TOWNSHIP OF LITTLE EGG HARBOR

AUDIT REPORT FOR THE YEAR ENDED DECEMBER 31, 2007

TOWNSHIP OF LITTLE EGG HARBOR

COUNTY OF OCEAN

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TOWNSHIP OF LITTLE EGG HARBOR
COUNTY OF OCEAN

PART I

INDEPENDENT AUDITOR'S REPORTS
FINANCIAL STATEMENTS AND
SUPPLEMENTARY DATA
FOR THE YEAR ENDED DECEMBER 31, 2007

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of its operations and changes in fund balance of such funds--regulatory basis for the years then ended, and the revenues--regulatory basis, expenditures--regulatory basis of the various funds and general 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 May 16, 2008, on our consideration of the Township of Little Egg Harbor, 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 of the Township of Little Egg Harbor's basic financial statements. The supplemental financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. 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,

HOLMAN & FRENIA, P.C.

Kevin P. Frenia
Registered Municipal Accountant
CR 435

Medford, New Jersey
May 16, 2008

Holman & Frenia, P.C.
Certified Public Accountants & Consultants

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

The Honorable Mayor and Members
of the Township Committee
Township of Little Egg Harbor
County of Ocean
Little Egg Harbor, New Jersey 08087

We have audited the financial statements of the Township of Little Egg Harbor, County of Ocean, State of New Jersey, as of and for the year ended December 31, 2007, and have issued our report thereon dated May 16, 2008. Our report disclosed that, as described in Note 1 to the financial statements, the Township prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Service, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. 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 audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

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

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

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 prevented or detected by the Township's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies 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 Township of Little Egg Harbor'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 no instances of noncompliance or other matters 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, State of New Jersey.

This report is intended solely for the information and use of the Township of Little Egg Harbor's management, and Committee members, others within the organization, the Division of Local Government Services, federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

HOLMAN & FRENIA, P.C.

Kevin P. Frenia
Registered Municipal Accountant
CR 435

Medford, New Jersey
May 16, 2008

FINANCIAL STATEMENTS

TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2007 AND 2006

ASSETS	REFERENCE	2007	2006
Operating Fund:			
Cash:			
Treasurer	A-4	$8,190,982	8,209,374
Change Fund		1,400	1,400
Total Cash		8,192,382	8,210,774
Other Receivables:			
Due From/(To) State of New Jersey		52,086	54,724
Total Other Receivables		52,086	54,724
Receivables & Other Assets With Full Reserves:			
Delinquent Property Taxes Receivable	A-5	45,427	85,625
Tax Title Liens Receivable	A-6	255,974	242,617
Property Acquired/Assessed Valuation	A-7	5,793,000	6,919,500
Revenue Accounts Receivable	A-8	21,908	25,974
Sales Contracts Receivable		40,500	40,500
Due From Payroll	D	417	594
Total Receivables	A	6,157,226	7,314,810
Deferred Charges:			
Special Emergency Authorization		300,000	450,000
Total Operating Fund Assets		14,701,694	16,030,308
Federal & State Grant Fund:			
Cash - Treasurer	A-4	147,591	133,099
Grants Receivable	A-9	14,518	29,518
Total Federal & State Grant Fund Assets		162,109	162,617
Total Assets		$14,863,803	16,192,925

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

TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2007 AND 2006

LIABILITIES RESERVES & FUND BALANCE	REFERENCE	2007	2006
Operating Fund:			
Appropriation Reserve:			
Encumbered	A-3	$463,467	396,527
Unencumbered	A-3	1,063,639	976,652
Accounts Payable	A		6,952
Prepaid Taxes	A-4	367,822	373,137
Tax Overpayments	A	477,447	383,501
Due County for Added & Omitted Taxes	A	138,616	162,149
Due Municipal Open Space Tax Fund	B	4,576	5,424
Local School Taxes Payable	A-13	167,326	163,210
Regional School Taxes Payable	A-14	39,779	58,385
Special Emergency Note Payable	A	300,000	450,000
Construction Code Fees Due State		3,112	6,912
Reserve for Land Sale Escrow Deposits		4,500	4,500
Total Operating Liabilities		3,030,284	2,987,349
Reserve for Receivables	A	6,157,226	7,314,810
Fund Balance	A-1	5,514,184	5,728,149
Total Operating Fund		14,701,694	16,030,308
Federal & State Grant Fund:			
Reserve for State Grants:			
Appropriated Reserves	A-11	160,949	153,083
Unappropriated Reserves	A-10		4,221
Encumbrances Payable	A-11	1,160	5,313
Total Federal & State Grant Fund		162,109	162,617
Total Liabilities Reserve & Fund Balance		$14,863,803	16,192,925

