. Treasury Notes	5/15/2015	N/A	5,098.05
U.S. Treasury Notes	10/15/2010	N/A	15,479.25
U.S. Treasury Notes	2/15/2016	N/A	15,612.90
U.S. Treasury Notes	5/15/2017	N/A	5,182.40
U.S. Government Obligations	N/A	N/A	801.70
			<u>\$ 297,055.20</u>

Note 4: **PROPERTY TAXES**

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

Comparative Schedule of Tax Rates

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Tax Rate	<u>\$3.307</u>	<u>\$3.328</u>	<u>\$3.223</u>	<u>\$3.131</u>	<u>\$3.000</u>
Apportionment of Tax Rate:					
Municipal	0.755	0.751	0.746	0.738	0.728
County	0.513	0.539	0.510	0.516	0.541
Local School District	2.039	2.038	1.967	1.877	1.731

Note 4: **PROPERTY TAXES (CONT'D)**

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

Assessed Valuation**Year**

2007	\$ 816,529,774.00
2006	787,649,050.00
2005	756,627,824.00
2004	725,377,253.00
2003	702,383,477.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>	
			<u>True Rate</u>	<u>Underlying Rate</u>
2007	\$27,443,138.90	\$27,356,836.25	99.69%	98.59%
2006	27,039,967.48	26,986,923.82	99.80%	99.03%
2005	25,035,823.84	24,985,718.89	99.80%	99.15%
2004	23,433,452.05	23,326,102.00	99.54%	99.04%
2003	21,484,458.57	21,394,235.74	99.58%	98.47%

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2007	\$265,970.49	\$52,971.15	\$318,941.64	1.16%
2006	339,574.27	22,816.29	362,390.56	1.34%
2005	312,987.23	49,059.29	362,046.52	1.45%
2004	309,358.42	78,599.00	387,957.42	1.66%
2003	321,787.43	70,558.36	392,345.79	1.83%

Note 4: **PROPERTY TAXES (CONT'D)**

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

<u>Year</u>	<u>Number</u>
2007	50
2006	52
2005	56
2004	52
2003	57

Note 5: **PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION**

The value of property acquired by liquidation of tax title liens on December 31, on the basis of the last assessed valuation of such properties, for the current and previous four years was as follows:

<u>Year</u>	<u>Amount</u>
2007	\$422,900.00
2006	422,900.00
2005	422,900.00
2004	422,900.00
2003	422,900.00

Note 6: **WATER UTILITY SERVICE CHARGES**

The following is a five-year comparison of water utility service charges (rents) for the current and previous four years.

<u>Year</u>	<u>Balance Beginning of Year</u>		<u>Levy</u>	<u>Total</u>	<u>Cash Collections</u>
	<u>Receivable</u>	<u>Liens</u>			
2007	\$15,047.10	\$1,705.44	\$1,101,040.22	\$1,117,792.76	\$1,087,885.22
2006	2,030.53	1,567.44	1,136,868.99	1,140,466.96	1,123,714.42
2005	3,658.37	3,052.81	1,064,849.17	1,071,560.35	1,067,962.38
2004	5,206.82	5,575.54	925,140.48	935,922.84	929,211.66
2003	4,506.64	4,575.92	948,053.75	957,136.31	946,353.95

Note 7: **SEWER UTILITY SERVICE CHARGES**

The following is a five-year comparison of sewer utility service charges (rents) for the current and previous four years.

<u>Year</u>	<u>Balance Beginning of Year</u>		<u>Levy</u>	<u>Total</u>	<u>Cash Collections</u>
	<u>Receivable</u>	<u>Liens</u>			
2007	\$23,549.91	\$9,249.65	\$2,565,314.33	\$2,598,113.89	\$2,545,395.24
2006	12,070.50	8,749.65	2,549,232.86	2,570,053.01	2,537,253.45
2005	7,082.92	13,885.99	2,706,257.08	2,727,225.99	2,706,405.84
2004	15,964.81	17,624.34	2,523,819.41	2,557,408.56	2,536,439.65
2003	15,945.56	15,255.84	2,526,615.37	2,557,816.77	2,523,846.32

Note 8: **FUND BALANCES APPROPRIATED**

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

<u>Year</u>	<u>Balance Dec. 31</u>	<u>Utilized In Budgets of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
<u>Current Fund</u>			
2007	\$4,912,949.43	\$2,390,000.00	48.65%
2006	5,262,280.09	2,820,000.00	53.59%
2005	4,253,186.87	1,700,000.00	39.97%
2004	4,227,782.98	2,462,000.00	58.23%
2003	3,289,811.06	1,525,000.00	46.36%
<u>Water Utility Operating Fund</u>			
2007	\$1,829,607.70	\$350,000.00	19.13%
2006	1,866,107.23	350,000.00	18.76%
2005	1,521,852.09	300,000.00	19.71%
2004	1,509,265.10	350,000.00	23.19%
2003	1,339,494.43	300,000.00	22.40%
<u>Sewer Utility Operating Fund</u>			
2007	\$3,141,497.51	\$500,000.00	15.92%
2006	3,742,639.82	1,100,000.00	29.39%
2005	3,557,865.25	600,000.00	16.86%
2004	3,936,527.27	1,256,525.00	31.92%
2003	3,154,603.29	425,000.00	13.47%

Note 9: **INTERFUND RECEIVABLES AND PAYABLES**

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of December 31, 2007:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Fund	\$ 104.77	\$ 108,518.96
Federal and State Grant Fund	58,928.96	
Animal Control Fund		104.77
Trust Other Funds	49,590.00	
Water Utility Assessment Trust Fund	394,046.91	
Water Utility Operating Fund		394,046.91
Water Utility Capital Fund	470,367.00	
Sewer Utility Capital Fund		470,367.00
	<u>\$ 973,037.64</u>	<u>\$ 973,037.64</u>

Note 10: **DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2007, the following deferred charge is shown on the statement of assets, liabilities, reserves and fund balance of the following fund:

	<u>Balance Dec. 31, 2007</u>	<u>2008 Budget Appropriation</u>	<u>Balance to Succeeding Year's Budget</u>
Current Fund:			
Special Emergency Authorizations	\$ 4,800.00	\$ 2,400.00	\$ 2,400.00

The appropriation in the 2008 Budget as introduced was not less than that required by the statutes.

Note 11: **PENSION PLANS**

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

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

Note 11: **PENSION PLANS (CONT'D)**

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

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

Public Employees Retirement System

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Funded by State</u>	<u>Paid by Town (1)</u>
2007	\$ 104,149.00	\$ 54,083.00	\$ 158,232.00	\$ 63,292.80	\$ 94,939.20
2006	103,890.00	28,576.00	132,466.00	79,479.60	52,986.40
2005	87,047.00	1,209.00	88,256.00	70,604.80	17,651.20

Police and Firemen's Retirement System

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Funded by State</u>	<u>Paid by Town (1)</u>
2007	\$ 261,871.00	\$ 130,668.00	\$ 392,539.00	\$ 78,507.80	\$ 314,031.20
2006	232,768.00	85,372.00	318,140.00	127,256.00	190,884.00
2005	183,943.00	27,034.00	210,977.00	126,586.20	84,390.80

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

Note 12: **OTHER POST EMPLOYMENT BENEFITS**

The Town currently pays health insurance premiums for retired employees who have retired after twenty-five years or more of service with the Town. The Town currently accounts for and finances such expenses on a pay-as-you-go basis. The expense for these benefits for the year ended December 31, 2007 was \$273,362.64.

Note 13: **COMPENSATED ABSENCES**

Full-time Town employees are entitled to fifteen paid sick leave days and three personal days per year. All unused sick leave may be accumulated and carried forward to the subsequent year. Personal days cannot be carried forward to the subsequent year. Vacation days are earned based on years of service. Unused vacation days may only be carried forward to the next year. Permanent part-time employees are entitled to sick and vacation leave on a prorated basis. Upon retirement, accumulated and unused sick leave cannot exceed a maximum of \$12,000.00.

Note 13: **COMPENSATED ABSENCES (CONT'D)**

The Town compensates employees (with twenty-five years or more) for unused sick leave upon retirement. The current policy entitles an employee to receive seventy-five percent of their accumulated sick leave. There is a maximum payout of \$12,000.00 and is paid at the rate of pay upon retirement. The Town does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2007, accrued benefits for compensated absences are valued at \$237,770.85. The Town accounts for and finances such expense on a pay-as-you-go basis.

Note 14: **SANITARY LANDFILL ESCROW CLOSURE FUND**

The Town of Hammonton operates a municipal landfill located in the southern part of the Town. The Sanitary Landfill Facility Closure and Contingency Fund Act of 1981 was enacted to provide funding, during the life of the landfill, of costs associated with the closure of sanitary landfills. The Act requires the owner or operator of every sanitary landfill to establish an escrow account for closure and deposit, on a monthly basis, an amount equal to \$1.00 per ton of solid waste accepted for disposal. No withdrawals may be made from the fund without written approval from the State Department of Environmental Protection and Energy.

As of August 1988, the landfill reached its holding capacity. However, the escrow closure fund balance at December 31, 2007 does not necessarily represent the estimated cost of closure as of that date. The required balance of the fund merely represents the amount required to be escrowed in accordance with the statute. Actual costs associated with closure are not known.

Note 15: **SCHOOL TAXES**

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

	<u>Balance Dec 31,</u>	
	<u>2007</u>	<u>2006</u>
Balance of Tax	\$ 8,321,285.28	\$ 8,026,746.28
Deferred	<u>8,321,285.00</u>	<u>8,026,746.00</u>
Tax Payable	<u>\$ 0.28</u>	<u>\$ 0.28</u>

Note 16: **LEASE OBLIGATIONS**

At December 31, 2007, the Town had lease agreements in effect for the following:

Capital:

- Three (3) Dodge Durangos
- Five (5) Ford Crown Victorias
- One (1) Ford Explorer

Operating:

- Six (6) Copiers
- One (1) Postage Meter
- One (1) Trailer

The following is an analysis of capital and operating leases.

Capital Leases - The following capital fixed assets were acquired by capital lease.

	<u>Balance</u>	
	<u>Dec. 31, 2007</u>	<u>Dec. 31, 2006</u>
Vehicles	<u>\$ 137,955.80</u>	<u>\$ 111,662.02</u>

Future minimum lease payments under capital lease agreements are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 59,765.69	\$ 6,098.08	\$ 65,863.77
2009	50,311.47	3,182.90	53,494.37
2010	<u>27,878.64</u>	<u>824.30</u>	<u>28,702.94</u>
	<u>\$ 137,955.80</u>	<u>\$ 10,105.28</u>	<u>\$ 148,061.08</u>

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

<u>Year</u>	<u>Amount</u>
2008	\$ 17,401.20
2009	7,500.50

Rental payments under operating leases for the year 2007 were \$18,763.20.

Note 17: **CAPITAL DEBT****Summary of Debt**

	<u>Year 2007</u>	<u>Year 2006</u>	<u>Year 2005</u>
<u>Issued</u>			
General:			
Bonds, Loans and Notes	\$ 15,650,088.63	\$ 13,162,093.95	\$ 11,622,754.00
Water Utility:			
Bonds, Loans and Notes	5,811,590.87	5,762,637.83	4,622,553.23
Assessment Bonds	166,600.00	181,600.00	196,600.00
Sewer Utility:			
Bonds, Loans and Notes	<u>17,996,552.09</u>	<u>18,662,751.38</u>	<u>18,816,397.30</u>
Total Issued	<u>39,624,831.59</u>	<u>37,769,083.16</u>	<u>35,258,304.53</u>
<u>Authorized but not Issued</u>			
General:			
Bonds, Loans and Notes	3,411,944.00	6,735,436.00	7,306,934.00
Water Utility:			
Bonds, Loans and Notes	1,390,000.00	388,000.00	1,465,600.00
Sewer Utility:			
Bonds, Loans and Notes	<u>465,000.00</u>	<u>600,000.00</u>	<u>1,199,000.00</u>
Total Authorized but not Issued	<u>5,266,944.00</u>	<u>7,723,436.00</u>	<u>9,971,534.00</u>
Total Issued and Authorized but not Issued	<u>44,891,775.59</u>	<u>45,492,519.16</u>	<u>45,229,838.53</u>
Deductions:			
Funds Temporarily Held to Pay Debt	37,556.13	1,620,208.58	82,250.00
Self-liquidating Debt	<u>25,829,742.96</u>	<u>25,594,989.21</u>	<u>26,300,150.53</u>
Total Deductions	<u>25,867,299.09</u>	<u>27,215,197.79</u>	<u>26,382,400.53</u>
Net Debt	<u>\$ 19,024,476.50</u>	<u>\$ 18,277,321.37</u>	<u>\$ 18,847,438.00</u>

Note 17: **CAPITAL DEBT (CONT'D)****Summary of Statutory Debt Condition - Annual Debt Statement**

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicated a statutory net debt of 1.68%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District	\$ 22,663,158.00	\$ 22,663,158.00	
Water Utility	7,368,190.87	7,368,190.87	
Sewer Utility	18,461,552.09	18,461,552.09	
General	<u>19,062,032.63</u>	<u>37,556.13</u>	<u>\$ 19,024,476.50</u>
	<u>\$67,554,933.59</u>	<u>\$48,530,457.09</u>	<u>\$19,024,476.50</u>

Net Debt \$19,024,476.50 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, \$1,284,174,482.00 equals 1.48%.

Borrowing Power Under N.J.S.A.40A:2-6 As Amended

3 1/2% of Equalized Valuation Basis (Municipal) Net Debt	\$ 44,946,106.87 <u>19,024,476.50</u>
Remaining Borrowing Power	<u>\$ 25,921,630.37</u>

**Calculation of "Self Liquidating Purpose,"
Water Utility Per N.J.S.A. 40A:2-45**

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest and Other Investment Income, and Other Charges for Year	\$ 1,820,700.36
Deductions:	
Operating and Maintenance Cost	\$ 1,183,512.32
Debt Service per Water Fund	<u>358,605.34</u>
Total Deductions	<u>1,542,117.66</u>
Excess in Revenue	<u>\$ 278,582.70</u>

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

Note 17: **CAPITAL DEBT (CONT'D)**

**Calculation of "Self Liquidating Purpose,"
Sewer Utility Per N.J.S.A. 40A:2-45**

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest and Other Investment Income, and Other Charges for Year	\$ 4,181,995.56
Deductions:	
Operating and Maintenance Cost	\$ 1,671,721.46
Debt Service per Sewer Fund	<u>1,659,383.68</u>
Total Deductions	<u>3,331,105.14</u>
Excess in Revenue	<u><u>\$ 850,890.42</u></u>

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

<u>Year</u>	<u>Principal</u>	<u>General Interest</u>	<u>Total</u>
2008	\$ 625,138.33	\$ 519,777.40	\$ 1,144,915.73
2009	706,274.02	493,616.21	1,199,890.23
2010	775,412.42	463,996.56	1,239,408.98
2011	840,553.61	431,467.87	1,272,021.48
2012	907,309.64	395,243.34	1,302,552.98
2013-17	5,468,812.02	1,308,226.38	6,777,038.40
2018-22	2,812,872.59	164,697.30	2,977,569.89
2023-24	<u>13,716.00</u>	<u>275.23</u>	<u>13,991.23</u>
	<u><u>\$ 12,150,088.63</u></u>	<u><u>\$ 3,777,300.29</u></u>	<u><u>\$ 15,927,388.92</u></u>

Note 17: **CAPITAL DEBT (CONT'D)****Schedule of Annual Debt Service for Principal and Interest for Bonded Debt Issued and Outstanding (Cont'd)**

<u>Year</u>	<u>Water Utility</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2008	\$ 307,413.22	\$ 229,033.36	\$ 536,446.58
2009	305,841.89	216,231.50	522,073.39
2010	346,643.54	202,834.68	549,478.22
2011	359,809.35	187,951.86	547,761.21
2012	365,982.71	172,773.76	538,756.47
2013-17	2,143,802.66	610,747.06	2,754,549.72
2018-22	1,478,485.28	163,587.77	1,642,073.05
2023-27	35,583.93	46,092.14	81,676.07
2028-32	44,451.55	37,224.51	81,676.06
2033-37	55,529.04	26,147.02	81,676.06
2038-42	69,367.08	12,308.99	81,676.07
2043	15,280.62	511.69	15,792.31
	<u>\$ 5,528,190.87</u>	<u>\$ 1,905,444.34</u>	<u>\$ 7,433,635.21</u>

<u>Year</u>	<u>Sewer Utility</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2008	\$ 823,684.25	\$ 835,631.33	\$ 1,659,315.58
2009	861,230.85	800,669.23	1,661,900.08
2010	891,896.43	764,010.16	1,655,906.59
2011	953,750.50	722,390.95	1,676,141.45
2012	996,486.77	679,516.04	1,676,002.81
2013-17	4,857,743.81	2,371,682.72	7,229,426.53
2018-22	4,351,869.89	1,299,486.36	5,651,356.25
2023-27	1,649,472.73	552,161.84	2,201,634.57
2028-32	736,371.34	356,072.60	1,092,443.94
2033-37	919,877.62	172,566.32	1,092,443.94
2038-42	236,274.83	19,182.28	255,457.11
2043	7,893.07	263.89	8,156.96
	<u>\$ 17,286,552.09</u>	<u>\$ 8,573,633.72</u>	<u>\$ 25,860,185.81</u>

Note 18: **JOINT INSURANCE POOL**

The Town of Hammonton is a member of the Atlantic County Municipal Joint Insurance Fund. The Fund provides its members with the following coverages:

Property
Boiler and Machinery
General and Automobile Liability
Public Officials/Employment Liability
Workers' Compensation
Crime

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

The Fund provides the Town with the following coverage:

Crime Insurance--Courts
Crime Insurance--Other Than Courts
Casualty Insurance
Business Auto Liability
Workers' Compensation
Excess Crime Insurance
Excess Liability Insurance
Excess Workers Compensation and Employer's Liability Insurance
Excess Public Officials and Employment Liability Insurance

The Fund publishes its own financial report for the year ended December 31, 2007, which can be obtained from:

Atlantic County Municipal Joint Insurance Fund
P.O. Box 488
Marlton, New Jersey 08053

Note 19: **RISK MANAGEMENT**

The Town 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.

Property and Liability Insurance - The Town maintains commercial insurance coverage for the property, liability and surety bonds.

New Jersey Unemployment Compensation Insurance - Effective January 1, 1997, the Town elected the "Contributory Method" to fund its New Jersey Unemployment Compensation Insurance, which requires the Town to annually appropriate funds to pay the projected costs of contributions at the rate determined by the Commissioner of Labor. The expense for these benefits for the years ended December 31, 2007 and 2006 was \$10,900.67 and \$10,614.05, respectively.

Note 20: **CHANGE ORDERS**

During the year 2007, the Town amended contracts by approving the following change orders that resulted in the total amount of change orders executed for these projects to exceed the originally awarded contract price by more than 20 percent:

<u>Ordinance Nos.</u>	<u>Project Description</u>
29-99; 5-03; 8-04	Lincoln Street Well

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

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

Note 21: **LITIGATION**

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

Note 22: **SUBSEQUENT EVENTS**

Subsequent to December 31, the Town of Hammonton authorized additional Bonds and Notes as follows:

<u>Purpose</u>	<u>Date</u>	<u>Amount</u>
General Capital Fund:		
Renovations to Runway Apron at Hammonton Municipal Airport	1/21/08	<u>\$ 21,375.00</u>

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

TOWN OF HAMMONTON
Current Fund
Schedule of Cash - Collector/Treasurer
For the Year Ended December 31, 2007

	<u>CURRENT FUND</u>	<u>FEDERAL AND STATE GRANT FUND</u>
Balance December 31, 2006	\$ 6,640,637.15	\$ 18,041.78
Increased by Receipts:		
Uniform Fire Safety Act	\$ 34,503.41	
Miscellaneous Revenue not Anticipated	666,388.35	
Taxes Receivable	26,648,409.71	
Tax Title Liens Receivable	98,690.31	
Revenue Accounts Receivable	3,227,111.74	
Prepaid Taxes	507,987.59	
Tax Overpayments	17,456.54	
Reserve for Garden State Preservation Trust Fund	46,328.57	
Due from State of New Jersey - Tax Deductions	216,449.00	
Due to State of New Jersey - Marriage Licenses	2,600.00	
Due from Trust -- Other Funds	180,692.50	
Due from Animal Control Fund	139.54	
Due from General Capital Fund	91,923.64	
Federal and State Grants Receivable		\$ 76,795.72
Matching Funds for Grants		3,306.01
Due from Federal and State Grant Fund	<u>3,692.35</u>	
Total Receipts	<u>31,742,373.25</u>	<u>80,101.73</u>
	38,383,010.40	98,143.51
Decreased by Disbursements:		
Refund of Prior Year Revenue	17,723.87	
Refund - Board of Health Fees	200.00	
Refund - Miscellaneous Revenue Not Anticipated	105.00	
2007 Appropriations	11,038,566.85	
2006 Appropriation Reserves	119,164.06	
Reserve for Encumbrances	391,561.46	
Tax Overpayments	29,052.80	
Due to State of New Jersey - Marriage Licenses	2,475.00	
Local District School Taxes	16,348,031.00	
County Taxes Payable	4,187,874.71	
Due from Trust -- Other Funds	200,962.50	
Reserve for Federal and State Grants - Appropriated		71,707.09
Reserve for Encumbrances - Federal and State Grants		4,073.48
Matching Funds for Grants	3,306.01	
Due to Current Fund	<u>3,692.35</u>	
Total Disbursements	<u>32,339,023.26</u>	<u>79,472.92</u>
Balance December 31, 2007	<u>\$ 6,043,987.14</u>	<u>\$ 18,670.59</u>

TOWN OF HAMMONTON
Current Fund
Statement of Change Funds
For the Year Ended December 31, 2007

Analysis by Office

Tax Collector - Treasurer	\$ 185.00
Town Clerk	200.00
Municipal Court	<u>200.00</u>
Total	<u><u>\$ 585.00</u></u>

TOWN OF HAMMONTON

Current Fund

Schedule of Taxes Receivable and Analysis of Property Tax Levy
For the Year Ended December 31, 2007

Year	Balance December 31, 2006	2007 Levy	Added Taxes	2006 Collections	2007 Collections	Due From State Of New Jersey	Overpayments Applied	Canceled	Transferred To Tax Title Liens	Balance December 31, 2007
2001	\$ 2,934.88			\$	\$ 849.16					\$ 2,085.72
2002	2,275.61									2,275.61
2003	2,524.00									2,524.00
2004	3,528.64									3,528.64
2005	3,632.32		\$ 4,107.03							7,739.35
2006	7,920.84		5,179.82		4,170.18					8,930.48
	22,816.29	-	9,286.85	-	5,019.34	-	-	-	-	27,083.80
2007		\$ 27,443,138.90		\$ 444,093.99	26,643,390.37	\$ 220,804.03	\$ 48,547.86	\$ 35,402.35	\$ 25,012.95	25,887.35
Total	\$ 22,816.29	\$ 27,443,138.90	\$ 9,286.85	\$ 444,093.99	\$ 26,648,409.71	\$ 220,804.03	\$ 48,547.86	\$ 35,402.35	\$ 25,012.95	\$ 52,971.15

Analysis of 2007 Property Tax Levy

Tax Yield:	
General Purpose Tax	\$ 27,002,651.75
Added Taxes (54:4-63.1 et seq.)	440,487.15
Total	\$ 27,443,138.90
Tax Levy:	
Local District School Tax	\$ 16,642,570.00
County Tax	3,333,784.13
County Library Tax	413,088.43
County Health Services Tax	168,323.27
County Open Space Preservation	272,678.88
Due County for Added Taxes (54:4-63.1 et seq.)	68,668.25
Local Tax for Municipal Purposes	20,899,112.96
Additional Tax Levies	6,544,025.94
Total	\$27,443,138.90

TOWN OF HAMMONTON
Current Fund
Schedule of Tax Title Liens
For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 339,574.27
Increased by:		
Transfers from Taxes Receivable	\$ 25,012.95	
Tax Sale Interest and Costs	<u>73.58</u>	
		<u>25,086.53</u>
		364,660.80
Decreased by:		
Collections		<u>98,690.31</u>
Balance December 31, 2007		<u><u>\$ 265,970.49</u></u>

TOWN OF HAMMONTON
Current Fund
Schedule of Revenue Accounts Receivable
For the Year Ended December 31, 2007

	Balance December 31, <u>2006</u>	Accrued <u>In 2007</u>	<u>Collected</u>	Balance December 31, <u>2007</u>
Clerk:				
Alcoholic Beverage Licenses		\$ 10,680.00	\$ 10,680.00	
Other Licenses		22,241.00	22,241.00	
Fees and Permits		5,720.00	5,720.00	
Business Registration Certificates		16,684.50	16,684.50	
Landlord Registration Fees		14,915.00	14,915.00	
Freon Fees and Permits		590.00	590.00	
Fire Inspection Fees		9,707.00	9,707.00	
Rental of Polling Place		75.00	75.00	
Planning Board		6,770.00	6,770.00	
Zoning Board of Adjustment		486.00	486.00	
Tax Assessor		735.75	735.75	
Police Department		6,381.59	6,381.59	
Use of Police Vehicles		26,380.00	26,380.00	
Municipal Court:				
Fines and Costs	\$ 15,237.81	222,190.18	225,853.09	\$ 11,574.90
Cancellation of Old Outstanding Checks		1,199.32	1,199.32	
Restitution		40.00	40.00	
Interest Earned		2,387.36	2,387.36	
Interest and Costs on Taxes		147,007.86	147,007.86	
Board of Health Fees		25,163.00	25,163.00	
Tax Search Fees		120.00	120.00	
Airport Rental		32,266.73	32,266.73	
Uniform Construction Code Fees		185,677.50	185,677.50	
Cable TV Franchise Fee	47,346.42	47,016.38	47,346.42	47,016.38
Plymouth Place - Payment In-Lieu of Taxes		84,950.00	84,950.00	
Water Utility Management Fee		83,240.16	83,240.16	
Sewer Utility Management Fee		157,464.06	157,464.06	
Legislative Initiative Municipal Block Grant Program		53,418.00	53,418.00	
Consolidated Municipal Property Tax				
Relief Act		615,684.00	615,684.00	
Energy Receipts Tax		966,961.00	966,961.00	
Supplemental Energy Receipts Tax		26,986.00	26,986.00	
Municipal Homeland Security Assistance Aid		70,000.00		70,000.00
Municipal Property Tax Assistance		32,313.00	32,313.00	
Pinelands Property Tax Stabilization		7,043.00	7,043.00	
Interest on Investments		410,625.40	410,625.40	
		<u>410,625.40</u>	<u>410,625.40</u>	
Total	<u>\$ 62,584.23</u>	<u>\$ 3,293,118.79</u>	<u>\$ 3,227,111.74</u>	<u>\$ 128,591.28</u>

TOWN OF HAMMONTON

Current Fund

Schedule of Deferred Charges

N.J.S.A. 40A:4-55 Special Emergency

For the Year Ended December 31, 2007

<u>Date</u>	<u>Purpose</u>	<u>Net Amount</u>	<u>1/5 Net Amount</u>	<u>Balance</u>	<u>Raised in</u>	<u>Balance</u>
		<u>Authorized</u>	<u>Authorized</u>	<u>Dec. 31, 2006</u>	<u>2007 Budget</u>	<u>Dec. 31, 2007</u>
6/28/04	Revision of Master Plan	\$ 12,000.00	\$ 2,400.00	\$ 7,200.00	\$ 2,400.00	\$ 4,800.00

TOWN OF HAMMONTON
Current Fund
Schedule of 2006 Appropriation Reserves
For the Year Ended December 31, 2007

	<u>Balance</u> December 31, 2006	<u>Balance</u> After Transfers	<u>Encumbrances</u> <u>Canceled</u>	<u>(Refunds)/</u> <u>Disbursed</u>	<u>Balance</u> <u>Lapsed</u>
<u>WITHIN "CAPS"</u>					
Administrative and Executive					
Salaries and Wages	\$ 7,607.45	\$ 14,000.00		\$ 7,882.16	\$ 6,117.84
Other Expenses	2,518.58	88.06		88.06	
Financial Administration					
Salaries and Wages	13,085.31	10,000.00		4,202.86	5,797.14
Other Expenses	342.83	65.00		65.00	
Assessment of Taxes					
Salaries and Wages		4,000.00		2,703.36	1,296.64
Other Expenses	4,962.03	2,470.00		2,459.51	10.49
Collection of Taxes					
Other Expenses	1,832.87	1,832.87		1,338.50	494.37
Legal					
Other Expenses	470.63	28,113.06		28,113.06	
Engineering					
Other Expenses	1,089.17	1,089.17	\$ 44.18		1,133.35
Public Buildings and Grounds					
Salaries and Wages	4,921.24	8,597.63		1,027.21	7,570.42
Other Expenses	4,354.19	677.80		141.43	536.37
Natural Gas	2,635.20				
Electricity	9,244.47				
Telephone	14,067.23	500.00		420.01	79.99
Gasoline	6,637.03				
Municipal Land Use Law					
Planning Board					
Salaries and Wages	308.16	3,000.00		818.45	2,181.55
Other Expenses	394.82				
Board of Adjustment					
Other Expenses	311.47	311.47			311.47
Historical Society					
Salaries and Wages	700.00	700.00			700.00
Other Expenses	800.00	800.00			800.00
Rent Control					
Salaries and Wages	0.10	0.10			0.10
Other Expenses	113.73	113.73			113.73
Shade Tree Commission					
Other Expenses	212.03	212.03			212.03
Environmental Commission					
Other Expenses	556.82	556.82			556.82
Economic Development					
Other Expenses					
Computer					
Salaries and Wages		4,149.04		4,149.04	
Other Expenses	500.00	(115.93)	115.93		0.00

(Continued)

TOWN OF HAMMONTON
Current Fund
Schedule of 2006 Appropriation Reserves
For the Year Ended December 31, 2007

	<u>Balance</u> December 31, <u>2006</u>	<u>Balance</u> After <u>Transfers</u>	<u>Encumbrances</u> <u>Canceled</u>	<u>(Refunds)/</u> <u>Disbursed</u>	<u>Balance</u> <u>Lapsed</u>
<u>WITHIN "CAPS" (Cont'd)</u>					
Insurance					
Temporary Disability Insurance	\$ 9,723.64	\$ 9,723.64		\$ 628.62	\$ 9,095.02
Unemployment Insurance	1,000.00	1,000.00			1,000.00
Fire					
Other Expenses	262.06	927.26		358.42	568.84
State Fire Prevention Code					
Salaries and Wages	1,371.95	2,300.00		840.33	1,459.67
Other Expenses	591.57	1,773.30		1,773.30	
Police					
Salaries and Wages		26,290.15	\$ 14,583.19		40,873.34
Other Expenses	521.55	(19,417.64)	19,420.08		2.44
Police Radio and Communications					
Salaries and Wages	4,310.84	13,013.12		13,013.12	
Other Expenses	1,098.32				
Municipal Court					
Salaries and Wages	4,653.15	9,000.00		4,889.94	4,110.06
Other Expenses	77.70	77.70			77.70
Prosecutor					
Salaries and Wages	2,386.35	2,386.35			2,386.35
Rescue Squad					
Other Expenses					
Special Services					
Other Expenses	5,500.00	5,500.00		2,676.37	2,823.63
Streets and Roads					
Salaries and Wages	11,646.41	30,000.00		17,894.61	12,105.39
Other Expenses	40,227.99	40,227.99		30,048.67	10,179.32
Street Lighting					
Other Expenses	36,026.21	7.54			7.54
Dog Regulation					
Other Expenses	497.26	497.26			497.26
Registrar of Vital Statistics					
Other Expenses	66.64	66.64			66.64
Parks Commission					
Salaries and Wages	300.00	390.88			390.88
Other Expenses	90.88	-			
Recreation					
Salaries and Wages	1,042.39	2,300.00		1,680.93	619.07
Other Expenses	666.67	1.90		1.90	
Property Maintenance Officer					
Salaries and Wages	203.07	203.07			203.07
Other Expenses	271.91	271.91			271.91
Construction Code Official					
Salaries and Wages	18,061.49	10,061.49		4,772.02	5,289.47
Other Expenses	1,670.88	1,670.88			1,670.88

(Continued)

TOWN OF HAMMONTON
Current Fund
Schedule of 2006 Appropriation Reserves
For the Year Ended December 31, 2007

	Balance December 31, 2006	Balance After Transfers	Encumbrances Canceled	(Refunds)/ Disbursed	Balance Lapsed
<u>WITHIN "CAPS" (Cont'd)</u>					
Advertising					
Other Expenses	\$ 815.16	\$ 815.16		\$ 49.80	\$ 765.36
Municipal Airport					
Other Expenses	357.49	857.49		777.53	79.96
Social Security System			\$ 18,702.79		18,702.79
	<u>221,106.94</u>	<u>221,106.94</u>	<u>52,866.17</u>	<u>132,814.21</u>	<u>141,158.90</u>
Total Within "CAPS"					
<u>EXCLUDED FROM "CAPS"</u>					
Insurance					
Group Insurance Plan for Employees	41,008.63	41,008.63			41,008.63
Liability Insurance	2,608.04	2,608.04		285.19	2,322.85
Workers Compensation Insurance	1,000.00	1,000.00			1,000.00
Park Recreation Improvements					
	<u>44,616.67</u>	<u>44,616.67</u>	<u>-</u>	<u>285.19</u>	<u>44,331.48</u>
Total Excluded from "CAPS"					
Grand Total	<u>\$ 265,723.61</u>	<u>\$ 265,723.61</u>	<u>\$ 52,866.17</u>	<u>\$ 133,099.40</u>	<u>\$ 185,490.38</u>
				\$ 119,164.06	
				13,935.34	
				<u>\$ 133,099.40</u>	

TOWN OF HAMMONTON
Current Fund
Schedule of Reserve for Encumbrances
For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 449,637.63
Increased by:		
2007 Appropriations	\$ 247,745.80	
2006 Appropriation Reserves	13,935.34	
County Taxes	68,668.25	
Tax Overpayments	1,215.72	
		331,565.11
		781,202.74
Decreased by:		
Payments	391,561.46	
Canceled - 2006 Appropriation Reserves	52,866.17	
		444,427.63
Balance December 31, 2007		\$ 336,775.11

TOWN OF HAMMONTON
Current Fund
 Schedule of Prepaid Taxes
 For the Year Ended December 31, 2007

Balance December 31, 2006 (2007 Taxes)	\$	444,093.99
Increased by:		
Collection of 2008 Taxes		507,987.59
		952,081.58
Decreased by:		
Application to 2007 Taxes		444,093.99
Balance December 31, 2007 (2008 Taxes)	\$	507,987.59

EXHIBIT SA-10

Current Fund
 Schedule of Tax Overpayments
 For the Year Ended December 31, 2007

Balance December 31, 2006	\$	62,405.26
Increased by:		
Overpayments in 2007		17,456.54
		79,861.80
Decreased by:		
Application to Taxes Receivable	\$	48,547.86
Encumbered		1,215.72
Refunded		29,052.80
		78,816.38
Balance December 31, 2007	\$	1,045.42

TOWN OF HAMMONTON

Current Fund

Schedule of Due from State of New Jersey - Senior Citizen and Veterans' Deductions

For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 8,767.65
Increased by:		
Deductions per Tax Billing	\$ 218,500.00	
2007 Deductions Allowed by Tax Collector	3,000.00	
2007 Deductions Disallowed by Tax Collector	<u>(695.97)</u>	
		<u>220,804.03</u>
		229,571.68
Decreased by:		
Collections		<u>216,449.00</u>
Balance December 31, 2007		<u><u>\$ 13,122.68</u></u>

EXHIBIT SA-12

Current Fund

Schedule of Due State of New Jersey -- Marriage License Fees

For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 425.00
Increased by:		
Fees Collected		<u>2,600.00</u>
		3,025.00
Decreased by:		
Payments		<u>2,475.00</u>
Balance December 31, 2007		<u><u>\$ 550.00</u></u>

TOWN OF HAMMONTON
Current Fund
Schedule of Local District School Tax
For the Year Ended December 31, 2007

<hr/>		
Balance December 31, 2006:		
School Tax Payable	\$ 0.28	
School Tax Deferred	<u>8,026,746.00</u>	
		\$ 8,026,746.28
Increased by:		
Levy - School Year July 1, 2007 to June 30, 2008		<u>16,642,570.00</u>
		24,669,316.28
Decreased by:		
Payments		<u>16,348,031.00</u>
Balance December 31, 2007:		
School Tax Payable	0.28	
School Tax Deferred	<u>8,321,285.00</u>	
		<u>\$ 8,321,285.28</u>
2007 Liability for Local School District Tax:		
School Tax Paid	\$ 16,348,031.00	
School Tax Payable - Dec. 31, 2007	<u>0.28</u>	
		\$ 16,348,031.28
Less:		
School Tax Payable - Dec. 31, 2006		<u>0.28</u>
Amount Charged to 2007 Operations		<u>\$ 16,348,031.00</u>

TOWN OF HAMMONTON
Current Fund
 Schedule of Due County for Added and Omitted Taxes
 For the Year Ended December 31, 2007

County Share of 2007 Added and Omitted Taxes	\$ 68,668.25
Decreased by:	
Encumbered	<u>\$ 68,668.25</u>

Current Fund
 Schedule of County Taxes Payable
 For the Year Ended December 31, 2007

County Taxes	\$ 3,333,784.13	
County Library Taxes	413,088.43	
County Health Service Taxes	168,323.27	
County Open Space Preservation	<u>272,678.88</u>	
		\$ 4,187,874.71
Decreased by:		
Payments		<u>\$ 4,187,874.71</u>

TOWN OF HAMMONTON
Federal and State Grant Fund
Schedule of Federal and State Grants Receivable
For the Year Ended December 31, 2007

	Balance December 31, <u>2006</u>	<u>Accrued</u>	<u>Received</u>	Balance December 31, <u>2007</u>
Federal Grants:				
Division of Highway Traffic Safety:				
2007 Click It or Ticket		\$ 4,000.00	\$ 3,600.00	\$ 400.00
2007 Alcohol Driving Prevention Program		12,696.00	5,988.00	6,708.00
2005 Buckle Up South Jersey	\$ 400.00			400.00
2005 Occupant Protection Project	2,000.00		2,000.00	
Total Federal Grants	2,400.00	16,696.00	11,588.00	7,508.00
State Grants:				
Municipal Alliance on Alcoholism and Drug Abuse		13,224.03		13,224.03
Municipal Alliance on Alcoholism and Drug Abuse	13,292.44		13,222.15	70.29
Municipal Alliance on Alcoholism and Drug Abuse	689.52		250.00	439.52
Municipal Alliance on Alcoholism and Drug Abuse	7.93			7.93
Clean Communities Grant		21,101.31	21,101.31	
New Jersey Department of Environmental Protection -- Forest Service	2,000.00			2,000.00
NJDEP - Comm. Environ. Res. Inventory Grant	2,500.00			2,500.00
2001 Tree Planting Grant Program	15,165.00			15,165.00
Body Armor Replacement Fund		3,546.00	3,546.00	
2004 Homeland Security Grant	210.29			210.29
NJ Recycling Tonnage Grant		15,037.76	15,037.76	
New Jersey Division of Motor Vehicles - Drunk Driving Enforcement Fund		9,954.79	9,954.79	
Smart Growth Planning Project		11,000.00		11,000.00
Stormwater Management Grant		1,250.00	1,250.00	
Alcohol, Education and Rehabilitation		845.71	845.71	
Total State Grants	33,865.18	75,959.60	65,207.72	44,617.06
Grand Total	\$ 36,265.18	\$ 92,655.60	\$ 76,795.72	\$ 52,125.06