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

EXHIBIT A-1

TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

	2007	2006
Revenue & Other Income Realized:		
Fund Balance Utilized	$2,300,000	2,200,000
Miscellaneous Revenues Anticipated	3,947,656	4,128,082
Receipts From Delinquent Taxes	78,217	381,912
Receipts From Current Taxes	44,588,102	41,619,765
Nonbudget Revenues	178,313	145,572
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	752,452	480,562
Cancellation of Prior Year Accounts Payable	6,952	
Interfunds Returned		9,732
Total Revenue & Other Income	51,851,692	48,965,625
Expenditures:		
Budget & Emergency Appropriations:		
Appropriations Within "CAPS":		
Operations:		
Salaries and Wages	7,933,008	7,294,000
Other Expenses	6,089,762	3,902,314
Deferred Charges & Statutory Expenditures	631,575	601,500
Appropriations Excluded From "CAPS":		
Operations:		
Salaries and Wages	424,900	406,500
Other Expenses	534,530	2,399,206
Capital Improvements	200,000	200,000
Municipal Debt Service	2,268,026	2,264,765
Deferred Charges & Statutory Expenditures	150,000	150,000
County Taxes	9,050,560	8,002,574
Local District School Tax	9,810,252	9,503,570
Regional High School Tax	11,307,930	10,781,469
Special District Taxes	875,772	830,957
Municipal Open Space	316,855	309,442
Refund of Prior Year Revenues	172,487	
Total Expenditures	49,765,657	46,646,297
Excess to Fund Balance	2,086,035	2,319,328
Fund Balance January 1,	5,728,149	5,608,821
Total	7,814,184	7,928,149
Decreased by: Utilized as Anticipated Revenue	2,300,000	2,200,000
Fund Balance December 31, 2007	$5,514,184	5,728,149

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

TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2007

	ANTICIPATED BUDGET	ADDED BY N.J.S.40A:4-87	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Anticipated	$2,300,000		2,300,000	
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	8,400		9,082	682
Fees & Permits	90,100		92,988	2,888
Municipal Court	264,180		322,145	57,965
Other	10,000		10,844	844
Interest & Cost on Taxes	99,000		127,600	28,600
Interest on Investments & Deposits	250,000		446,878	196,878
Payments in Lieu of Taxes	36,000		70,016	34,016
Energy Receipts Tax	1,238,163		1,238,163	
Supplemental Energy Receipts Tax	45,784		45,784	
Reserve for Repayment of Debt	21,000		21,000	
Reserve for Trust Assessment	25,000		25,000	
Municipal Property Tax Assistance	33,805		33,805	
Consolidated Municipal Property Tax Relief	400,004		400,004	
Legislative Initiative Municipal Block Grant - 2007	62,521		62,521	
Uniform Construction Code Fees	600,000		451,969	(148,031)
Garden State Trust	187,538		184,674	(2,864)
Tower Rental	100,000		189,989	89,989
Municipal Homeland Security Assistance Aid	70,000		70,000	
Pinelands Property Tax Stabilization Aid	1,817		1,817	
Additional Revenues Offset With Appropriations:				
Clean Communities Program		27,645	27,645	
Citizens Corps	1,200		1,200	
Bullet Proof Vest Program - 2007	4,221		4,221	
Recycling Revenue & Residue Disposal Program		12,955	12,955	
Body Armor Replacement		3,570	3,570	
Recycling Tonnage Grant		22,263	22,263	
Alcohol Education & Rehabilitation		1,917	1,917	
Safe & Secure Communities Program	60,000		60,000	
Drunk Driving Enforcement		5,556	5,556	
New Jersey Fire Safety		250	250	
Click It or Ticket		3,800	3,800	
Total Miscellaneous	3,608,733	77,956	3,947,656	260,967
Receipts from Delinquent Taxes	35,000		78,217	43,217
Subtotal General Revenues	5,943,733	77,956	6,325,873	304,184