TOWN OF HAMMONTON

Federal and State Grant Fund

Schedule of Reserve for Federal And State Grants - Unappropriated
For the Year Ended December 31, 2007

	Balance December 31, <u>2006</u>	Federal and State Grants <u>Receivable</u>	Realized As Revenue <u>In 2007</u>	Balance December 31, <u>2007</u>
Federal Grants:				
2007 Click it or Ticket		\$ 4,000.00	\$ 4,000.00	
2007 Alcohol Driving Prevention Program		12,696.00	6,708.00	\$ 5,988.00
Total Federal Grants	-	16,696.00	10,708.00	5,988.00
State Grants:				
Municipal Alliance on Alcoholism and Drug Abuse		13,224.03	13,224.03	
Clean Communities Grant		21,101.31	21,101.31	
Body Armor Replacement Fund	\$ 3,104.44		3,104.44	
New Jersey Division of Motor Vehicles - Drunk Driving Enforcement Fund	8,611.80	9,954.79	8,611.80	9,954.79
Body Armor Replacement Fund		3,546.00		3,546.00
NJ Recycling Tonnage Grant		15,037.76	15,037.76	
Municipal Stormwater Regulation Program	3,750.00			3,750.00
Smart Growth Planning Project		11,000.00	11,000.00	
Stormwater Management Grant		1,250.00		1,250.00
Alcohol, Education and Rehabilitation		845.71	845.71	
Total State Grants	15,466.24	75,959.60	72,925.05	18,500.79
Grand Total	<u>\$ 15,466.24</u>	<u>\$ 92,655.60</u>	<u>\$ 83,633.05</u>	<u>\$ 24,488.79</u>

TOWN OF HAMMONTON
Federal and State Grant Fund
 Schedule of Reserve for Federal and State Grants - Appropriated
 For the Year Ended December 31, 2007

	Balance December 31, <u>2006</u>	Transferred From 2007 Budget <u>Appropriation</u>	<u>Disbursed</u>	<u>Encumbrances</u>	Prior Year <u>Adjustment</u>	Balance December 31, <u>2007</u>
Federal Grants:						
2005 BVP Program	\$ 1,093.16		\$ 1,093.16			
2005 Occupant Protection Program	5.93				\$	5.93
2007 Click It or Ticket		\$ 4,000.00	3,800.00		\$ (200.00)	400.00
2007 Alcohol Driving Prevention Program		6,708.00	4,225.00		200.00	2,283.00
2006 Seat Belt Enforcement Grant	400.00				400.00	
2005 Buckle Up South Jersey	200.00				(200.00)	400.00
2003 COPS in School Award	781.29					781.29
Total Federal Grants	<u>2,480.38</u>	<u>10,708.00</u>	<u>9,118.16</u>	<u>-</u>	<u>200.00</u>	<u>3,870.22</u>
State Grants:						
2007 Clean Communities Grant		21,101.31	15,432.57	\$ 1,967.60		3,701.14
2006 Clean Communities Grant	6,573.10		6,573.10			
2006 Recycling Tonnage Grant	10,363.64		10,363.64			
2007 Recycling Tonnage Grant		15,037.76	8,652.06	2,317.60		4,068.10
2001 NJDEP - Tree Planting Grant Program	15,165.00					15,165.00
2002 NJDEP - Forest Service	3,000.00					3,000.00
2004 Drunk Driving Enforcement Fund	3,984.57		2,457.48			1,527.09
2005 Drunk Driving Enforcement Fund	6,496.91					6,496.91
2006 Drunk Driving Enforcement Fund	175.00		175.00			
2007 Drunk Driving Enforcement Fund		8,611.80			(200.00)	8,811.80
2006 Body Armor Replacement Program	2,705.57		845.59			1,859.98
2007 Body Armor Replacement Program		3,104.44				3,104.44
2001 Smart Growth Program	466.33					466.33
2007 Smart Growth Planning Project		11,000.00	5,037.50	103.75		5,858.75

(Continued)

**TOWN OF HAMMONTON
Federal and State Grant Fund**

Schedule of Reserve for Federal and State Grants - Appropriated (Cont'd)
For the Year Ended December 31, 2007

	Balance December 31, <u>2006</u>	Transferred From 2007 Budget <u>Appropriation</u>	<u>Disbursed</u>	<u>Encumbrances</u>	Prior Year <u>Adjustment</u>	Balance December 31, <u>2007</u>
State Grants (Cont'd):						
2004 Homeland Security Grant	\$ 3,871.76				\$	3,871.76
2001 Hazardous Discharge Remediation Fund	1,318.70					1,318.70
2007 Municipal Alliance on Alcoholism and Drug Abuse		\$ 16,530.04	\$ 13,051.99	\$ 3,478.05		
2002 Alcohol, Education and Rehabilitation	34.38					34.38
2003 Alcohol, Education and Rehabilitation	1,616.53					1,616.53
2004 Alcohol, Education and Rehabilitation	499.31					499.31
2005 Alcohol, Education and Rehabilitation	227.13					227.13
2006 Alcohol, Education and Rehabilitation	1,296.94					1,296.94
2007 Alcohol, Education and Rehabilitation		845.71				845.71
Total State Grants	<u>59,800.87</u>	<u>76,231.06</u>	<u>\$ 62,588.93</u>	<u>\$ 7,867.00</u>	<u>\$ (200.00)</u>	<u>63,770.00</u>
Local Grants:						
Comcast Technology Grant	29,728.60					29,728.60
Total	<u>\$ 92,009.85</u>	<u>\$ 86,939.06</u>	<u>\$ 71,707.09</u>	<u>\$ 7,867.00</u>	<u>\$ -</u>	<u>\$ 97,368.82</u>

TOWN OF HAMMONTON
Federal and State Grant Fund
Schedule of Reserve for Encumbrances
For the Year Ended December 31, 2007

Balance December 31, 2006	\$ 4,073.48
Increased by:	
Reserve for Encumbrances - Appropriated	<u>7,867.00</u>
	11,940.48
Decreased by:	
Disbursements	<u>4,073.48</u>
Balance December 31, 2007	<u><u>\$ 7,867.00</u></u>

SUPPLEMENTAL EXHIBITS

TRUST FUND

TOWN OF HAMMONTON
Trust Fund
Schedule of Cash - Treasurer
For the Year Ended December 31, 2007

	<u>ANIMAL CONTROL</u> <u>TRUST</u>	<u>TRUST</u> <u>OTHER</u>
Balance December 31, 2006	\$ 1,909.34	\$ 757,412.66
Increased by Receipts:		
Dog License Fees	1,446.40	
Interest Received	104.77	
Received from Current Fund		18,860.00
Reserve for Prosecutor's Trust Fund		370.16
Reserve for Recreation Fees		33,277.42
Reserve for Street Opening Deposits		64,250.00
Reserve for Escrow Deposits		384,294.49
Reserve for Public Defender Trust Fund		1,030.39
Reserve for Parking Offense Adjudication Act		96.00
Reserve for Municipal Drug Alliance Funds		5,264.04
Reserve for Airport Security Deposit		73.55
Reserve for Tax Title Lien Redemption		918,228.66
Reserve for Tax Sale Premiums		107,200.00
Payroll Deposits		6,901,217.13
Reserve for Park Recreation Trust Fund		39,735.91
Reserve for Recaptured Grant Funds		7,226.00
Reserve for Uniform Fire Penalties Rider		43.76
Reserve for State Landfill Tax Escrow Fund		6,206.17
Reserve for Celebration of Public Events		86.80
Reserve for COAH Fees		7,776.66
Reserve for Police Equipment Donations		7,249.46
Total Receipts	<u>1,551.17</u>	<u>8,502,486.60</u>
Decreased by Disbursements:		
Reserve for Animal Control Fund Expenditures	854.00	
Disbursed to Current Fund	139.54	
Reserve for Prosecutor's Trust Fund		3,500.00
Reserve for Recreation Fees		25,017.52
Reserve for Street Opening Deposits		55,900.00
Reserve for Escrow Deposits		370,785.04
Reserve for Public Defender Trust Fund		12,042.01
Reserve for Municipal Drug Alliance Funds		5,749.09
Reserve for Tax Title Lien Redemption		939,299.18
Reserve for Tax Sale Premium		8,400.00
Payroll Payments		6,891,290.12
Reserve for Park Recreation Trust Fund		72,724.44
Reserve for Recaptured Grant Funds		5,197.45
Reserve for Police Equipment Donations		1,000.00
Total Disbursements	<u>993.54</u>	<u>8,390,904.85</u>
Balance December 31, 2007	<u>\$ 2,466.97</u>	<u>\$ 868,994.41</u>

TOWN OF HAMMONTON

Trust Other Funds

Schedule of Investments -- U.S. Government Securities

For the Year Ended December 31, 2007

Balance December 31, 2006	\$ 275,217.95
Increased by:	
Interest on Investments	<u>21,837.25</u>
Balance December 31, 2007	<u><u>\$ 297,055.20</u></u>

Schedule of Investments December 31, 2007

<i>U.S. Government Obligations</i>	\$ 801.70
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U.S. Treasury Notes:

<u>Shares</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	
10,000	11-14-01	9-15-11	5.50%	10,596.90
10,000	2-18-03	1-15-13	4.50%	10,237.50
5,000	2-13-04	2-17-09	3.678%	4,965.10
20,000	7-21-05	8-15-08	3.25%	19,868.80
10,000	2-15-07	9-15-12	4.375%	10,203.10
15,000	4-17-07	10-15-13	4.625%	15,440.70
5,000	1-22-02	3-15-11	5.50%	5,270.30
10,000	7-19-05	3-15-12	6.125%	10,865.60
15,000	12-12-07	10-22-10	4.375%	15,300.00
25,000	2-15-05	2-18-15	4.50%	25,461.00
15,000	5-25-07	12-16-16	4.75%	15,314.10
20,000	12-12-07	11-18-11	4.875%	20,750.00
30,000	5-22-06	3-15-09	2.625%	29,821.80
40,000	12-8-05	11-15-09	3.50%	40,353.20
20,000	3-27-06	2-15-14	4.00%	20,432.80
5,000	5-16-05	5-15-15	4.125%	5,098.05
15,000	11-03-06	10-15-10	4.25%	15,479.25
15,000	5-22-06	2-15-16	4.50%	15,612.90
5,000	5-15-05	5-15-17	4.50%	5,182.40

\$ 297,055.20

TOWN OF HAMMONTON
Animal Control Fund
 Schedule of Due to Current Fund
 For the Year Ended December 31, 2007

Balance December 31, 2006	\$	139.54
Decreased by:		
Interest Earned		104.77
		244.31
Decreased by:		
Paid to Current Fund		139.54
Balance December 31, 2007	\$	104.77

Animal Control Fund
 Schedule of Reserve For Animal Control Fund Expenditures
 For the Year Ended December 31, 2007

Balance December 31, 2006	\$	1,769.80
Increased by:		
2007 Dog License Fees Collected		1,446.40
		3,216.20
Decreased by:		
Disbursements		854.00
Balance December 31, 2007	\$	2,362.20

License Fees Collected

<u>Year</u>	<u>Amount</u>
2005	\$ 2,086.60
2006	1,700.80
Total	\$ 3,787.40

TOWN OF HAMMONTON
Trust Other Funds
 Schedule of Due from Current Fund
 For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 69,860.00
Increased by:		
Public Defender Fees Received in Current Fund	\$ 17,670.00	
Police Outside Detail Received in Current Fund	<u>163,022.50</u>	
		<u>180,692.50</u>
		250,552.50
Decreased by:		
Received From Current Fund	18,860.00	
Police Outside Detail Disbursed in Current Fund	<u>182,102.50</u>	
		<u>200,962.50</u>
Balance December 31, 2007		<u><u>\$ 49,590.00</u></u>

TOWN OF HAMMONTON
Trust Other Funds
 Schedule of Reserve for Prosecutor's Trust Fund
 For the Year Ended December 31, 2007

Balance December 31, 2006	\$	10,754.05
Increased by:		
Interest Earned		370.16
		11,124.21
Decreased by:		
Reserve Expenditures		3,500.00
Balance December 31, 2007	\$	7,624.21

TOWN OF HAMMONTON
Trust Other Funds
Schedule of Reserve for Recreation Fees
For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 12,686.21
Increased by:		
Deposits	\$ 32,652.45	
Interest Earned	<u>624.97</u>	
		<u>33,277.42</u>
		45,963.63
Decreased by:		
Disbursements		<u>25,017.52</u>
Balance December 31, 2007		<u><u>\$ 20,946.11</u></u>

Trust Other Funds
Schedule of Reserve for Street Opening Deposits
For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 21,700.00
Increased by:		
Deposits		<u>64,250.00</u>
		85,950.00
Decreased by:		
Refunded		<u>55,900.00</u>
Balance December 31, 2007		<u><u>\$ 30,050.00</u></u>

TOWN OF HAMMONTON
Trust Other Funds
 Schedule of Reserve for Escrow Deposits
 For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 153,780.56
Increased by:		
Deposits		384,294.49
		538,075.05
Decreased by:		
Payments		370,785.04
		167,290.01
Balance December 31, 2007		\$ 167,290.01

Trust Other Funds
 Schedule of Reserve for Public Defender Trust Fund
 For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 13,527.84
Increased by:		
Received in Current Fund	\$ 17,670.00	
Interest Earned	1,030.39	
		18,700.39
		32,228.23
Decreased by:		
Payments	12,042.01	
Excess Due to VCCB	2,579.34	
		14,621.35
Balance December 31, 2007		\$ 17,606.88

TOWN OF HAMMONTON
Trust Other Funds
 Schedule of Reserve for Parking Offense Adjudication Act
 For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 1,531.33
Increased by:		
Received from Municipal Court		96.00
Balance December 31, 2007		\$ 1,627.33

Trust Other Funds
 Schedule of Reserve for Municipal Drug Alliance Funds
 For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 5,418.39
Increased by:		
Donations Received	\$ 5,109.17	
Interest Received	154.87	
		5,264.04
		10,682.43
Decreased by:		
Disbursements		5,749.09
Balance December 31, 2007		\$ 4,933.34

TOWN OF HAMMONTON
Trust Other Funds
 Schedule of Airport Security Deposit
 For the Year Ended December 31, 2007

Balance December 31, 2006	\$	1,821.40
Increased by:		
Interest Received		73.55
Balance December 31, 2007	\$	1,894.95

Trust Other Funds
 Schedule of Reserve for Police Outside Detail
 For the Year Ended December 31, 2007

Balance December 31, 2006	\$	68,670.00
Increased by:		
Received in Current Fund in 2007		163,022.50
		231,692.50
Decreased by:		
Disbursed in Current Fund in 2007		182,102.50
Balance December 31, 2007	\$	49,590.00

TOWN OF HAMMONTON
Trust Other Funds
 Schedule of Reserve for Tax Title Lien Redemption
 For the Year Ended December 31, 2007

Balance December 31, 2006	\$	34,860.94
Increased by:		
Lien Redemption Deposits		918,228.66
		953,089.60
Decreased by:		
Lien Redemption Disbursements		939,299.18
Balance December 31, 2007	\$	13,790.42

Trust Other Funds
 Schedule of Reserve for Tax Sale Premium
 For the Year Ended December 31, 2007

Balance December 31, 2006	\$	36,800.00
Increased by:		
Premiums Received at Tax Sale		107,200.00
		144,000.00
Decreased by:		
Premiums Refunded		8,400.00
Balance December 31, 2007	\$	135,600.00

TOWN OF HAMMONTON
Trust Other Funds
 Schedule of Payroll Deductions Payable
 For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 54,630.36
Increased by:		
Deposits		<u>6,901,217.13</u>
		6,955,847.49
Decreased by:		
Payments		<u>6,891,290.12</u>
Balance December 31, 2007		<u><u>\$ 64,557.37</u></u>

Trust Other Funds
 Schedule of Park Recreation Trust Fund
 For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 47,585.85
Increased by:		
Donation Received	\$ 37,375.00	
Interest Earned	<u>2,360.91</u>	
		<u>39,735.91</u>
		87,321.76
Decreased by:		
Payments		<u>72,724.44</u>
Balance December 31, 2007		<u><u>\$ 14,597.32</u></u>

TOWN OF HAMMONTON
Trust Other Funds
 Schedule of Recaptured Grant Funds
 For the Year Ended December 31, 2007

Balance December 31, 2006	\$	4,617.45
Increased by:		
Recaptured Grant Funds Received		7,226.00
		11,843.45
Decreased by:		
Payments		5,197.45
Balance December 31, 2007	\$	6,646.00

Trust Other Funds
 Schedule of Uniform Fire Penalties Rider
 For the Year Ended December 31, 2007

Balance December 31, 2006	\$	1,082.51
Increased by:		
Interest Received		43.76
Balance December 31, 2007	\$	1,126.27

TOWN OF HAMMONTON
Trust Other Funds
 Schedule of State Landfill Tax Escrow Fund
 For the Year Ended December 31, 2007

Balance December 31, 2006	\$ 153,277.06
Increased by:	
Interest Earned	6,206.17
Balance December 31, 2007	\$ 159,483.23

Trust Other Funds
 Schedule of State Landfill Closure -- Escrow Fund
 For the Year Ended December 31, 2007

Balance December 31, 2006	\$ 275,217.95
Increased by:	
Interest Earned on Investments	21,837.25
Balance December 31, 2007	\$ 297,055.20

TOWN OF HAMMONTON
Trust Other Funds
 Schedule of Reserve for Celebration of Public Events
 For the Year Ended December 31, 2007

Balance December 31, 2006	\$	2,136.67
Increased by:		
Interest Earned		86.80
Balance December 31, 2007	\$	2,223.47

Trust Other Funds
 Schedule of Reserve for COAH Fees
 For the Year Ended December 31, 2007

Balance December 31, 2006	\$	192,045.08
Increased by:		
Interest Earned		7,776.66
Balance December 31, 2007	\$	199,821.74

TOWN OF HAMMONTON
Trust Other Funds
Schedule of Reserve for Police Equipment Donations
For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 782.03
Increased by:		
Donations Received	\$ 7,000.00	
Interest Earned	<u>249.46</u>	
		<u>7,249.46</u>
		8,031.49
Decreased by:		
Disbursements		<u>1,000.00</u>
Balance December 31, 2007		<u><u>\$ 7,031.49</u></u>

SUPPLEMENTAL EXHIBITS

GENERAL CAPITAL FUND

TOWN OF HAMMONTON
General Capital Fund
 Schedule of Cash - Treasurer
 For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 3,000,789.44
Increased by Receipts:		
Received from Current Fund	\$ 17,353.00	
Federal Grants Receivable	1,772,221.09	
County and Local Grants Receivable	371,143.87	
Bond Anticipation Notes Issued	3,500,000.00	
Premium from Bond Anticipation Notes Issued	9,348.50	
Proceeds from Bonds Issued	6,151,880.00	
Premium Received from Bonds Issued	<u>23,435.50</u>	
		<u>11,845,381.96</u>
		14,846,171.40
Decreased by Disbursements:		
Disbursed to Current Fund	91,923.64	
Improvement Authorizations	1,798,154.35	
Contracts Payable	5,243,233.83	
Payment of Bond Anticipation Notes	<u>6,862,550.58</u>	
		<u>13,995,862.40</u>
Balance December 31, 2007		<u><u>\$ 850,309.00</u></u>

TOWN OF HAMMONTON
General Capital Fund
Schedule of Due from Current Fund
For the Year Ended December 31, 2007

Ord. 6-06 (d) Deferred Charge Unfunded - Raised in 2007 Current Fund Budget	\$	436.00	
Capital Improvement Fund - Raised in 2007 Current Fund Budget		16,917.00	
Disbursed to Current Fund		91,923.64	
			\$ 109,276.64
			109,276.64
Decreased by:			
General Capital Fund Balance Anticipated as Revenue in 2007 Budget		50,265.64	
Reserve for Payment of Bonds - Anticipated as Revenue in 2007 Budget		41,658.00	
Received from Current Fund		17,353.00	
			\$ 109,276.64

EXHIBIT SC-4

General Capital Fund
Schedule of Federal Grants Receivable
For the Year Ended December 31, 2007

Balance December 31, 2006			\$ 2,949,436.26
Increased by:			
2007 Improvement Authorization	\$	284,881.00	
Transferred from State Grants Receivable		103,244.00	
			388,125.00
			3,337,561.26
Decreased by:			
Received		1,772,221.09	
Canceled		180,268.94	
			1,952,490.03
Balance December 31, 2007			\$ 1,385,071.23

<u>Agency</u>	<u>Ordinance</u> <u>No.</u>	<u>Amount</u>
Federal Transportation Enhancement Act - TEA 21	26-02 (a)	\$ 45,644.98
Community Development Block Grant	18-01 (d)	196.00
Community Development Block Grant	3-03 (c)	88,653.00
Federal Transportation Enhancement Act - TEA 21	3-03 (c)	250,000.00
Federal Aviation Administration Block Grant	7-04 (d)	148,479.32
New Jersey Department of Transportation	7-04 (d)	93,013.14
New Jersey Department of Transportation	39-05	2,594.00
Federal Aviation Administration Block Grant	39-05	63,695.00
Federal Firefighters Grant	43-05	18,711.00
New Jersey Department of Transportation	6-06 (b)	200,000.00
Federal Housing & Urban Development	6-06 (c)	248,000.00
Community Development Block Grant	6-06 (d)	69,804.00
New Jersey Department of Transportation	16-07 (a)	156,116.79
Federal Homeland Security Grant	3-07	164.00
		\$ 1,385,071.23

TOWN OF HAMMONTON
General Capital Fund
 Schedule of State Grants Receivable
 For the Year Ended December 31, 2007

Balance December 31, 2006	\$ 111,244.00
Decreased by:	
Transferred to Federal Grants Receivable	103,244.00
Balance December 31, 2007	\$ 8,000.00

	Ordinance	
<u>Agency</u>	<u>No.</u>	<u>Amount</u>
New Jersey Transit	18-01 (m)	\$ 8,000.00

TOWN OF HAMMONTON
General Capital Fund
 Schedule of County and Local Grants Receivable
 For the Year Ended December 31, 2007

Balance December 31, 2006	\$	63,000.00
Increased by:		
2007 Improvement Authorization		2,149,922.00
		2,212,922.00
Decreased by:		
Receipts		371,143.87
Balance December 31, 2007		\$ 1,841,778.13

<u>Agency</u>	Ordinance <u>No.</u>	<u>Amount</u>
Hammonton Revitalization Committee	18-01 (m)	\$ 3,000.00
Atlantic County Interlocal Agreement	7-07	1,000.00
Atlantic County	16-07 c	70,000.00
Atlantic County Interlocal Agreement	24-07	1,767,778.13
		\$ 1,841,778.13

TOWN OF HAMMONTON
General Capital Fund
Schedule of Deferred Charges to Future Taxation - Funded
For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 6,200,093.95
Increased by:		
Serial Bonds Issued		6,400,000.00
		12,600,093.95
Decreased by:		
2007 Budget Appropriations:		
Serial Bonds	\$ 375,000.00	
Green Acres Loan	6,617.32	
NJDEP Loan	68,388.00	
		450,005.32
Balance December 31, 2007		\$ 12,150,088.63

TOWN OF HAMMONTON
General Capital Fund

Schedule of Deferred Changes To Future Taxation - Unfunded
For the Year Ended December 31, 2007

Ordinance Number	Improvement Description	Balance December 31, 2006	2007 Authorizations	Notes Paid by Budget Appropriation	Raised in 2007 Current Fund Budget	Transferred to Deferred Taxation -- Funded	Balance December 31, 2007	Analysis of Balance	
								Funded by Bond Anticipation Notes	Unexpended Improvement Authorizations
18-01/16-02	Various Improvements (d) Reconstruction of Curbs & Sidewalks in Compliance with ADA	\$ 18,500.00	\$	\$ 1,100.00	\$	\$ 17,400.00			
35-01	Purchase of a Fire Department Tanker Truck	144,000.00		8,000.00		136,000.00			
10-02	Various Improvements (h) Boyer Avenue Recreation Improvements	135,300.00		5,200.00		130,100.00			
26-02	Various Improvements (a) Reconstruction of Various Roads and Walkways (c) Preliminary Planning Work for the Construction and Design of a New Town Hall	450,300.00		17,100.00		433,200.00			
	(d) Acquisition of Emergency Response Team Equipment	23,350.00		350.00		23,000.00			
	(e) Acquisition of Two Four-Wheel Drive Vehicles for the Police Department	21,050.00		2,650.00		18,400.00			
	(f) Improvements to the 11th Street Public Works Property	50,600.00		6,600.00		44,000.00			
	(g) Mapping of the Public Works Assets	45,000.00		2,500.00		42,500.00			
	(h) Acquisition of Court-Reporting Equipment	70,250.00		950.00		69,300.00			
36-02	Acquisition of Real Property for Municipal Airport Renovations	5,000.00		700.00		4,300.00			
		3,050.00		50.00		3,000.00			
3-03	Various Improvements:								
21-03	(a) Acquisition of Various Equipment	217,075.00		24,175.00		192,900.00			
	(b) Improvement of Towns Roads	380,000.00		13,500.00		366,500.00			
	(c) Various Pedestrian Walkway Improvements	107,350.00		3,750.00		103,600.00			
	(e) Hammonton Lake Park Wetlands Remediation	11,800.00		500.00		11,300.00			
19-03	(g) Municipal Building Improvements and Preliminary New Building Costs	38,000.00		1,000.00		37,000.00			
13-03	Purchase of Firefighting Turnout Gear	17,100.00		1,900.00		15,200.00			
22-03/18-05	Acquisition of Land for Constructing a New Municipal Complex	421,149.42		6,124.42		415,025.00			
35-05	Various Improvements:								
7-04/11-05/10-05	(a) Acquisition of Various Equipment	536,750.00				536,750.00			
	(b) Improvements to Linda Ave. and ADA curb & sidewalks	108,810.00				108,810.00			
	(c) Recreation Improvements to Boyer Avenue	536,785.00		835.00		535,950.00			
	(d) 2004 Various Airport Improvements	265,165.00				265,165.00			
	(e) Improvements to the Highway Lighting Facility Signage Area	5,700.00				5,700.00			
	(f) Refurbishment of Fire Gear and Acquisition of Containment Stations for the Fire Department	28,500.00				28,500.00			

(Continued)

TOWN OF HAMMONTON
General Capital Fund

Schedule of Deferred Changes To Future Taxation - Unfunded
For the Year Ended December 31, 2007

Ordinance Number	Improvement Description	Balance December 31, 2006	2007 Authorizations	Notes Paid by Budget Appropriation	Raised in 2007 Current Fund Budget	Transferred to Deferred Taxation -- Funded	Balance December 31, 2007	Analysis of Balance				
								Funded by Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorizations		
5-05	Purchase of a Trash Truck	\$ 156,750.00				\$ 156,750.00						
15-05	Various Improvements											
	(a) ADA Curbing Improvements	58,900.00				58,900.00						
	(b) Purchase of a New Fire Truck	332,500.00				332,500.00						
	(c) Purchase of 2 Police Sports Utility Vehicles	47,500.00				47,500.00						
	(d) Purchase & Upgrade of Various Computer Equipment	384,750.00				384,750.00						
	(e) Various Recreation Imp. & Purchase of Various Equip.	85,500.00				85,500.00						
	(f) Various Road Improvements	475,000.00				475,000.00						
	(g) Pleasant St. Reconstruction	199,500.00				199,500.00						
39-05	Airport Environmental Assessment	2,465.00		\$ 2,465.00								
1-06	Construction of a New Town Hall	\$ 5,619,000.00					\$ 5,619,000.00	\$ 3,500,000.00	\$ 2,036,254.78	\$ 82,745.22		
6-06	Various Improvements											
	(a) Improvements to Town-Owned and Municipal Parking	712,500.00				712,500.00						
	(b) Sidewalk Improvements	332,500.00				332,500.00						
	(d) Pleasant Street Reconstruction and Various ADA Curbing Improvements	71,436.00			\$ 436.00	71,000.00						
1-07	Acquisition of a Trash Truck & Ancillary Equipment		\$ 247,000.00				247,000.00		227,861.47	19,138.53		
3-07	Acquisition of Firefighting Turnout Gear		4,744.00				4,744.00		4,744.00			
16-07	Various Improvements											
	(a) Improvements to Airport Apron & Fueling Stations	9,500.00				9,500.00	9,500.00			9,500.00		
	(b) Purchase of Various Airport Improvements	11,400.00				11,400.00	11,400.00		10,643.77	756.23		
	(c) Various Curbing Improvements	71,250.00				71,250.00	71,250.00			71,250.00		
	(d) Conversion of a Trash Truck	27,550.00				27,550.00	27,550.00		27,550.00			
	(e) Improvements to Vine Street	185,250.00				185,250.00	185,250.00		4,500.00	180,750.00		
	(f) Various Road Improvements to Elm and Cottage	232,750.00				232,750.00	232,750.00		198,982.04	33,767.96		
	(g) Various Sidewalk Improvements	76,000.00				76,000.00	76,000.00			76,000.00		
	(h) Drainage Repairs to Various Roads	19,000.00				19,000.00	19,000.00			19,000.00		
24-07	Reconstruction of Central Avenue	332,500.00					332,500.00			332,500.00		
27-07	Boyer Avenue Recreation Improvements	76,000.00					76,000.00		65,331.22	10,668.78		
		\$ 12,118,885.42	\$ 1,292,944.00	\$ 99,449.42	\$ 436.00	\$ 6,400,000.00	\$ 6,911,944.00	\$ 3,500,000.00	\$ 2,575,867.28	\$ 836,076.72		

TOWN OF HAMMONTON
 General Capital Fund
 Schedule of Improvement Authorizations
 For the Year Ended December 31, 2007

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance December 31, 2006		Capital Improvement Fund	Grants Receivable	Deferred Charges to Future Taxation - Unfunded	Canceled/ Reappropriation	Paid or Charged	Balance December 31, 2007	
				Funded	Unfunded						Funded	Unfunded
7-96	Various Improvements: (c) Acquisition of Communications Equipment	5-20-96	\$ 45,000.00	\$ 7,140.38							\$ 7,140.38	
7-97/38-00	Various Improvements: (c) Municipal Airport Renovation Project	5-12-97 10-23-00	1,147,011.00	180,268.56								
17-98/30-99 17-00/9-01	Various Improvements: (a) Removal of Underground Storage Tanks (c) Various Parks and Recreation Improvements	5-11-98 6-26-00	719,381.00	101,213.55								101,213.55
22-98/ 8-99/36-02	Various Improvements: (c) Acquisition of Real Property for Municipal Airport Renovations (d) Acquisition of Various Radio & Communication Equipment	6-22-98 10-28-02	333,334.00	534.47	\$ 3,150.00				\$ (180,268.56)	\$ 3,281.98		402.49
7-99/36-01 10-02	Various Improvements: (d) Acquisition of Police Flak Vests (e) Acquisition of Various Radio & Communication Equipment	5-24-99 12-17-01	25,000.00	3,037.53					(3,037.53)			
1-00/19-04	Improvements to Municipal Airport & Renovations to Lake Park House	1-24-00	145,000.00	11,420.41						11,420.41		49,913.52
18-00	Various Improvements: (d) Purchase of an Electronic Scanner/Filing System and a Recorder/Tape Copier	6-26-00	51,500.00	13,863.15								13,863.15
18-01/16-02	Various Improvements: (d) Reconstruction of Curbs & Sidewalks in Compliance with ADA (f) Front Street Pedestrian Walk Improvements (k) Purchase of Court Recording Equipment (l) Various Airport Improvements (m) Improvement to Crew Quarters at Train Station	4-23-01 4-22-02	100,000.00 200,000.00 3,150.00 157,500.00 11,000.00	23.75 1,482.23 126,856.76 10,337.43						(15.00) 190.00 110,983.05 10,337.43		15.00 1,292.23 15,873.71
26-02/20-04	Various Improvements: (a) Reconstruction of Various Roads and Walkways (b) Construction of and Various Improvements to the Boyer Avenue Recreational Park (d) Acquisition of Emergency Response Team Equipment (e) Acquisition of Two Four-Wheel Drive Vehicles for the Police Department (f) Improvements to the 11th Street Public Works Property (g) Mapping of the Public Works Assets	6-17-02 8-23-04	1,100,000.00	78,595.67					(12,345.43)	7.50		66,042.74
3-03	Various Improvements:	5-27-03	60,000.00 50,000.00 75,000.00	4,386.25 1,153.31	23,750.00					4,386.25		24,903.31
					1,196.23 18,197.06					1,196.23		18,197.06

TOWN OF HAMMONTON
 General Capital Fund
 Schedule of Improvement Authorizations
 For the Year Ended December 31, 2007

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance December 31, 2006		Capital Improvement Fund	Grants Receivable	Deferred Charges to Future Taxation - Unfunded	Canceled/ Reappropriation	Paid or Charged	Balance December 31, 2007	
				Funded	Unfunded						Funded	Unfunded
				\$	\$						\$	\$
21-03	(a) Acquisition of Various Equipment	9-22-03	\$ 228,500.00	\$ 3,118.95					3,118.95			
	(b) Improvement of Towns Roads	5-23-05	535,000.00	9,097.85					7.50			
	(c) Various Pedestrian Walkway Improvements	9-26-05	451,653.00	27,355.49					18,750.00		\$ 8,605.49	
	(f) Construction of a Pole Barn Storage Facility for Public Works Equipment		100,000.00								900.00	
19-03	(g) Municipal Building Improvements and Preliminary New Building Costs	8-25-03	107,630.81	13,900.00					13,000.00			
22-03	Acquisition of Land	10-27-03	2,000,000.00									
18-05	for Constructing a New	5-23-05										
35-05	Municipal Complex	9-26-05	7,000,000.00	17,893.79					(1,462.00)		19,355.79	
7-04	Various Improvements:	5-24-04	565,000.00	140,606.05					39,865.20		100,740.85	
	(a) Acquisition of Various Equipment		350,000.00	9,710.07					3,804.08			
	(b) Improvements to Linda Ave. and ADA curb & sidewalks		730,549.92	14,041.13					14,041.13			
10-05/11-05	(c) Recreation Improvements to Boyer Avenue	5-23-05	2,495,390.00	\$ 629,412.30					730,837.30		163,740.00	
	(d) 2004 Various Airport Improvements		6,000.00	710.00					(710.00)			
	(e) Improvements to the Highway Lighting Facility Signage Area											
15-05	Various Improvements	5-23-05	140,451.00	15.00					(31.40)			
	(a) ADA Curbing Improvements		50,000.00	47,500.00					50,000.00			
	(c) Purchase of 2 Police Sports Utility Vehicles		405,000.00	244,124.93					58,177.58		185,947.35	
	(d) Purchase & Upgrade of Various Computer Equipment		89,950.00	48,633.00					48,633.00			
	(e) Various Recreation Imp. & Purchase of Various Equip.		500,000.00	2.50					2.50			
	(f) Various Road Improvements		355,000.00									
	(g) Pleasant St. Reconstruction											
39-05	Airport Environmental Assessment	10-24-05	103,786.00	80,192.48					14,515.22		68,142.26	
40-05	Phase II of 2005 Road Improvements	11-21-05	343,059.23	49,345.77					47,004.02		2,341.75	
43-05	Purchase of Firefighting Equipment	12-19-05	175,750.00	14,901.00					12,756.00		2,145.00	
1-06	Construction of a New Town Hall	1-23-06	5,900,000.00	137,945.35					55,200.13		\$ 82,745.22	
6-06	Various Improvements	5-22-06	750,000.00	528,448.86					13,600.00		514,848.86	
	(a) Town-owned and Municipal Parking Improvements		550,000.00	176,882.05					88,662.50		88,219.55	
	(b) Sidewalk Improvements		248,000.00	106,987.50					53,716.15		53,271.35	
	(c) Improvements to Historical Building/Community Center		295,000.00	71,436.00					2,367.50		192,628.42	
	(d) Pleasant Street Reconstruction and ADA Curbing Improvements		260,000.00						240,861.47		19,138.53	
1-07	Acquisition of a Trash Truck & Ancillary Equipment	2-26-07	99,875.00	\$ 13,000.00					99,875.00			
3-07	Acquisition of Firefighting Turnout Gear	3-26-07	92,700.00	250.00					92,700.00			
7-07	Survey Design and Permitting Services for the Reconstruction of Central Avenue	4-23-07		92,700.00								
16-07	Various Improvements	6-25-07										

(Continued)

TOWN OF HAMMONTON
 General Capital Fund
 Schedule of Improvement Authorizations
 For the Year Ended December 31, 2007

Ordinance Number	Improvement Description	Ordinance Date	Ordinance Amount	Balance December 31, 2006		Capital Improvement Fund	Grants Receivable	Deferred Charges to Future Taxation - Unfunded	Canceled/ Reappropriation	Paid or Charged	Balance December 31, 2007	
				Funded	Unfunded						Funded	Unfunded
	(a) Improvements to Airport Apron & Fueling Stations		\$ 200,000.00			\$ 500.00	\$ 190,000.00	\$ 9,500.00		\$ 11,243.77	\$ 190,500.00	\$ 9,500.00
	(b) Purchase of Various Airport Improvements		12,000.00		600.00			11,400.00			73,750.00	756.23
	(c) Various Curbing Improvements		145,000.00		3,750.00		70,000.00	71,250.00		29,000.00		71,250.00
	(d) Conversion of a Trash Truck		29,000.00		1,450.00			27,550.00				
	(e) Improvements to Vine Street		195,000.00		9,750.00			185,250.00		14,250.00		180,750.00
	(f) Various Road Improvements to Elm and Cottage		245,000.00		12,250.00			232,750.00		211,232.04		33,767.96
	(g) Various Sidewalk Improvements		80,000.00		4,000.00			76,000.00		1,170.30	2,829.70	76,000.00
	(h) Drainage Repairs to Various Roads		20,000.00		1,000.00			19,000.00		1,000.00	1,000.00	19,000.00
24-07	Reconstruction of Central Avenue	7-9-07	2,337,222.00		17,500.00		1,987,222.00	332,500.00		1,568,789.14	435,932.86	332,500.00
27-07	Boyer Avenue Recreation Improvements	9-24-07	80,000.00		4,000.00			76,000.00		69,331.22		10,668.78
28-07	Removal of Non-Hazardous Soil at 11th Street	9-24-07	12,000.00						\$ 12,000.00	11,296.50	703.50	
	Total					\$ 68,050.00	\$ 2,434,803.00	\$ 1,292,944.00	\$ (217,825.07)	\$ 3,761,602.65	\$ 2,430,890.88	\$ 836,076.72
	Federal Grants Receivable						\$ 2,149,922.00					
	County and Local Grants Receivable						284,881.00					
	Federal Grants Receivable Reserve for Payment of Bonds						\$ 2,434,803.00					
	Prior Year Contracts Payable Canceled									\$ (1,508.40)		
	Contracts Payable									1,964,956.70		
	Cash Disbursed									1,798,154.35		
										\$ 3,761,602.65		

TOWN OF HAMMONTON
General Capital Fund
Schedule of Contracts Payable
For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 7,439,579.67
Increased by:		
Charged to Improvement Authorizations		<u>1,964,956.70</u>
		9,404,536.37
Decreased by:		
Disbursed	\$ 5,243,233.83	
Canceled	<u>1,508.40</u>	
		<u>5,244,742.23</u>
Balance December 31, 2007		<u><u>\$ 4,159,794.14</u></u>

TOWN OF HAMMONTON
General Capital Fund
 Schedule of Capital Improvement Fund
 For the Year Ended December 31, 2007

Balance December 31, 2006	\$ 51,133.49
Increased by:	
2007 Budget Appropriation	16,917.00
	68,050.49
Decreased by:	
Appropriations to Finance Improvement Authorizations	68,050.00
Balance December 31, 2007	\$ 0.49

EXHIBIT SC-12

General Capital Fund
 Schedule of Reserve for Payment of Bonds
 For the Year Ended December 31, 2007

Balance December 31, 2006	\$ 41,658.00
Increased by:	
Improvement Authorizations Canceled	37,556.13
	79,214.13
Decreased by:	
Anticipated as Revenue in 2007 Current Fund Budget	41,658.00
Balance December 31, 2007	\$ 37,556.13

TOWN OF HAMMONTON
General Capital Fund
 Schedule of Green Acres Trust Fund Loan Payable
 For the Year Ended December 31, 2007

Balance December 31, 2006	\$ 137,153.95
Decreased by:	
Paid by 2007 Budget Appropriation	6,617.32
Balance December 31, 2007	\$ 130,536.63

Analysis of Balance December 31, 2007

<u>Payment Date</u>	<u>Amount</u>
2/28/08	\$ 3,358.37
8/28/08	3,391.96
2/28/09	3,425.88
8/28/09	3,460.14
2/28/10	3,494.74
8/28/10	3,529.68
2/28/11	3,564.98
8/28/11	3,600.63
2/28/12	3,636.64
8/28/12	3,673.00
2013 through	
2024	95,400.61
	\$ 130,536.63

TOWN OF HAMMONTON
General Capital Fund
 Schedule of NJDEP Loan Payable
 For the Year Ended December 31, 2007

Balance December 31, 2006	\$ 341,940.00
Decreased by:	
Paid by 2007 Budget Appropriation	68,388.00
Balance December 31, 2007	\$ 273,552.00

Analysis of Balance December 31, 2007

<u>Payment Date</u>	<u>Amount</u>
3/1/08	\$ 68,388.00
3/1/09	68,388.00
3/1/11	68,388.00
3/1/10	68,388.00
	\$ 273,552.00

TOWN OF HAMMONTON
General Capital Fund
 Schedule of Bond Anticipation Notes
 For the Year Ended December 31, 2007

Ordinance Number	Improvement Description	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2006	Change		Balance December 31, 2007
							Increased	Decreased	
18-01/16-02	Various Improvements: (d) Reconstruction of Curbs & Sidewalks in Compliance with ADA	1/23/03	1/11/06	1/11/07	4.125%	\$ 18,500.00	\$	\$ 18,500.00	
35-01	Purchase of a Fire Department Tanker Truck	1/23/03	1/11/06	1/11/07	4.125%	144,000.00		144,000.00	
7-99/36-01/10-02	Various Improvements: (h) Boyer Avenue Recreation Improvements	1/23/03	1/11/06	1/11/07	4.125%	135,300.00		135,300.00	
26-02	Various Improvements: (a) Reconstruction of Various Roads and Walkways (c) Preliminary Planning Work for the Construction and Design of a New Town Hall	1/23/03	1/11/06	1/11/07	4.125%	450,300.00		450,300.00	
	(d) Acquisition of Emergency Response Team Equipment	1/23/03	1/11/06	1/11/07	4.125%	23,350.00		23,350.00	
	(e) Acquisition of Two Four-Wheel Drive Vehicles for the Police Department	1/23/03	1/11/06	1/11/07	4.125%	21,050.00		21,050.00	
	(f) Improvements to the 11th Street Public Works Property	1/23/03	1/11/06	1/11/07	4.125%	50,600.00		50,600.00	
	(g) Mapping of the Public Works Assets	1/23/03	1/11/06	1/11/07	4.125%	45,000.00		45,000.00	
	(h) Acquisition of Court-Reporting Equipment	1/23/03	1/11/06	1/11/07	4.125%	70,250.00		70,250.00	
22-98/8-99/36-02	Various Improvements: (c) Acquisition of Real Property for Municipal Airport Renovations	1/23/03	1/11/06	1/11/07	4.125%	5,000.00		5,000.00	
3-03/21-03	Various Improvements: (a) Acquisition of Various Equipment (b) Improvement of Towns Roads	1/15/04	1/11/06	1/11/07	4.125%	3,050.00		3,050.00	
	(c) Various Pedestrian Walkway Improvements	1/15/04	1/11/06	1/11/07	4.125%	217,075.00		217,075.00	
	(e) Hammonton Lake Park Wetlands Remediation	1/15/04	1/11/06	1/11/07	4.125%	380,000.00		380,000.00	
	(f) Construction of a Pole Barn Storage Facility for Public Works Equipment	1/15/04	1/11/06	1/11/07	4.125%	107,350.00		107,350.00	
19-03	(g) Municipal Building Improvements and Preliminary New Building Costs	1/15/04	1/11/06	1/11/07	4.125%	11,800.00		11,800.00	
						95,000.00		95,000.00	
						38,000.00		38,000.00	

TOWN OF HAMMONTON
General Capital Fund
 Schedule of Bond Anticipation Notes
 For the Year Ended December 31, 2007

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Issue of Original Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance December 31, 2006</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance December 31, 2007</u>
13-03	Purchase of Firefighting Turnout Gear	1/15/04	1/11/06	1/11/07	4.125%	\$ 17,100.00		\$ 17,100.00	
22-03	Acquisition of Land for Constructing a New Municipal Complex	1/15/04	1/11/06	1/11/07	4.125%	1,904,700.00		1,904,700.00	
7-04	Various Improvements:								
	(a) Acquisition of Various Equipment	1/12/05	1/11/06	1/11/07	4.125%	536,750.00		536,750.00	
	(b) Improvements to Linda Ave. and ADA curb & sidewalks	1/12/05	1/11/06	1/11/07	4.125%	108,810.00		108,810.00	
	(c) Recreation Improvements to Boyer Avenue	1/12/05	1/11/06	1/11/07	4.125%	536,785.00		536,785.00	
	(d) 2004 Various Airport Improvements	1/12/05	1/11/06	1/11/07	4.125%	265,165.00		265,165.00	
	(e) Improvements to the Highway Lighting Facility Signage Area	1/12/05	1/11/06	1/11/07	4.125%	5,700.00		5,700.00	
	(f) Refurbishment of Fire Gear and Acquisition of Containment Stations for the Fire Department	1/12/05	1/11/06	1/11/07	4.125%	28,500.00		28,500.00	
5-05	Purchase of a Trash Truck	1/11/06	1/11/06	1/11/07	4.125%	156,750.00		156,750.00	
15-05	Various Improvements								
	(a) ADA Curbing Improvements	1/11/06	1/11/06	1/11/07	4.125%	58,900.00		58,900.00	
	(b) Purchase of a New Fire Truck	1/11/06	1/11/06	1/11/07	4.125%	332,500.00		332,500.00	
	(c) Purchase of 2 Police Sports Utility Vehicles	1/11/06	1/11/06	1/11/07	4.125%	47,500.00		47,500.00	
	(d) Purchase & Upgrade of Various Computer Equipment	1/11/06	1/11/06	1/11/07	4.125%	384,750.00		384,750.00	
	(e) Various Recreation Imp. & Purchase of Various Equip.	1/11/06	1/11/06	1/11/07	4.125%	85,500.00		85,500.00	
	(f) Various Road Improvements	1/11/06	1/11/06	1/11/07	4.125%	475,000.00		475,000.00	
	(g) Pleasant St. Reconstruction	1/11/06	1/11/06	1/11/07	4.125%	199,500.00		199,500.00	
39-05	Airport Environmental Assessment	1/11/06	1/11/06	1/11/07	4.125%	2,465.00		2,465.00	
1-06	Construction of a New Town Hall	1/11/07	1/11/07	1/11/08	4.00%		\$ 3,500,000.00		\$ 3,500,000.00
Total						<u>\$ 6,962,000.00</u>	<u>\$ 3,500,000.00</u>	<u>\$ 6,962,000.00</u>	<u>\$ 3,500,000.00</u>
						Issued for Cash			
						Paid from Bond Funds	\$ 3,500,000.00	\$ 5,284,000.00	
						Paid by Current Fund Budget Appropriation		99,449.42	
						Paid from Cash on Hand		1,578,550.58	
						<u>\$ 3,500,000.00</u>	<u>\$ 6,962,000.00</u>	<u>\$ 6,962,000.00</u>	<u>\$ 3,500,000.00</u>

TOWN OF HAMMONTON
General Capital Fund

Statement of Bonds And Notes Authorized But Not Issued
For the Year Ended December 31, 2007

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance December 31, 2006</u>	<u>2007 Authorizations</u>	<u>Raised in 2007 Current Fund Budget</u>	<u>Bonds Issued</u>	<u>Bond Anticipation Notes Issued</u>	<u>Balance December 31, 2007</u>
1-06	Construction of a New Town Hall	\$ 5,619,000.00				\$ 3,500,000.00	\$ 2,119,000.00
6-06	Various Improvements	1,116,436.00		\$ 436.00	\$ 1,116,000.00		
1-07	Acquisition of a Trash Truck & Ancillary Equipment		\$ 247,000.00				247,000.00
3-07	Acquisition of Firefighting Turnout Gear		4,744.00				4,744.00
16-07	Various Improvements		632,700.00				632,700.00
24-07	Reconstruction of Central Avenue		332,500.00				332,500.00
27-07	Boyer Avenue Recreation Improvements		76,000.00				76,000.00
	Total	<u>\$ 6,735,436.00</u>	<u>\$ 1,292,944.00</u>	<u>\$ 436.00</u>	<u>\$ 1,116,000.00</u>	<u>\$ 3,500,000.00</u>	<u>\$ 3,411,944.00</u>

SUPPLEMENTAL EXHIBITS

WATER UTILITY FUND

TOWN OF HAMMONTON
Water Utility Fund
Schedule of Cash - Collector/Treasurer
For the Year Ended December 31, 2007

	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2006	\$ 2,578,600.37	\$ 3,499,512.09
Increased by Receipts:		
Consumer Accounts Receivable	\$ 1,073,826.94	
Liens Receivable	423.00	
Miscellaneous Revenue	205,240.95	
Due to Water Utility Assessment Trust Fund:		
Assessments Receivable	2,282.15	
Prepaid Rents	8,664.50	
Due to Water Utility Operating Fund		\$ 159,633.21
Due from Water Utility Capital Fund	177,574.19	
Due to Sewer Utility Capital Fund		168,901.65
Settlement Agreement		2,500,000.00
Proceeds from Bonds Issued		3,728,000.00
Premium from Bond Anticipation Notes Issued		1,201.95
Premium Received from Bonds Issued		7,217.98
Total Receipts	1,468,011.73	6,564,954.79
Sub-total	4,046,612.10	10,064,466.88
Decreased by Disbursements:		
2007 Appropriations	1,116,876.82	
2006 Appropriation Reserves	31,793.53	
Reserve for Encumbrances	46,817.61	
Water Rents Refunded	1,095.56	
Accrued Interest on Loans and Notes	317,350.90	
Due to Water Utility Assessment Trust Fund:		
Serial Bonds	15,000.00	
Due to Water Utility Operating Fund		177,574.19
Due to Water Utility Capital Fund	11,246.59	
Improvement Authorizations		256,289.35
Contracts Payable		1,984,829.49
Payment of Bond Anticipation Notes		3,580,000.00
Total Disbursements	1,540,181.01	5,998,693.03
Balance December 31, 2007	\$ 2,506,431.09	\$ 4,065,773.85

TOWN OF HAMMONTON
Water Utility Capital Fund
 Analysis of Cash
 For the Year Ended December 31, 2007

	Balance December 31, 2006	Receipts		Disbursements		Transfers		Balance December 31, 2007
		Bonds Issued	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To	
Fund Balance	\$ 29,187.57		\$ 2,508,419.93					\$ 2,508,419.93
Capital Improvement Fund	22,969.73					\$ 29,187.57		22,969.73
Improvement Authorizations:								
Ord.								
No.								
<i>General Improvements:</i>								
29-99 Installation of a New Well				\$ 52,441.88		68,891.10	\$ 68,891.10	14,250.79
5-03/13-05 Various Improvements	52,441.88							300,964.50
6-03 New Municipal Wells	14,250.79			120,767.16		91,197.84		173,215.59
8-04 Various Improvements	512,929.50			27,789.79		6,425.00		385,523.73
15-04/12-05 Various Improvements	207,430.38			6,810.52				42,065.00
16-05/18-06 Various Improvements	392,334.25					5,935.00		(112,725.00)
7-06 Various Improvements	(100,000.00)	\$ 148,000.00		48,480.00		64,245.00		
17-07 Various Improvements								
Contracts Payable	2,390,251.06				\$ 1,984,829.49		236,693.94	642,115.51
Reserve for Payment of Bonds	157,865.17						470,367.00	628,232.17
Refunds Receivable						68,891.10		(68,891.10)
Due from Sewer Utility Capital Fund	(168,901.65)		168,901.65			470,367.00		(470,367.00)
Due (from)to Water Utility Operating Fund	(11,246.59)		159,633.21		177,574.19		29,187.57	
Contra		3,580,000.00			3,580,000.00			
	\$ 3,499,512.09	\$ 3,728,000.00	\$ 2,836,954.79	\$ 256,289.35	\$ 5,742,403.68	\$ 805,139.61	\$ 805,139.61	\$ 4,065,773.85

TOWN OF HAMMONTON
Water Utility Operating Fund
 Schedule of Consumer Accounts Receivable
 For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 15,047.10
Increased by:		
Water Rents Levied in 2007		1,101,040.22
		1,116,087.32
Decreased by:		
Collections	\$ 1,073,826.94	
Prepaid Applied	13,635.28	
Transferred to Liens	138.00	
		1,087,600.22
Balance December 31, 2007		\$ 28,487.10

Water Utility Operating Fund
 Schedule of Water Utility Liens
 For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 1,705.44
Increased by:		
Transfers from Consumer Accounts Receivable		138.00
		1,843.44
Decreased by:		
Collections		423.00
Balance December 31, 2007		\$ 1,420.44

TOWN OF HAMMONTON
Water Utility Assessment Trust Fund
 Schedule of Assessments Receivable
 For the Year Ended December 31, 2007

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Confirmation</u>	<u>Annual Installments</u>	<u>Due Dates</u>	<u>Balance December 31, 2006</u>	<u>Received in Operating Fund</u>	<u>Balance December 31, 2007</u>	<u>Balance Pledged to Assessment Bonds</u>
11-94	Giordano Lane Water Extension	4/28/97	20	7/1/97-2016	\$ 12,366.95	\$ 2,282.15	\$ 10,084.80	\$ 10,084.80

TOWN OF HAMMONTON
Water Utility Operating Fund
Schedule of Due to Water Utility Assessment Fund
For the Year Ended December 31, 2007

Balance December 31, 2006	\$ 406,764.76
Increased By:	
Received in Water Operating Fund:	
Assessments Receivable	<u>2,282.15</u>
	409,046.91
Decreased By:	
Paid by Water Operating Fund:	
Serial Bonds	<u>15,000.00</u>
Balance December 31, 2007	<u><u>\$ 394,046.91</u></u>

TOWN OF HAMMONTON
Water Utility Capital Fund
Statement of Fixed Capital
For the Year Ended December 31, 2007

	<u>Amount</u>
Plant and Equipment	\$ 908,717.38
Distribution Mains	3,389,177.03
Survey and Plant Equipment	7,360.00
Mains, Pipes and Fittings	642,036.27
House Connections	10,967.46
Water Storage Tank	1,853,047.46
Motors and Accessories	58,877.14
Wells and Improvements to Wells	207,954.58
Water Treatment Plant	26,499.00
General Equipment	139,658.59
Meters	<u>7,918.03</u>
	<u>\$ 7,252,212.94</u>

TOWN OF HAMMONTON
Water Utility Capital Fund
 Schedule of Fixed Capital Authorized and Uncompleted
 For the Year Ended December 31, 2007

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Ordinance Date</u>	<u>Amount</u>	<u>Balance December 31, 2006</u>	<u>2007 Authorizations</u>	<u>Balance December 31, 2007</u>
<u>General Improvements:</u>						
3-93	Various Improvements to Water System: (a) ImproCastic Soda Conversion	2/22/93	\$ 15,000.00	\$ 2,391.90		\$ 2,391.90
28-95 9-99	Water Main Extension and Additional Improvements	10/23/95 5/24/99	350,000.00 75,000.00	425,000.00		425,000.00
6-99	Rehabilitation of Water System Along Route 54	5/24/99	207,214.53	203,310.63		203,310.63
10-99	Various Improvements: (a) Bachelor Lane Water Main Extension (b) North Street Water Main Extension	5/24/99	90,000.00 40,000.00	79,603.47 39,195.00		79,603.47 39,195.00
29-99 24-00	Installation of a New Well and Treatment Plant on Lincoln Street	12/13/99 7/24/00	250,000.00 270,250.00	520,250.00		520,250.00
20-00	Various Improvements: (a) Improvements to Plant (b) Construction of Shaped Roof - Well #4	6/26/00		30,252.09 22,342.29		30,252.09 22,342.29
6-01	Master Plan for the Hammonton High School	2/26/01	75,000.00	75,000.00		75,000.00
19-01	Improvements to the Water Utility System	4/23/01	194,000.00	187,600.81		187,600.81
22-02	Improvements to the Water Utility System	6/17/02	772,700.00	302,332.00		302,332.00
5-03	Various Improvements:	5/27/03		270,000.00		270,000.00
13-05	(a) Replacement Well for Lincoln Street (b) Caldwell Ave. In-Fill Project	5/23/05	100,000.00 75,000.00	100,000.00 75,000.00		100,000.00 75,000.00

(Continued)

TOWN OF HAMMONTON
Water Utility Capital Fund
 Schedule of Fixed Capital Authorized and Uncompleted
 For the Year Ended December 31, 2007

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Ordinance Date</u>	<u>Amount</u>	<u>Balance December 31, 2006</u>	<u>2007 Authorizations</u>	<u>Balance December 31, 2007</u>
<u>General Improvements:</u>						
6-03	New Municipal Wells	5/27/03	\$ 46,518.34	\$ 46,518.34		\$ 46,518.34
8-04	Various Improvements	5/24/04	800,000.00	800,000.00		800,000.00
15-04	Various Improvements:	7/26/04				
	(a) Replacement of Central Ave. Water Main		1,401,250.00	1,401,250.00		1,401,250.00
	(b) Extension of Lakeview Gardens Water Loop	5/23/05	50,000.00	50,000.00		50,000.00
12-05	(c) Repair/Replacement to Well #4 Booster Pump and Roof	5/23/05	42,750.00	42,750.00		42,750.00
16-05	Various Improvements:	5/23/05				
	(a) Caldwell, Wood, Railway Water Loop		277,600.00	77,600.00		77,600.00
18-06	(b) Egg Harbor Road Water Main Extension	8/7/06	500,000.00	700,000.00		700,000.00
	(c) Well #5 Driveway Paving		33,000.00	33,000.00		33,000.00
	(d) North Chew Road Water Main Extension		90,000.00	90,000.00		90,000.00
	(e) Bellevue Ave. Water Main Replacement		200,000.00	200,000.00		200,000.00
	(f) White Horse Pike Southerly Water Loop		100,000.00	100,000.00		100,000.00
	(g) Walnut Street Water Main Replacement		115,000.00	115,000.00		115,000.00
7-06	Various Improvements:	5/22/06				
	(a) Downtown Water Lateral Sidewalk Improvement		100,000.00	100,000.00		100,000.00
	(b) Replacement of Windows and Doors at Well #4		48,000.00	48,000.00		48,000.00
17-07	Various Improvements:	6/25/07				
	(a) Painting of the 4th Street Water Tank		270,000.00		\$ 270,000.00	270,000.00
	(b) Improvements to Vine Street		100,000.00		100,000.00	100,000.00
	(c) Pine, Oak, Basin Water Main Extensions		780,000.00		1,550,000.00	1,550,000.00
			<u>\$ 6,364,396.53</u>		<u>\$ 1,920,000.00</u>	<u>\$ 8,284,396.53</u>

TOWN OF HAMMONTON
Water Utility Capital Fund
Schedule of Federal Grants Receivable
For the Year Ended December 31, 2007

2007 Improvement Authorization	\$ 770,000.00
Balance December 31, 2007	<u>\$ 770,000.00</u>

TOWN OF HAMMONTON
 Water Utility Operating Fund
 Schedule of 2006 Appropriation Reserves
 For the Year Ended December 31, 2007

	Balance December 31, <u>2006</u>	Balance After <u>Transfers</u>	<u>Disbursed</u>	Balance <u>Lapsed</u>
Operating:				
Salaries and Wages	\$ 7,704.78	\$ 37,103.81	\$ 5,765.10	\$ 31,338.71
Other Expenses	55,452.46	26,053.43	26,028.43	25.00
Statutory Expenditures:				
Contribution to:				
Social Security System (O.A.S.I.)	2,085.83	2,085.83		2,085.83
N.J. Disability Insurance	484.01	484.01		484.01
Unemployment Compensation Insurance	984.22	984.22		984.22
Total	\$ 66,711.30	\$ 66,711.30	\$ 31,793.53	\$ 34,917.77

TOWN OF HAMMONTON
Water Utility Operating Fund
 Schedule of Reserve for Encumbrances
 For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 47,997.61
Increased by:		
2007 Appropriations		130,286.75
		178,284.36
Decreased by:		
Payments		46,817.61
Balance December 31, 2007		\$ 131,466.75

Water Utility Operating Fund
 Schedule of Prepaid Water Rents
 For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 15,534.29
Increased by:		
Received in 2007		8,664.50
		24,198.79
Decreased by:		
Refunded	\$ 1,095.56	
Applied to Consumer Accounts Receivable	13,635.28	
		14,730.84
Balance December 31, 2007		\$ 9,467.95

TOWN OF HAMMONTON
Water Utility Operating Fund
Schedule of Accrued Interest Payable
For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 164,238.59
Increased by:		
Budget Appropriations for:		
Interest on Bonds	\$ 234,788.84	
Interest on Loans	1,760.97	
Interest on Notes	<u>23,008.57</u>	
		<u>259,558.38</u>
		423,796.97
Decreased by:		
Interest Paid		<u>317,350.90</u>
Balance December 31, 2007		<u><u>\$ 106,446.07</u></u>

Analysis of Accrued Interest December 31, 2007

	Principal Outstanding Dec. 31, 2007	Interest Rate	From	To	Period	Amount
<i>Water Bonds of 1997 (Capital)</i>	\$ 277,400.00	4.875%	12/1/07	12/31/07	1 Month	\$ 1,126.94
<i>Water Bonds of 2001 (Capital)</i>	1,030,000.00	4.625%	7/1/07	12/31/07	6 Months	24,100.00
<i>Water Bonds of 2007 (Capital)</i>	3,728,000.00	4.30%	8/1/07	12/31/07	5 Months	62,133.33
<i>N.J.D.E.P.E. Loan (Capital)</i>	36,436.88	3.50%	11/4/07	12/31/07	56 Days	198.38
<i>USRD Loan (Capital)</i>						
<i>White Horse Pike</i>	289,753.99	4.50%	12/10/07	12/31/07	21 Days	760.61
<i>Water Assessment Bonds of 1997</i>	166,600.00	4.875%	12/1/06	12/31/07	1 Month	<u>676.81</u>
Total Bonds and Loans						<u>88,996.07</u>
<i>Bond Anticipation Notes (Capital)</i>	450,000.00	4.00%	1/11/07	12/31/07	349 Days	<u>17,450.00</u>
Grand Total						<u><u>\$ 106,446.07</u></u>

TOWN OF HAMMONTON
Water Utility Assessment Trust Fund
Schedule of Reserve for Assessments and Liens Receivable
For the Year Ended December 31, 2007

Balance December 31, 2006	\$ 15,295.53
Decreased by:	
Assessments Receivable Collected in Water Utility Operating Fund	<u>2,282.15</u>
Balance December 31, 2007	<u><u>\$ 13,013.38</u></u>

TOWN OF HAMMONTON
Water Utility Assessment Trust Fund
 Schedule of General Serial Bonds
 For the Year Ended December 31, 2007

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Date</u>	<u>Maturities of Bonds Outstanding December 31, 2007</u>		<u>Interest Rate</u>	<u>Balance December 31, 2006</u>	<u>Paid by Budget Appropriation</u>	<u>Balance December 31, 2007</u>
				<u>Amount</u>	<u>Rate</u>				
Water Assessment Bonds of 1997	12/1/97	\$ 286,600.00	12/1/08-10	\$ 15,000.00					
			12/1/11	15,600.00					
			12/1/12-13	15,000.00					
			12/1/14	16,000.00					
			12/1/15-17	20,000.00		4.875%	\$ 181,600.00	\$ 15,000.00	\$ 166,600.00

TOWN OF HAMMONTON
 Water Utility Capital Fund
 Schedule of Improvement Authorizations
 For the Year Ended December 31, 2007

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance December 31, 2006		2007 Authorizations		Refunds Receivable	Paid or Charged	Balance December 31, 2007		
				Funded	Unfunded	Deferred Charges to Future Revenue	Federal Grants Receivable			Funded	Unfunded	
General Improvements:												
29-99	Installation of a New Well and Treatment Plant	12/13/99	\$ 250,000.00					\$ 68,891.10	\$ 68,891.10			
24-00	on Lincoln Street	7/24/00	270,250.00									
5-03	Various Improvements:	5/27/03	270,000.00									
13-05	(a) Replacement Well for Lincoln Street	5/23/05	100,000.00	\$ 52,441.88				52,441.88				
6-03	New Municipal Wells	6/17/03	772,700.00	\$ 14,250.79						\$ 14,250.79		
8-04	Various Improvements	5/24/04	800,000.00	512,929.50				211,965.00		300,964.50		
15-04	Various Improvements:	7/26/04	1,475,000.00	119,970.37				24,672.50		\$ 95,297.87		
12-05	(a) Replacement of Central Ave. Water Main (b) Extension of Lakeview Gardens Water Loop (c) Repair/Replacement to Well #4 Booster Pump and Roof	5/23/05	240,000.00 50,000.00 45,000.00	11,600.00 278,000.00 37,860.01				476.67 9,065.62		288,123.33 28,794.39		
16-05	Various Improvements:	5/23/05	277,600.00	70,731.25				6,810.52		63,920.73		
18-06	(a) Caldwell, Wood, Railway Water Loop (b) Egg Harbor Road Water Main Extension (c) Well #5 Driveway Paving (d) North Chew Road Water Main Extension (e) Bellevue Ave. Water Main Replacement (f) White Horse Pike Southerly Water Loop (g) Walnut Street Water Main Replacement	8/7/06	500,000.00 33,000.00 90,000.00 200,000.00 100,000.00 115,000.00	16,603.00 90,000.00 100,000.00 115,000.00						16,603.00 90,000.00 100,000.00 115,000.00		
7-06	Various Improvements: (a) Downtown Water Lateral Sidewalk Improvement (b) Replacement of Windows and Doors at Well #4	5/22/06	100,000.00 48,000.00	48,000.00				5,935.00		42,065.00		
17-07	Various Improvements: (a) Painting of the 4th Street Water Tank (b) Improvements to Vine Street (c) Pine, Oak, Basin Water Main Extensions	6/25/07	270,000.00 100,000.00 1,550,000.00	\$ 270,000.00 100,000.00 780,000.00				7,400.00 7,525.00 97,800.00		262,600.00 92,475.00 682,200.00		
Total				\$ 25,850.79	\$ 1,441,536.01	\$ 1,150,000.00	\$ 770,000.00	\$ 68,891.10	\$ 492,983.29	\$ 1,512,804.02	\$ 1,450,490.59	

Disbursed
 Contracts Payable

\$ 256,289.35
 236,693.94
 \$ 492,983.29

TOWN OF HAMMONTON
Water Utility Capital Fund
Schedule of Contracts Payable
For the Year Ended December 31, 2007

Balance December 31, 2006	\$ 2,390,251.06
Increased By:	
Charged to Improvement Authorizations	<u>236,693.94</u>
	2,626,945.00
Decreased by:	
Disbursed	<u>1,984,829.49</u>
Balance December 31, 2007	<u><u>\$ 642,115.51</u></u>

TOWN OF HAMMONTON
Water Utility Capital Fund
 Schedule of Due from Water Utility Operating Fund
 For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 11,246.59
Increased by:		
Disbursed:		
Paid to Water Utility Operating Fund		<u>177,574.19</u>
		188,820.78
Decreased by:		
Receipts:		
Interest Earned - Due to Water Operating	\$ 148,386.62	
Received from Water Utility Operating Fund	<u>11,246.59</u>	
		\$ 159,633.21
Capital Fund Balance Anticipated as Revenue in 2007 Budget		<u>29,187.57</u>
		<u><u>\$ 188,820.78</u></u>

TOWN OF HAMMONTON
Water Utility Capital Fund
 Schedule of Reserve for Amortization
 For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 6,938,503.00
Increased By:		
2007 Budget Appropriations:		
USRD Loan	\$ 3,188.19	
NJDEPE Loan	23,258.77	
Serial Bonds	60,000.00	
Transferred from Deferred Reserve for Amortization	523,791.44	
		610,238.40
Balance December 31, 2007		\$ 7,548,741.40

Water Utility Capital Fund
 Schedule of Reserve for Payment of Bonds
 For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 157,865.17
Increased By:		
Grant Received from USRD--Due from Sewer Utility Capital		470,367.00
Balance December 31, 2007		\$ 628,232.17

TOWN OF HAMMONTON
 Water Utility Capital Fund

Schedule of Deferred Reserve for Amortization
 For the Year Ended December 31, 2007

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2006</u>	<u>Fixed Capital Authorized - Grants Receivable</u>	<u>Paid from Operating Budget - Notes</u>	<u>To Reserve for Amortization - Fixed Capital</u>	<u>Balance Dec. 31, 2007</u>
<i>General Improvements:</i>						
9-81	Improvements to Water Supply and Distribution System	\$ 329,055.00			\$ 329,055.00	
17-82	Improvements to Water Supply Distribution System (Supplements Ordinance Number 9-81)	36,390.00			36,390.00	
15-86	Installation of Steel Casing for Water Main	20,919.44			20,919.44	
20-86	Installation of Water Mains	27,150.00			27,150.00	
22-99	Construction of a Water Storage System	85,000.00			85,000.00	
30-89	Improvements to the Water Storage System	11,027.00			11,027.00	
4-92	Improvements to Water System	12,500.00			12,500.00	
3-93	Various Improvements to the Water System	3,045.20				\$ 3,045.20
23-98	Acquisition of a Dump Truck	1,750.00			1,750.00	
22-02	Improvements to the Water Utility System	632.00				632.00
5-03	Improvements to Water Utility System			\$ 12,600.00		12,600.00
17-07	Pine, Oak, Basin Water Main Extensions		\$ 770,000.00			770,000.00
		<u>\$ 527,468.64</u>	<u>\$ 770,000.00</u>	<u>\$ 12,600.00</u>	<u>\$ 523,791.44</u>	<u>\$ 786,277.20</u>

TOWN OF HAMMONTON
Water Utility Capital Fund
 Schedule of USRD Loans Payable
 For the Year Ended December 31, 2007

Balance December 31, 2006	\$ 292,942.18
Decreased by:	
Paid by 2007 Budget Appropriation	3,188.19
Balance December 31, 2007	\$ 289,753.99

Analysis of Balance Dec. 31, 2007

<u>Payment Date</u>	<u>White Horse Pike Water</u>
6/10/08	\$ 1,648.09
12/10/08	1,685.18
6/10/09	1,723.09
12/10/09	1,761.87
6/10/10	1,801.50
12/10/10	1,842.04
6/10/11	1,883.48
12/10/11	1,925.87
6/10/12	1,969.20
12/10/12	2,013.51
2013 through 2043	271,500.16
	\$ 289,753.99

TOWN OF HAMMONTON
Water Utility Capital Fund
Schedule of N.J.D.E.P.E. Loan Payable
For the Year Ended December 31, 2007

Balance December 31, 2006	\$ 59,695.65
Decreased by:	
Paid by 2007 Budget Appropriation	23,258.77
Balance December 31, 2007	\$ 36,436.88

Analysis of Balance December 31, 2007

<u>Due Date</u>	<u>Amount</u>
5/4/08	\$ 11,935.54
11/4/08	12,144.40
5/4/09	12,356.94
	\$ 36,436.88

TOWN OF HAMMONTON
Water Utility Capital Fund
 Schedule of Bond Anticipation Notes
 For the Year Ended December 31, 2007

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Issue of Original Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance December 31, 2006</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance December 31, 2007</u>
5-03/13-05	Improvements to Water Utility System	1/15/04	1/11/06	1/11/07	4.125%	\$ 445,000.00		\$ 445,000.00	
8-04	Various Improvements	1/12/05	1/11/06	1/11/07	4.125%	800,000.00		800,000.00	
15-04/12-05	Various Improvements	1/12/05	1/11/06 1/11/07	1/11/07 1/11/08	4.125% 4.00%	1,482,000.00	\$ 250,000.00	1,482,000.00	\$ 250,000.00
16-05/18-06	Various Water Utility Improvements	1/11/06	1/11/06 1/11/07	1/11/07 1/11/08	4.125% 4.00%	1,315,600.00	200,000.00	1,315,600.00	200,000.00
						<u>\$ 4,042,600.00</u>	<u>\$ 450,000.00</u>	<u>\$ 4,042,600.00</u>	<u>\$ 450,000.00</u>
	Renewals						\$ 450,000.00	\$ 450,000.00	
	Paid by Budget Appropriation							12,600.00	
	Paid from Bond Funds							3,580,000.00	
							<u>\$ 450,000.00</u>	<u>\$ 4,042,600.00</u>	<u>\$ 4,042,600.00</u>

TOWN OF HAMMONTON
Water Utility Capital Fund
 Schedule of General Serial Bonds
 For the Year Ended December 31, 2007

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding December 31, 2007</u>		<u>Interest Rate</u>	<u>Balance December 31, 2006</u>	<u>Issued</u>	<u>Paid by Budget Appropriation</u>	<u>Balance December 31, 2007</u>
			<u>Date</u>	<u>Amount</u>					
Water Bonds of 1997	12/1/97	\$ 447,400.00	12/1/08-10	\$ 25,000.00					
			12/1/11	25,400.00					
			12/1/12	27,000.00					
			12/1/13-17	30,000.00	4.875%	\$ 297,400.00		\$ 20,000.00	\$ 277,400.00
Water Bonds of 2001	7/1/01	1,159,000.00	7/1/08	40,000.00	4.625%				
			7/1/09	50,000.00	4.625%				
			7/1/10-11	65,000.00	4.625%				
			7/1/12-13	70,000.00	4.625%				
			7/1/14-15	75,000.00	4.625%				
			7/1/16-17	80,000.00	4.625%				
			7/1/18-20	90,000.00	4.750%				
			90,000.00	4.875%	1,070,000.00		40,000.00	1,030,000.00	
Water Bonds of 2007	2/1/07	3,728,000.00	2/1/08-09	200,000.00					
			2/1/10	238,000.00					
			2/1/2011-13	250,000.00					
			2/1/14-16	300,000.00					
			2/1/17-19	350,000.00					
			2/1/20	390,000.00	4.300%				
						\$ 3,728,000.00			3,728,000.00
Total						\$ 1,367,400.00	\$ 60,000.00	\$ 3,728,000.00	\$ 5,035,400.00

TOWN OF HAMMONTON
Water Utility Capital Fund

Schedule of Bonds and Notes Authorized but not Issued
 For the Year Ended December 31, 2007

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance December 31, 2006</u>	<u>2007 Authorizations</u>	<u>Bonds Issued</u>	<u>Balance December 31, 2007</u>
15-04/12-05	Various Improvements	\$ 240,000.00			\$ 240,000.00
7-06	Various Improvements	148,000.00		\$ 148,000.00	
17-07	Various Improvements		\$ 1,150,000.00		1,150,000.00
		<u>\$ 388,000.00</u>	<u>\$ 1,150,000.00</u>	<u>\$ 148,000.00</u>	<u>\$ 1,390,000.00</u>

SUPPLEMENTAL EXHIBITS

SEWER UTILITY FUND

TOWN OF HAMMONTON
Sewer Utility Fund
Schedule of Cash - Collector/Treasurer
For the Year Ended December 31, 2007

	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2006	\$ 4,488,429.42	\$ 2,182,681.73
Increased by Receipts:		
Consumer Accounts Receivable	\$ 2,533,681.22	
Utility Liens Receivable	4,619.76	
Prepaid Rents	504.40	
Miscellaneous Revenue	313,694.01	
Due from Sewer Utility Capital Fund	224,556.31	
Due to Sewer Utility Operating Fund		\$ 778,471.49
Due to Water Utility Capital Fund		470,367.00
Premium Received from BAN's Issued		1,896.41
Premium Received from Bonds Issued		4,410.56
Proceeds from Bonds Issued		2,278,000.00
Total Receipts	3,077,055.70	3,533,145.46
Sub-total	7,565,485.12	5,715,827.19
Decreased by Disbursements:		
2007 Appropriations	2,115,395.31	
2006 Appropriation Reserves	37,663.92	
Reserve for Encumbrances	77,222.59	
Refund of Miscellaneous Revenue	1,650.00	
Refund of Rents	447.39	
Accrued Interest on Bonds, Loans and Notes	858,251.91	
Due to Water Utility Capital Fund		168,901.65
Due to Sewer Utility Operating Fund		224,556.31
Due to Sewer Utility Capital Fund	694,933.60	
Contracts Payable		673,764.87
Improvement Authorizations		56,262.28
Payment of Bond Anticipation Notes		2,178,000.00
Total Disbursements	3,785,564.72	3,301,485.11
Balance December 31, 2007	\$ 3,779,920.40	\$ 2,414,342.08

TOWN OF HAMMONTON
Sewer Utility Capital Fund

Analysis of Cash

For the Year Ended December 31, 2007

	Balance December 31, 2006	RECEIPTS		DISBURSEMENTS			TRANSFERS		Balance December 31, 2007
		Bonds Issued	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To		
Fund Balance	\$ 21,018.42		\$ 6,306.97					\$ 21,018.42	\$ 6,306.97
Capital Improvement Fund	14,400.00								14,400.00
<u>Improvement Authorizations:</u>									
Ord.									
No.									
General Improvements:									
21-92 Waste Water Treatment Plant	79,329.70			\$ 11,258.66				15,291.34	52,779.70
19-00 Various Sewer Utility Improvements	221,896.34			20,958.97					200,937.37
5-01 Egg Harbor Road Sewer Extension	13,493.81			12,066.25				10.00	1,417.56
20-03 Construction of a Sewer Maint. Facility	178,982.92			4,222.10					174,760.82
28-03 Maintenance of Boyer Avenue Trenches	5,581.20			2,895.24				2,685.96	
3-04 Refunding FmHA Loans	42,294.07								42,294.07
9-04/17-05 Various Sewer Utility Improvements	926,426.90			750.80				95,500.00	830,176.10
14-05 Various Sewer Utility Improvements	207,500.00								207,500.00
4-06 Central Ave. Sewer Improvements	3,016.84			3,016.84					
8-06 Elm & Cottage Sewer Repairs	(94,827.99)	\$ 100,000.00							5,172.01
13-06 Acq. Of Liberty Street Pump Station	(500,000.00)							\$ 500,000.00	
18-07 Various Sewer Utility Improvements				1,093.42				13,975.00	(15,068.42)
Due to Water Utility Capital Fund	168,901.65		470,367.00						470,367.00
Due to Sewer Utility Operating Fund	(194,933.60)		778,471.49					500,000.00	141,018.42
Reserve for Payment of Bonds and Notes	386,831.56							120,000.00	266,831.56
Contracts Payable	702,769.91								156,467.34
Contra			2,178,000.00						2,178,000.00
	\$ 2,182,681.73	\$ 2,278,000.00	\$ 1,255,145.46	\$ 56,262.28	\$ 3,245,222.83	\$ 768,480.72	\$ 768,480.72	\$ 2,414,342.08	\$ 2,414,342.08

TOWN OF HAMMONTON
Sewer Utility Capital Fund
Schedule of Due from Sewer Utility Operating Fund
For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 194,933.60
Increased By:		
Paid to Operating Fund	\$ 224,556.31	
Deferred Charge Raised in 2007 Budget	500,000.00	
		724,556.31
		919,489.91
Decreased By:		
Receipts:		
Interest Earned	\$ 83,537.89	
Received from Operating Fund	694,933.60	
		778,471.49
Anticipated as Revenue in 2007 Budget:		
Reserve for Payment of Bonds	120,000.00	
Capital Fund Balance	21,018.42	
		\$ 919,489.91

TOWN OF HAMMONTON
Sewer Utility Operating Fund
 Schedule of Consumer Accounts Receivable
 For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 23,549.91
Increased by:		
Sewer Rents Levied in 2007		2,565,314.33
		2,588,864.24
Decreased by:		
Collections	\$ 2,533,681.22	
Prepaid Applied	7,094.26	
Transferred to Liens	500.00	
		2,541,275.48
Balance December 31, 2007		\$ 47,588.76

Sewer Utility Operating Fund
 Schedule of Liens Receivable
 For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 9,249.65
Increased by:		
Transferred from Consumer Accounts Receivable		500.00
		9,749.65
Decreased by:		
Collections		4,619.76
Balance December 31, 2007		\$ 5,129.89

TOWN OF HAMMONTON
Sewer Utility Capital Fund
 Schedule of Fixed Capital
 For the Year Ended December 31, 2007

	Balance December 31, <u>2006</u>	<u>Ordinance</u>	Balance December 31, <u>2007</u>
Sewer Plant	\$ 207,038.45		\$ 207,038.45
Sewer System	6,173,808.00		6,173,808.00
Sewer Mains Assessed	147,954.70		147,954.70
Sewer Treatment Plant	1,102,746.72		1,102,746.72
Equipment and Meters	327,987.55		327,987.55
Pumping Stations	28,447.30	\$ 500,000.00	528,447.3
	<u>\$ 7,987,982.72</u>	<u>\$ 500,000.00</u>	<u>\$ 8,487,982.72</u>

TOWN OF HAMMONTON
Sewer Utility Capital Fund
 Schedule of Fixed Capital Authorized and Uncompleted
 For the Year Ended December 31, 2007

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance December 31, 2006	2007 Authorizations		Balance December 31, 2007
					Deferred Charges to Future Revenue	Costs to Fixed Capital	
<i>General Improvements:</i>							
21-92	Waste Water Treatment Plant	5/26/92	\$ 18,900,000.00	\$ 18,550,000.00			\$ 18,550,000.00
5-96	Southwest Sewer Extension	4/22/96	1,500,000.00	1,361,856.02			1,361,856.02
6-97	Southeast Sewer Extension	5/12/97					
		6/26/00					
		11/17/03	2,145,921.99	1,817,921.09			1,817,921.09
18-98; 11-99; 26-00; 7-01; 33-01	Various Sewer Utility Improvements	5/11/98					
		5/24/99					
		6/26/00					
		2/26/01	1,805,000.00	1,805,000.00			1,805,000.00
		10/22/01					
19-98	Second Road Sewer Improvements	5/11/98	1,900,000.00	1,900,000.00			1,900,000.00
24-98	Various Capital Purchases	6/22/98	35,000.00	28,500.00			28,500.00
12-99; 12-01 21-01	Various Sewer Utility Improvements	5/24/99					
		2/26/01					
		10/22/01	533,000.00	533,000.00			533,000.00
19-00	Various Sewer Utility Improvements	6/26/00	585,000.00	388,104.78			388,104.78
4-01	Sewer Portion of Hammonton High School Master Plan	2/26/01	77,500.00	77,500.00			77,500.00
5-01	Egg Harbor Road Sewer Extension	2/26/01	40,000.00	40,000.00			40,000.00
20-01	Various Sewer Utility Improvements	4/23/01	350,000.00	158,695.31			158,695.31
23-02	Various Sewer Utility Improvements	6/17/02	155,600.00	555,600.00			555,600.00
31-02	Various Sewer Utility Improvements	7/22/02	38,000.00	38,000.00			38,000.00

(Continued)

TOWN OF HAMMONTON
Sewer Utility Capital Fund
 Schedule of Fixed Capital Authorized and Uncompleted
 For the Year Ended December 31, 2007

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date</u>	<u>Ordinance Amount</u>	<u>Balance December 31, 2006</u>	<u>2007 Authorizations</u>		<u>Balance December 31, 2007</u>
					<u>Deferred Charges to Future Revenue</u>	<u>Costs to Fixed Capital</u>	
4-03	Caldwell Avenue In-Fill Project	5/27/03	\$ 75,000.00	\$ 75,000.00			\$ 75,000.00
20-03	Construction of a Sewer Maintenance Facility	8/25/03	450,000.00	450,000.00			450,000.00
28-03	Maintenance of Boyer Avenue Trenches	11/17/03	219,078.01	219,078.91			219,078.91
3-04	Refunding FmHA Loans	3/22/04	175,000.00	175,000.00			175,000.00
9-04/17-05/ 17-06	Various Sewer Utility Improvements	5/24/04	1,675,000.00	1,791,575.67			1,791,575.67
26-04	Various Sewer Utility Improvements	10/25/04	195,911.81	195,911.81			195,911.81
14-05	Various Sewer Utility Improvements	5/23/05	454,000.00	454,000.00			454,000.00
4-06	Central Avenue Sewer Improvements	3/27/06	110,432.08	110,432.08			110,432.08
8-06	Elm & Cottage Sewer Repairs	5/22/06	100,000.00	100,000.00			100,000.00
13-06	Acquisition of Liberty Street Pump Station	7/24/06	500,000.00	500,000.00		\$ 500,000.00	
18-07	Various Sewer Utility Improvements	6/25/07	465,000.00		\$ 465,000.00		465,000.00
				<u>\$ 31,325,175.67</u>		<u>\$ 500,000.00</u>	<u>\$ 31,290,175.67</u>

TOWN OF HAMMONTON
Sewer Utility Capital Fund
 Schedule of Due to Water Utility Capital Fund
 For the Year Ended December 31, 2007

Balance December 31, 2006	\$	168,901.65
Increased By:		
Interfund Loans Received		470,367.00
		639,268.65
Decreased By:		
Paid to Water Utility Capital Fund		168,901.65
Balance December 31, 2007	\$	470,367.00

TOWN OF HAMMONTON
Sewer Utility Operating Fund
Schedule of 2006 Appropriation Reserves
For the Year Ended December 31, 2007

	Balance December 31, <u>2006</u>	Balance After <u>Transfers</u>	<u>Disbursed</u>	Balance <u>Lapsed</u>
Operating:				
Salaries and Wages	\$ 9,296.59	\$ 30,811.71	\$ 7,076.26	\$ 23,735.45
Other Expenses	173,291.89	151,776.77	30,508.80	121,267.97
Statutory Expenditures:				
Contribution to:				
Social Security System (O.A.S.I.)	2,231.74	2,231.74		2,231.74
N.J. Disability Insurance	310.97	310.97	78.86	232.11
Unemployment Compensation Insurance	500.00	500.00		500.00
	<u>\$ 185,631.19</u>	<u>\$ 185,631.19</u>	<u>\$ 37,663.92</u>	<u>\$ 147,967.27</u>

Sewer Utility Operating Fund
Schedule of Reserve for Encumbrances
For the Year Ended December 31, 2007

Balance December 31, 2006	\$ 83,016.99
Increased by:	
2007 Appropriations	<u>128,415.41</u>
	211,432.40
Decreased by:	
Payments	<u>77,222.59</u>
Balance December 31, 2007	<u>\$ 134,209.81</u>

TOWN OF HAMMONTON
Sewer Utility Operating Fund
Schedule of Prepaid Rents
For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 23,393.19
Increased by:		
Received in 2007		<u>504.40</u>
		23,897.59
Decreased by:		
Refunds	\$ 447.39	
Applied to Consumer Accounts Receivable	<u>7,094.26</u>	
		<u>7,541.65</u>
Balance December 31, 2007		<u><u>\$ 16,355.94</u></u>

TOWN OF HAMMONTON
Sewer Utility Operating Fund
Schedule of Accrued Interest on Loans and Notes
For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 259,827.15
Increased by:		
Budget Appropriations for:		
Interest on Bonds and Loans	\$ 861,649.55	
Interest on Notes	31,534.84	
		893,184.39
		1,153,011.54
Decreased by:		
Interest Paid		858,251.91
Balance December 31, 2007		\$ 294,759.63

Analysis of Accrued Interest December 31, 2007

	Principal Outstanding Dec. 31, 2007	Interest Rate	From	To	Period	Amount
<i>Sewer Bonds of 1997</i>	\$ 905,000.00	4.875%	12/1/2007	12/31/2007	1 Month	\$ 3,676.56
<i>Wastewater Treatment Trust Loan (Capital)</i>	1,861,661.02	Various	10/1/2007	12/31/2007	3 Months	58,374.38
<i>Sewer Bonds of 2001</i>	3,845,000.00	Various	7/1/2007	12/31/2007	6 Months	90,128.00
<i>2004 Refunding Bonds</i>	4,755,000.00	Various	9/1/2007	12/31/2007	4 Months	64,458.75
<i>USRD Loan (Capital) Park/Bellevue & Batchelor</i>	652,992.34	4.50%	8/1/2007	12/31/2007	5 Months	12,230.78
<i>White Horse Pike</i>	149,441.89	4.50%	12/10/2007	12/31/2007	21 Days	392.28
<i>Sewer Bonds of 2007</i>	2,278,000.00	4.30%	8/1/2007	12/31/2007	5 Months	37,966.66
						Total Bonds and Loans 267,227.41
<i>Bond Anticipation Notes</i>	710,000.00	4.000%	1/11/2007	12/31/2007	349 Days	27,532.22
						Grand Total \$ 294,759.63

TOWN OF HAMMONTON
Sewer Utility Capital Fund
 Schedule of Improvement Authorizations
 For the Year Ended December 31, 2007

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance December 31, 2006		Paid or Charged	2007 Authorizations		Balance December 31, 2007
				Funded	Unfunded		Deferred Charges To Future Revenue	Funded	
21-92	Waste Water Treatment Plant	5/26/92	\$ 18,900,000.00	\$ 79,329.70		\$ 26,550.00	\$ 52,779.70		
19-00	Various Sewer Utility Improvements (a) Various Capital Purchases and Improvements (b) Gravity Sewer Main Extension	6/26/00	65,000.00 330,000.00	20,958.97 200,937.37		20,958.97	200,937.37		
5-01	Egg Harbor Road Sewer Extension	2/26/01	40,000.00	13,493.81		12,076.25	1,417.56		
20-03	Construction of a Sewer Maintenance Facility	8/25/03	450,000.00		\$ 178,982.92	4,222.10	174,760.82		
28-03	Maintenance of Boyer Avenue Trenches	11/17/03	219,078.01	5,581.20		5,581.20			
3-04	Refunding FmHA Loans	3/22/04	175,000.00	42,294.07			42,294.07		
9-04	Various Sewer Utility Improvements:	5/24/04	625,000.00						
17-05	(c) Sewer Extension to Various Streets	5/23/05	185,000.00						
17-06		8/7/06	219,600.00	229,631.07		750.80	228,880.27		
17-05	(d) Repairs to Bellevue Ave. Sewer	5/23/05	370,000.00	636,409.75		95,500.00		\$ 540,909.75	
14-05	Various Sewer Utility Improvements:	5/23/05							
	(a) 9th Street Sewer Extension		61,000.00	61,000.00			61,000.00		
	(b) WHP/Moss Mill Road Sewer Extension		180,000.00	146,500.00			146,500.00		
4-06	Central Avenue Sewer Improvements	3/27/06	110,432.08	3,016.84		3,016.84			
8-06	Elm & Cottage Sewer Repairs	5/22/06	100,000.00	5,172.01			5,172.01		
18-07	Various Sewer Utility Improvements:	6/25/07							
	(a) Improvements to Vine Street		100,000.00		\$ 100,000.00	15,068.42		84,931.58	
	(b) Addition and Improvements to Maintenance Facility		365,000.00		365,000.00			365,000.00	
	Total		\$ 357,013.92	\$ 1,266,293.79	\$ 465,000.00	\$ 183,724.58	\$ 913,741.80	\$ 990,841.33	
	Contracts Payable					\$ 127,462.30			
	Disbursed					56,262.28			
						\$ 183,724.58			

TOWN OF HAMMONTON
Sewer Utility Capital Fund
Schedule of Contracts Payable
For the Year Ended December 31, 2007

Balance December 31, 2006	\$ 702,769.91
Increased by:	
Charged to Improvement Authorizations	127,462.30
	830,232.21
Decreased by:	
Disbursed	673,764.87
Balance December 31, 2007	\$ 156,467.34

Sewer Utility Capital Fund
Schedule of Reserve for Payment of Bonds
For the Year Ended December 31, 2007

Balance December 31, 2006	\$ 386,831.56
Decreased by:	
Anticipated as Revenue in the 2007 Sewer Utility Operating Fund Budget	120,000.00
Balance December 31, 2007	\$ 266,831.56

TOWN OF HAMMONTON
Sewer Utility Capital Fund
Schedule of Reserve for Amortization
For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 15,325,316.20
Increased By:		
2007 Budget Appropriations:		
Wastewater Treatment Trust Fund Loan	\$ 325,384.62	
FMHA Loan	42,906.21	
USRD Loan	9,908.46	
Serial Bonds	365,000.00	
Deferred Charge - Ord. # 13-06	500,000.00	
Transferred from Deferred Reserve for Amortization	<u>2,280,376.89</u>	
		<u>3,523,576.18</u>
Balance December 31, 2007		<u><u>\$ 18,848,892.38</u></u>

TOWN OF HAMMONTON
Sewer Utility Capital Fund

Schedule of Deferred Reserve for Amortization
 For the Year Ended December 31, 2007

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Ordinance</u>	<u>Balance Dec. 31, 2006</u>	<u>Paid from Operating Budget - Notes</u>	<u>To Reserve for Amortization - Fixed Capital</u>	<u>Balance Dec. 31, 2007</u>
<i>General Improvements:</i>						
19-88	Improvements to Sanitary Sewer System	9/26/88	\$ 654,000.00		\$ 654,000.00	
21-92	Waste Water Treatment Plant	5/26/92	2,000,000.00			\$ 2,000,000.00
23-92	Various Capital Purchases	5/26/92	4,796.26		4,796.26	
3-93	Sewer Vacuum Line	2/22/93	8,427.87		8,427.87	
25-93	Refunding Bonds	9/25/93	1,613,152.76		1,613,152.76	
5-96	Southwest Sewer Extension	4/22/96	70,100.00			70,100.00
24-98	Various Capital Purchases	6/22/96	35,000.00			35,000.00
23-02	Various Sewer Utility Improvements	06/17/02	400,000.00			400,000.00
31-02	Various Sewer Utility Improvements	7/22/02		\$ 4,000.00		4,000.00
4-03	Caldwell Ave. In-Fill Project	5/27/03		3,000.00		3,000.00
20-03	Sewer Utility Improvements	8/25/03		16,000.00		16,000.00
Total				\$ 23,000.00	\$ 2,280,376.89	\$ 2,528,100.00

TOWN OF HAMMONTON
Sewer Utility Capital Fund
Schedule of New Jersey Wastewater Treatment Trust Fund
Trust Loan Payable
For the Year Ended December 31, 2007

Balance December 31, 2006	\$ 2,187,045.64
Decreased By:	
Paid by Budget Appropriation	<u>325,384.62</u>
Balance December 31, 2007	<u><u>\$ 1,861,661.02</u></u>

Analysis of Balance December 31, 2007

<u>Payment Date</u>	<u>Amount</u>
4/1/08	\$ 338,466.18
4/1/09	353,500.00
4/1/10	371,538.46
4/1/11	387,645.88
4/1/12	<u>410,510.50</u>
	<u><u>\$ 1,861,661.02</u></u>

TOWN OF HAMMONTON
Sewer Utility Capital Fund
Schedule of FMHA Loans Payable
For the Year Ended December 31, 2007

Balance December 31, 2006	\$ 2,883,046.95
Decreased By:	
Paid by Budget Appropriation	42,906.21
Balance December 31, 2007	\$ 2,840,140.74

Analysis of Balance December 31, 2007

<u>Payment Date</u>	<u>Southeast/ Southwest Construction</u>
6/30/2008	\$ 22,179.83
12/31/2008	22,678.88
6/30/2009	23,189.16
12/31/2009	23,710.91
6/30/2010	24,244.41
12/31/2010	24,789.91
6/30/2011	25,347.68
12/31/2011	25,918.00
6/30/2012	26,501.16
12/31/2012	27,097.43
2013 through 2038	2,594,483.37
	\$ 2,840,140.74

TOWN OF HAMMONTON
Sewer Utility Capital Fund
 Schedule of USRD Loans Payable
 For the Year Ended December 31, 2007

Balance December 31, 2006	\$ 811,658.79
Decreased By:	
Paid by Budget Appropriation	9,908.46
Balance December 31, 2007	\$ 801,750.33

Analysis of Balance Dec. 31, 2007

<u>Payment Date</u>	<u>Park/Bellevue & Batchelor Construction</u>	<u>White Horse Pike Sewer</u>	<u>Total</u>
1/26/08	\$ 4,272.06		\$ 4,272.06
6/10/08		\$ 850.00	850.00
7/26/08	4,368.18		4,368.18
12/10/08		869.12	869.12
1/26/09	4,466.47		4,466.47
6/10/09		888.68	888.68
7/26/09	4,566.96		4,566.96
12/10/09		908.67	908.67
1/26/10	4,669.72		4,669.72
6/10/10		929.12	929.12
7/26/10	4,774.79		4,774.79
12/10/10		950.02	950.02
1/26/11	4,882.22		4,882.22
6/10/11		971.40	971.40
7/26/11	4,992.07		4,992.07
12/10/11		993.25	993.25
1/26/12	5,104.39		5,104.39
6/10/12		1,015.60	1,015.60
7/26/12	5,219.24		5,219.24
12/10/12		1,038.45	1,038.45
2013 through 2043	604,992.34	140,027.58	745,019.92
	\$ 652,308.44	\$ 149,441.89	\$ 801,750.33

TOWN OF HAMMONTON
Sewer Utility Capital Fund

Schedule of Bond Anticipation Notes
 For the Year Ended December 31, 2007

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Issue of Original Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance</u>	
						<u>December 31, 2006</u>	<u>December 31, 2007</u>
31-02	Various Sewer Utility Improvements	1/23/03	1/11/06	1/11/07	4.125%	\$ 34,000.00	\$ 34,000.00
4-03	Caldwell Ave. In-Fill Project	1/15/04	1/11/06	1/11/07	4.125%	75,000.00	75,000.00
20-03	Sewer Utility Improvements	1/15/04	1/11/06	1/11/07	4.125%	450,000.00	450,000.00
28-03	Maintenance of Boyer Avenue Trenches	1/15/04	1/11/06	1/11/07	4.125%	107,000.00	107,000.00
9-04/17-06	Various Sewer Utility Improvements	1/12/05	1/11/06	1/11/07	4.125%	1,046,000.00	1,046,000.00
9-04/17-06	Various Sewer Utility Improvements	1/11/06	1/11/06	1/11/07	4.125%	745,000.00	745,000.00
			1/11/07	1/11/08	4.000%	\$ 710,000.00	\$ 710,000.00
14-05	Various Sewer Utility Improvements	1/11/06	1/11/06	1/11/07	4.125%	454,000.00	454,000.00
			<u>\$ 2,911,000.00</u>	<u>\$ 710,000.00</u>		<u>\$ 2,911,000.00</u>	<u>\$ 710,000.00</u>
	Renewals					\$ 710,000.00	\$ 710,000.00
	Paid by Budget Appropriation					23,000.00	23,000.00
	Paid from Bond Funds					2,178,000.00	2,178,000.00
			<u>\$ 710,000.00</u>	<u>\$ 2,911,000.00</u>		<u>\$ 2,911,000.00</u>	<u>\$ 2,911,000.00</u>

TOWN OF HAMMONTON
Sewer Utility Capital Fund

Schedule of General Serial Bonds
 For the Year Ended December 31, 2007

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding December 31, 2007</u>		<u>Interest Rate</u>	<u>Balance December 31, 2006</u>	<u>Issued</u>	<u>Decreased by Budget Appropriation</u>	<u>Balance December 31, 2007</u>
			<u>Date</u>	<u>Amount</u>					
Sewer Bonds of 1997	12/1/97	\$ 1,500,000.00	12/1/10	\$ 80,000.00					
			12/1/11	85,000.00					
			12/1/12	90,000.00					
			12/1/13-17	100,000.00	4.875%	\$ 980,000.00		\$ 75,000.00	\$ 905,000.00
Sewer Bonds of 2001	7/1/01	4,350,000.00	7/1/08	125,000.00	4.625%				
			7/1/09-10	140,000.00	4.625%				
			7/1/11-12	150,000.00	4.625%				
			7/1/13	300,000.00	4.625%				
			7/1/14	310,000.00	4.625%				
			7/1/15	320,000.00	4.625%				
			7/1/16	330,000.00	4.625%				
			7/1/17	340,000.00	4.625%				
			7/1/18	370,000.00	4.75%				
			7/1/19	380,000.00	4.75%				
			7/1/20	390,000.00	4.75%				
			7/1/21	400,000.00	4.875%	3,960,000.00		115,000.00	3,845,000.00

(Continued)

TOWN OF HAMMONTON
Sewer Utility Capital Fund

Schedule of General Serial Bonds
 For the Year Ended December 31, 2007

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding December 31, 2007</u>		<u>Interest Rate</u>	<u>Balance December 31, 2006</u>	<u>Issued</u>	<u>Decreased by Budget Appropriation</u>	<u>Balance December 31, 2007</u>
			<u>Date</u>	<u>Amount</u>					
Refunding Bonds of 2004	3/1/04	\$ 5,260,000.00	3/1/08	\$ 180,000.00	3.00%				
			3/1/09	185,000.00	3.00%				
			3/1/10	190,000.00	3.00%				
			3/1/11	195,000.00	3.125%				
			3/1/12	205,000.00	3.375%				
			3/1/13	210,000.00	3.50%				
			3/1/14	220,000.00	3.75%				
			3/1/15	230,000.00	3.875%				
			3/1/16	240,000.00	4.00%				
			3/1/17	250,000.00	4.125%				
			3/1/18	250,000.00	4.25%				
			3/1/19	270,000.00	4.25%				
			3/1/20	280,000.00	4.375%				
			3/1/21	295,000.00	4.50%				
			3/1/22	495,000.00	4.60%				
			3/1/23	525,000.00	4.60%				
		3/1/24	535,000.00	4.625%		\$ 4,930,000.00	\$ 175,000.00	\$ 4,755,000.00	
Sewer Bonds of 2007	2/1/07	2,278,000.00	2/1/08-10	50,000.00					
			2/1/11	73,000.00					
			2/1/12	75,000.00					
			2/1/13-14	240,000.00					
			2/1/15-20	250,000.00		4.30%	\$ 2,278,000.00		2,278,000.00
						\$ 9,870,000.00	\$ 365,000.00	\$ 11,783,000.00	

TOWN OF HAMMONTON
Sewer Utility Capital Fund

Schedule of Bonds and Notes Authorized But Not Issued
 For the Year Ended December 31, 2007

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance December 31, 2006</u>	<u>2007 Authorizations</u>	<u>Raised in 2007 Budget</u>	<u>Bonds Issued</u>	<u>Balance December 31, 2007</u>
8-06	Elm & Cottage Sewer Repairs	\$ 100,000.00			\$ 100,000.00	
13-06	Acquisition of Liberty Street Pump Station	500,000.00		\$ 500,000.00		
18-07	Various Sewer Improvements		\$ 465,000.00			\$ 465,000.00
	Total	\$ 600,000.00	\$ 465,000.00	\$ 500,000.00	\$ 100,000.00	\$ 465,000.00

TOWN OF HAMMONTON

PART 2

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2007

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH
OMB CIRCULAR A-133**

The Honorable Mayor and
Members of the Town Council
Town of Hammonton
Hammonton, New Jersey 08037

Compliance

We have audited the compliance of the Town of Hammonton, in the County of Atlantic, State of New Jersey, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended December 31, 2007. The Town'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 Town's management. Our responsibility is to express an opinion on the Town's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 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 Town of Hammonton'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 Town's compliance with those requirements.

In our opinion, Town of Hammonton 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, 2007.

Internal Control Over Compliance

The management of the Town of Hammonton 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 Town'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. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over compliance.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Town's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the Town's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the Town's internal control.

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

Respectfully submitted,

Bowman : Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Todd R. Saler

Todd R. Saler
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
July 18, 2008

TOWN OF HAMMONTON
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2007

Federal Grantor/Program Title	Federal CFDA Number	Program or Award Amount	Program Funds Received	Grant Period From To	Balance December 31, 2006	Revenue Realized	Adjustments	Disbursements	Balance December 31, 2007
U.S. Department of Transportation									
Passed through State Department of Transportation:									
Transportation Enhancement Act - TEA 21 (General Capital)	20.205	\$ 250,000.00		1/1/03 Program End	\$ 249,935.59	\$ 249,935.59			
Federal Aviation Agency Airport and									
Airway Improvement Program (General Capital)	20.106	1,000,000.00		1/1/97 Program End	130,349.64		\$ (130,349.64)		
Federal Aviation Agency Airport and									
Airway Improvement Program (General Capital)	20.106	300,000.00		1/1/98 Program End	3,316.01		(3,316.01)		
Federal Aviation Agency Airport and									
Airway Improvement Program (General Capital)	20.106	2,207,439.00	\$ 1,438,479.00	Unavailable	503,496.72	\$ 395,739.00		842,051.07	\$ 57,184.65
Federal Aviation Agency Airport and									
Airway Improvement Program (General Capital)	20.106	150,000.00		Unavailable	148,854.55		1,145.45		150,000.00
Federal Aviation Agency Airport and									
Airway Improvement Program (General Capital)	20.106	150,000.00		Unavailable	120,816.81		(120,816.81)		
Federal Aviation Agency Airport and									
Airway Improvement Program (General Capital)	20.106	98,597.00	13,786.00	Unavailable	78,524.85			14,829.85	63,695.00
State Aid - NJ Transportation Trust Fund									
Authority Act (General Capital Fund)	20.205	229,000.00		1/1/98 12/31/99	17,328.95		(17,328.95)		
Authority Act (General Capital Fund)	20.205	360,000.00		Unavailable	48,542.99		(48,542.99)		
Authority Act (General Capital Fund)	20.205	150,000.00		Unavailable	15,833.33		(15,833.33)		
Authority Act (General Capital Fund)	20.205	125,000.00		Unavailable	4,654.28		(4,654.28)		
Authority Act (General Capital Fund)	20.205	150,000.00		Unavailable	9,523.74		(9,523.74)		
Authority Act (General Capital Fund)	20.205	169,632.00	107,417.02	Unavailable	64,320.75			64,320.75	
Authority Act (General Capital Fund)	20.205	150,000.00	73,750.00	Unavailable	99,150.47			99,150.47	
Authority Act (General Capital Fund)	20.205	190,000.00	33,883.21	Unavailable		190,000.00		33,883.21	156,116.79
Authority Act (General Capital Fund)	20.205	182,629.40	7,636.86	Unavailable		8,308.85		8,308.85	
D.W.I Highway Safety Grant (Click It or Ticket)	20.602	4,000.00	3,600.00	1/1/07 12/31/07		4,000.00	200.00	3,800.00	400.00
D.W.I Highway Safety Grant (Buckle Up S.J.)	20.602	2,000.00	2,000.00	1/1/05 12/31/05	200.00		200.00		400.00
Occupant Protection Project	20.601	2,000.00	2,000.00	1/1/05 12/31/05	5.93				5.93
Occupant Protection Project (Alcohol Driving Protection)	20.601	6,708.00	5,988.00	1/1/07 12/31/07		6,708.00	(200.00)	4,225.00	2,283.00
Occupant Protection Project (Alcohol Driving Protection)	20.601	5,988.00	5,988.00	Unavailable		5,988.00			5,988.00
Occupant Protection Project (Seat Belt Enforcement)	20.602	2,000.00		1/1/06 12/31/06	400.00		(400.00)		
					1,495,254.61	610,743.85	(349,420.30)	1,320,504.79	436,073.37
U.S. Department of Homeland Security									
Federal Firefighters Grant	97.044	166,963.00		Unavailable	14,155.99	94,881.00		12,010.99	2,145.00
Federal Homeland Security Grant	97.044	94,881.00	94,717.00	Unavailable				94,881.00	
					14,155.99	94,881.00	-	106,891.99	2,145.00

(Continued)

TOWN OF HAMMONTON
 Schedule of Expenditures of Federal Awards (Cont'd)
 For the Year Ended December 31, 2007

Federal Grantor/Program Title	Federal CFDA Number	Program or Award Amount	Program Funds Received	Grant Period From To	Balance December 31, 2006	Revenue Realized	Adjustments	Disbursements	Balance December 31, 2007
U.S. Department of Housing and Urban Development									
Passed through County of Atlantic:									
Community Development Block Grant	14.227	\$ 119,281.00		9/1/01 8/31/04	\$ 27,313.83			\$ 27,298.83	\$ 15.00
Community Development Block Grant	14.227	88,653.00		Unavailable	79,015.44			79,015.44	
Community Development Block Grant	14.227	85,332.00		Unavailable	70,731.28		\$ (23,663.34)	47,067.94	
Community Development Block Grant	14.227	78,451.00		Unavailable	106,987.50			53,716.15	53,271.35
Community Development Block Grant	14.227	248,000.00		Unavailable	46,140.66		23,663.34		69,804.00
Community Development Block Grant	14.227	69,804.00		Unavailable					
Passed through State Department of Community Affairs:									
Small Cities Community Development Block Grant (Sewer Utility Fund)	14.228	380,500.00		1/1/97 Program End	72,608.10				72,608.10
					402,796.81		-	207,098.36	195,698.45
U.S. Department of Criminal Justice									
COPS in School Award	16.710	75,000.00		9/1/00 8/31/03	781.29				781.29
BVP Program	16.607	1,093.16		1/1/05 12/31/05	1,093.16			1,093.16	
					1,874.45		-	1,093.16	781.29
U.S. Department of Agriculture									
Water and Waste Disposal Systems for Rural Communities (Water Capital)	10.760	772,700.00	\$ 470,367.00	Unavailable	-	\$ 470,367.00	-	470,367.00	-
Total Federal Grants					\$ 1,914,081.86	\$ 1,175,991.85	\$ (349,420.30)	\$ 2,105,955.30	\$ 634,698.11

The accompanying Notes to Financial Statements and Notes to Schedules of Federal Awards are an integral part of this schedule.

TOWN OF HAMMONTON
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2007

Note 1: **GENERAL**

The accompanying schedule of expenditures of federal awards presents the activity of all federal awards of the Town of Hammonton, County of Atlantic, State of New Jersey. The Town is defined in the Notes to the Financial Statements, Note 1.

Note 2: **BASIS OF ACCOUNTING**

The accompanying schedule of expenditures of federal awards is presented using the modified accrual basis of accounting as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services, which is described in the Notes to the Financial Statements, Note 1.

Note 3: **RELATIONSHIP TO FINANCIAL STATEMENTS**

Amounts reported in the accompanying schedules agree with amounts reported in the Town's financial statements. Expenditures from awards are reported in the Town's financial statements as follows:

<u>Fund</u>	<u>Amount</u>
Current Fund	\$ 9,118.16
General Capital Fund	1,626,470.14
Water Utility Capital Fund	<u>470,367.00</u>
	<u><u>\$2,105,955.30</u></u>

Note 4: **ADJUSTMENTS**

Amounts reported in the column entitled "Adjustments" represent the following:

Improvement Authorizations Canceled	\$ (180,268.56)
Prior Year's Expenditures	<u>(169,151.74)</u>
	<u><u>\$ (349,420.30)</u></u>

Note 5: **MAJOR PROGRAMS**

Major programs are identified in the Summary of Auditor's Results section of the Schedule of Findings and Questioned Costs

TOWN OF HAMMONTON

PART 3

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED DECEMBER 31, 2007

TOWN OF HAMMONTON
 Schedule of Findings and Questioned Costs
 For the Year Ended December 31, 2007

Section 1- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unqualified

Internal control over financial reporting:

Material weaknesses identified? yes X no

Were significant deficiencies identified that were not considered to be a material weakness? yes X none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over compliance:

Material weaknesses identified? yes X no

Were significant deficiencies identified that were not considered to be a material weakness? yes X none reported

Type of auditor's report on compliance for major programs Unqualified

Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133 (section .510(a))? yes X no

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
20.106	Airport Improvement Program
20.205	Highway Planning and Construction
10.760	Water and Waste Disposal Systems for Rural Communities

Dollar threshold used to determine Type A programs \$300,000

Auditee qualified as low-risk auditee? X yes no

TOWN OF HAMMONTON
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2007

Section 1- Summary of Auditor's Results (Cont'd)

State Financial Assistance

NOT APPLICABLE

Internal control over compliance:

Material weaknesses identified? ___ yes ___ no

Were significant deficiencies identified that were not considered to be a material weakness? ___ yes ___ none reported

Type of auditor's report on compliance for major programs _____

Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133 (section .510(a)) or New Jersey Circular 04-04-OMB? ___ yes ___ no

Identification of major programs:

<u>NJCFS/NJFIS Numbers</u>	<u>Name of State Program</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Dollar threshold used to determine Type A programs _____

Auditee qualified as low-risk auditee? ___ yes ___ no

TOWN OF HAMMONTON
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2007

Section 2- Schedule of Financial Statement Findings

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

Finding No. 2007-1

Condition

Our audit of compliance with the Local Public Contracts Law and the Pay-to-Play Laws revealed the following:

The Town awarded a few professional services contracts without a resolution of the governing body or a certificate of availability of funds. However, no budgetary appropriations were overcommitted.

The Town authorized and approved several change orders, but did not complete a certificate of availability of funds or pass a resolution of the governing body for such change orders. However, no budgetary appropriations were overcommitted.

A Chapter 271 Disclosure Form and Business Entity Disclosure Certification Form were not on file for a few vendors paid in excess of \$17,500 where the contract was approved under a non-fair and open process.

Criteria

N.J.S.A. 40A:11-5(1)(a)(i) states that any contract for professional services, the amount of which exceeds the bid threshold, may be negotiated and awarded by the governing body without public advertising for bids and shall be awarded by resolution of the governing body.

N.J.A.C. 5:30-5.4(a) states that the chief financial officer shall certify in writing to the governing body the availability, or lack thereof, of adequate funds for each contract which is pending approval by the governing body.

N.J.A.C. 5:30-11.3(a) states that before authorizing any change orders resulting in additional expenditures, the availability of funds shall be certified in writing by the chief financial officer or certifying finance officer, as appropriate.

N.J.A.C. 5:30-11.5(a) states that the governing body shall pass a resolution authorizing a written amendment to a contract covering the changes to be made and that the resolution shall be passed before execution of the change order.

Chapter 19, P.L. 2004 and Chapter 271, P.L. 2005 require that certain disclosure information be obtained prior to awarding a contract in excess of \$17,500 and that certain specific language be utilized in resolutions awarding contracts to vendors in excess of \$17,500.

Effect

The Town did not fully comply with the Local Public Contracts Law and the Pay-to-Play Laws.

Cause

The Town's lack of compliance with the Local Public Contracts Law and the Pay-to-Play Laws was simply due to oversight.

Recommendation

That the Local Public Contracts Law and Pay-to-Play Laws be complied with in all instances.

View of Responsible Officials and Planned Corrective Action

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

TOWN OF HAMMONTON
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2007

Section 3- Schedule of Federal Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major Federal programs, as required by OMB Circular A-133.

None.

TOWN OF HAMMONTON
Summary Schedule of Prior Year Audit Findings
And Questioned Costs as Prepared by Management

This section identifies the status of prior year findings related to the financial statements and Federal Awards that are required to be reported in accordance with Government Auditing Standards and OMB Circular A-133.

FINANCIAL STATEMENT FINDINGS

None.

FEDERAL AWARDS

Finding No. 2006-1

Programs:

Airport Improvement Program (CFDA No. 20.106)
Highway Planning and Construction (CFDA No. 20.205)

Condition

Not all grant agreements, cost reimbursement vouchers and other financial records pertinent to projects funded by grant awards were on file at the Town offices. Additionally, the Town's financial accounts and records do not separately identify each individual project funded by grant awards.

Current Status

This condition has been resolved.

TOWN OF HAMMONTON
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>
John DiDonato	Mayor	
Edward Wuillermin	Deputy Mayor	
Rock Colasurdo	Councilperson	
Anthony Marino	Councilperson	
Christine Massarelli	Councilperson	
Jerry Vitalo, Jr.	Councilperson	
James Bertino	Councilperson	
Susanne Oddo	Town Clerk/ Business Administrator, Officer of Searches for Municipal Improvements, Registrar of Vital Statistics	\$ 50,000.00 (A)
April Boyer Maimone	Deputy Town Clerk	50,000.00 (A)
Rob Scharle'	Chief Financial Officer	50,000.00 (A)
Rosemarie Jacobs	Treasurer, Tax Collector, Collector of Water and Sewer Rents, and Tax Search Officer	1,000,000.00 (C)
Brian Howell	Solicitor	
Richard DeMichelle	Prosecutor	50,000.00 (A)
Frank Raso	Municipal Judge	50,000.00 (B)
Debra Camorata	Municipal Court Administrator and Court Clerk	50,000.00 (B)
Kim Torres	Deputy Court Clerk	50,000.00 (B)
Chris Rehmann	Town Engineer	
Sam Curcio, Jr.	Public Defender	50,000.00 (A)
John Aloisio	Construction Code Official (to June 30)	50,000.00 (A)
Frank Domenico	Construction Code Official (from July 1)	50,000.00 (A)
Mary Joan Wyatt	Tax Assessor	50,000.00 (A)

- (A) All employees were covered by a Public Employee Dishonesty Blanket Bond in the amount of \$50,000 written by the Atlantic County Municipal Joint Insurance Fund, and excess blanket coverage to \$1,000,000 written by the Municipal Excess Liability Joint Insurance Fund.
- (B) All court employees were covered by a Public Employee Dishonesty Blanket Bond in the amount of \$50,000 written by the Atlantic County Municipal Joint Insurance Fund, and excess blanket coverage to \$1,000,000 written by the Municipal Excess Liability Joint Insurance Fund.
- (C) All "Statutory" employees were covered by a Public Officials Dishonesty Blanket Bond in the amount of \$1,000,000 written by the Atlantic County Municipal Joint Insurance Fund. "Statutory" employees include any treasurer, tax collector, utilities clerk and any deputy or assistant in title to those positions and any CFO that also serves in multiple positions which are required by statute to be individually bonded.

All of the Bonds were examined and properly executed.

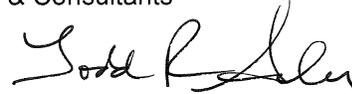
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APPRECIATION

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

Respectfully submitted,

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

A handwritten signature in black ink, appearing to read "Todd R. Saler". The signature is fluid and cursive, written over the printed name below.

Todd R. Saler
Certified Public Accountant
Registered Municipal Accountant