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

TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2007

	ANTICIPATED BUDGET	ADDED BY N.J.S.40A:4-87	REALIZED	EXCESS OR (DEFICIT)
Amount to be Raised by Taxes for Support to Municipal				
Budget - Local Tax for Municipal Purposes	12,655,657		13,551,191	895,534
Budget Totals	18,599,390	77,956	19,877,064	1,199,718
Nonbudget Revenues			178,313	178,313
Total	$18,599,390	77,956	20,055,377	1,378,031

ANALYSIS OF REALIZED REVENUE

Allocation of Current Tax Collections:

Revenue From Collections	$44,588,102
Allocated to - School, County & Special District Taxes	31,481,895
Balance for Support of Municipal Budget Revenues	13,106,207
Add: Appropriation - "Reserve for Uncollected Taxes"	444,984
Amount for Support of Municipal Budget Appropriations	$13,551,191

Receipts From Delinquent Taxes:

Delinquent Tax Collections	$74,073
Tax Title Lien Collections	4,144
Total Receipts From Delinquent Taxes	$78,217

Analysis of Nonbudget Revenue:

Treasurer:	
Cable Television Franchise Fees	$84,950
Police - False Alarm Charges	800
Motor Vehicle	8,600
Recycling	13,351
Police Outside Services	16,000
Tuckerton 911	41,000
Miscellaneous	3,195
Polling Place	1,600
2% Senior Citizen Administration Fee	8,817
Total Analysis of Nonbudget Revenue	$178,313

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

TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2007

	APPROPRIATIONS		EXPENDED			
OPERATIONS - Within "CAPS"	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCEL
General Government:						
General Administration:						
Salaries and Wages	$190,500	176,200	90,110	3,400	82,690	
Other Expenses	8,000	8,000	5,549	178	2,273	
Mayor and Committee:						
Salaries and Wages	32,000	32,000	29,327	1,175	1,498	
Other Expenses	6,000	6,000	2,424	289	3,287	
Municipal Clerk:						
Salaries and Wages	186,500	226,500	216,604	8,550	1,346	
Other Expenses	80,000	80,000	64,722	3,515	11,763	
Financial Administration (Treasury):						
Salaries and Wages	258,804	258,804	223,630	8,350	26,824	
Other Expenses	40,000	40,000	18,492	437	21,071	
Audit Services:						
Other Expenses	62,500	62,500	44,415		18,085	
Revenue Administration (Tax Collection):						
Salaries and Wages	165,000	165,000	132,783	7,150	25,067	
Other Expenses:						
Tax Sale Costs	15,000	15,000	4,111	678	10,211	
Miscellaneous Other Expenses	30,000	30,000	19,543	2,404	8,053	
Tax Assessment Administration:						
Salaries and Wages	241,500	241,500	188,860	7,130	45,510	
Other Expenses	7,200	7,200	6,530	469	201	
Liquidation of Tax Title Liens & Foreclosed Property - Other Expenses	40,000					
Legal Services (Legal Department):						
Other Expenses	365,000	365,000	186,810		178,190	
Engineering Services:						
Other Expenses	205,000	205,000	170,293		34,707	
Economic Development Agencies:						
Salaries and Wages	1,200	1,200	900		300	
Other Expenses	2,500	2,500	2,040		460	
Land Use Administration:						
Planning Board:						
Salaries and Wages	26,400	2,214	2,000		214	
Other Expenses	35,000	35,000	21,996		13,004	
Zoning Board of Adjustment:						
Salaries and Wages	1,500	1,500	1,500			
Other Expenses	17,200	17,200	13,279		3,921	
Zoning Officer:						
Salaries and Wages	82,100	82,100	61,334	2,550	18,216	
Other Expenses	8,000	8,000	2,102	1,441	4,457	
Insurance:						
Unemployment Insurance	16,000	16,000	12,783	1,550	1,667	
Surety Bond Premiums	5,000	5,000	5,000			
Worker's Compensation	215,210	215,210	213,271		1,939	
Group Insurance for Employees	1,712,500	1,712,500	1,698,843	8,300	5,357	
Other Insurance Premiums - Liability	170,452	170,452	165,452		5,000	

TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2007

	APPROPRIATIONS		EXPENDED			
OPERATIONS - Within "CAPS"	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCEL
Public Safety Functions:						
Police Department:						
Salaries and Wages	4,120,300	4,230,300	4,058,724	156,500	15,076	
Other Expenses	225,000	252,500	201,214	42,539	8,747	
Office of Emergency Management:						
Other Expenses	4,000	4,000			4,000	
Aid to Volunteer Fire Company in Adjoining Municipality	1,200	1,200	1,200			
First Aid Squad Contribution	70,000	70,000	70,000			
Municipal Prosecutor:						
Other Expenses	45,000	45,000	27,997		17,003	
Supplemental Safe Neighborhood:						
State Share	15,952					
Local Share	45,562					
Public Works Functions:						
Streets & Roads Maintenance:						
Salaries and Wages	61,800	61,800	58,127	2,275	1,398	
Other Expenses	93,000	83,000	67,102	6,996	8,902	
Solid Waste Sanitation:						
Salaries and Wages	1,100,000	1,110,000	1,057,777	47,000	5,223	
Other Expenses	129,000	154,000	129,127	15,477	9,396	
Solid Waste Recycling:						
Salaries and Wages	190,600	190,600	152,518	5,510	32,572	
Other Expenses	16,000	16,000	6,603	114	9,283	
Buildings & Grounds:						
Salaries and Wages	109,000	119,000	109,228	4,600	5,172	
Other Expenses	71,500	96,500	67,982	16,596	11,922	
Vehicle Maintenance:						
Salaries and Wages	97,000	99,000	93,798	3,535	1,667	
Other Expenses	118,000	108,000	91,697	3,044	13,259	
County Mosquito Control Agency:						
Salaries and Wages	12,000	2,000	931		1,069	
Other Expenses	6,000	1,000	670		330	
Health & Human Services:						
Public Health Services (Board of Health):						
Salaries and Wages	56,650	7,650	1,000		6,650	
Other Expenses	8,000	8,000	7,177	266	557	
Environmental Health Services:						
Salaries and Wages	1,200	1,200	900		300	
Other Expenses	2,000	2,000	355		1,645	
Animal Control Services:						
Other Expenses	61,500	61,500	55,235		6,265	
Contributions to Social Service Agencies - Statutory:						
Long Beach Island Community Center	1,500	1,500			1,500	
Providence House	10,000	10,000	1,140		8,860	

TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2007

	APPROPRIATIONS		EXPENDED			
OPERATIONS - Within "CAPS"	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCEL
Park & Recreation Functions:						
Recreation Services & Programs:						
Salaries and Wages	114,000	114,000	57,517	1,340	55,143	
Other Expenses	55,000	55,000	48,856	2,399	3,745	
Senior Center:						
Salaries and Wages	16,500	16,500	15,067	585	848	
Other Expenses	10,000	10,000	203		9,797	
Utility Expenses & Bulk Purchases:						
Electricity	155,000	155,000	126,334		28,666	
Street Lighting	290,000	290,000	257,460		32,540	
Telephone	85,000	85,000	84,018		982	
Fuel Oil	8,000					
Gasoline	265,000	295,000	262,477	24,438	8,085	
Landfill/Solid Waste Disposal Costs:						
Sanitary Landfill	950,000	920,000	892,973		27,027	
Uniform Construction Code Enforcement Functions:						
Construction Code Official:						
Salaries and Wages	557,440	532,440	478,461	18,651	35,328	
Other Expenses	60,000	60,000	36,370	4,334	19,296	
Municipal Court:						
Salaries and Wages	249,500	261,500	241,817	10,500	9,183	
Other Expenses	17,000	17,000	11,660	1,392	3,948	
Public Defender:						
Other Expenses	45,000	45,000	23,723		21,277	
Other Common Operating Functions (Unclassified):						
Sick Pay Trust	30,000	30,000	30,000			
Tax Appeals	25,000	25,000	2,272		22,728	
Municipal Alliance Council	28,000	28,000	26,078		1,922	
Celebration of Public Events:						
Other Expenses	15,000	15,000	10,000		5,000	
Relocation Assistance:						
Other Expenses	4,500					
Schedule "C":						
Other Expenses	45,000	45,000			45,000	
Vacation Pay Trust	100,000	100,000	100,000			
Total Operations Within "CAPS"	14,022,770	14,022,770	12,570,491	425,657	1,026,622	
Detail:						
Salaries and Wages	7,871,494	7,933,008	7,272,913	288,801	371,294	
Other Expenses	6,151,276	6,089,762	5,297,578	136,856	792,184	
Deferred Charges & Statutory Expenditures - Municipal Within "CAPS":						
Statutory Expenditures:						
Social Security System (O.A.S.I.)	631,575	631,575	593,508	23,810	14,257	
Total Deferred Charges & Statutory Expenditures Within "CAPS"	631,575	631,575	593,508	23,810	14,257	
Total General Appropriations for Municipal Purposes Within "CAPS"	14,654,345	14,654,345	13,163,999	449,467	1,040,879	

TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2007

	APPROPRIATIONS		EXPENDED			
OPERATIONS - Excluded from "CAPS"	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCEL
Operations Excluded From "CAPS":						
Public & Private Programs Offset by Revenues:						
Clean Communities Program Grant		27,645	27,645			
Body Armor Replacement	4,221	7,791	7,791			
Alcohol Education and Rehabilitation		1,917	1,917			
New Jersey Fire Safety		250	250			
Recycling Revenue & Residue Disposal Program		12,955	12,955			
Recycling Tonnage Grant		22,263	22,263			
Drunk Driving Enforcement		5,556	5,556			
Click It or Ticket		3,800	3,800			
MAC Local Match	6,200	6,200	6,200			
Citizens Corp	1,200	1,200	1,200			
Safe & Secure Communities Program	60,000	60,000	60,000			
Supplemental Fire Services Program:						
Fire District Payment	6,782	6,782	6,782			
Statutory Expenditures:						
Consolidated Police & Firemen's Pension	322,244	322,244	322,243		1	
Public Employees Retirement System	109,427	109,427	109,426		1	
Police Dispatch/911:						
Salaries and Wages	364,900	364,900	334,642	14,000	16,258	
Other Expenses	6,500	6,500			6,500	
Total Operations Excluded from "CAPS"	881,474	959,430	922,670	14,000	22,760	
Detail:						
Salaries and Wages	424,900	424,900	394,642	14,000	16,258	
Other Expenses	456,574	534,530	528,028		6,502	
Capital Improvements Excluded From "CAPS":						
Capital Improvement Fund	200,000	200,000	200,000			
Total Capital Improvements	200,000	200,000	200,000			
Municipal Debt Service - Excluded From "CAPS":						
Payment of Bond Principal	1,253,000	1,253,000	1,253,000			
Payment of Bond Anticipation Notes & Capital Notes	300,000	300,000	300,000			
Interest on Bonds	564,438	564,438	564,438			
Interest on Notes	71,956	71,956	71,396			560
Green Acres Trust Loan Program:						
Principal & Interest	79,193	79,193	79,192			1
Total Municipal Debt Service Excluded From "CAPS"	2,268,587	2,268,587	2,268,026			561

TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2007

	APPROPRIATIONS		EXPENDED			
OPERATIONS	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCEL
Deferred Charges:						
Special Emergency Authorizations - 5 Years (40A:4-55)	150,000	150,000	150,000			
Total General Appropriations Excluded From "CAPS"	3,500,061	3,578,017	3,540,696	14,000	22,760	561
Subtotal General Appropriations	18,154,406	18,232,362	16,704,695	463,467	1,063,639	
Reserve For Uncollected Taxes	444,984	444,984	444,984			
Total General Appropriations	$18,599,390	18,677,346	17,149,679	463,467	1,063,639	561

Adopted Budget	$18,599,390
Added by N.J.S.40A:4-87	77,956
Total	$18,677,346

Federal & State Grants	$143,377
Reserve for Uncollected Taxes	444,984
Special Emergency Authorizations	150,000
Refunds	(227,305)
Disbursed	16,638,623
Total	$17,149,679

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

EXHIBIT B

TOWNSHIP OF LITTLE EGG HARBOR
TRUST FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2007 AND 2006

ASSETS	REFERENCE	2007	2006
Assessment Fund:			
Cash	B-1	$56,986	50,125
Assessment Receivables	B-13	105,088	131,077
Total Assessment Fund		162,074	181,202
Other Funds:			
Cash - Treasurer	B-1	5,435,711	4,422,392
Cash - Collector	B-2	334,387	294,738
Open Space Account Receivable	A	4,576	5,424
Total Other Funds		5,774,674	4,722,554
Total Assets		$5,936,748	4,903,756
LIABILITIES, RESERVES & FUND BALANCE			
Assessment Fund:			
Reserve for Assessment Receivables	B	$42,074	36,202
Bonds Payable	B-12	120,000	145,000
Total Assessment Fund		162,074	181,202
Other Funds:			
Reserves for:			
Deposits for Tax Title Redemptions	B-5	334,387	294,738
Escrow Deposits	B-6	3,744,798	3,193,679
Forfeited Property	B-7	62,569	72,195
Planning Board	B-8	136,083	144,134
Recreation Trust	B-9	40,267	39,866
Green Acres Trust	B	1	1
COAH Funds	B	229,345	99,203
Open Space	B-10	575,526	466,521
Community Center	B-11	25,105	33,945
Sick/Vacation Funds	B	559,093	378,272
Due to General Capital	C	67,500	
Total Other Funds		5,774,674	4,722,554
Total Liabilities, Reserves & Fund Balance		$5,936,748	4,903,756

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

EXHIBIT C

TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2007 AND 2006

ASSETS	REFERENCE	2007	2006
Cash & Investments	C-2	$1,742,187	248,055
State Road Aid Allotments Receivable	C-12	38,750	37,500
Interfund Receivable - Open Space Trust Fund	B	67,500	
Deferred Charges to Future Taxation:			
Funded	C-4	13,274,797	14,559,970
Unfunded	C-5	5,758,207	4,433,457
Total Assets		$20,881,441	19,278,982

LIABILITIES, RESERVES & FUND BALANCE			
Bond Anticipation Notes Payable	C-8	$3,852,650	1,500,700
General Serial Bond	C-9	12,157,000	13,385,000
Green Trust Loan Payable	C-10	1,117,797	1,174,970
Encumbrances Payable	C-7	51,524	27,450
Capital Improvement Fund	C-6	428,179	285,929
Due To Ocean County - CDBG	C	3,722	3,722
Improvement Authorizations:			
Funded	C-7	622,606	593,362
Unfunded	C-7	2,480,685	2,120,874
Reserve for Repayment of Debt	C	79,000	100,000
Reserve for Receivable-State Road Aid Receivable	C	38,750	37,500
Fund Balance	C-1	49,528	49,475
Total Liabilities, Reserves & Fund Balance		$20,881,441	19,278,982

There were bonds and notes authorized but not issued on December 31, 2007 of $ 1,905,557 and on December 31, 2006 of $2,932,757.

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

EXHIBIT D

TOWNSHIP OF LITTLE EGG HARBOR
PAYROLL FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2007 AND 2006

ASSETS	2007	2006
Cash - Treasurer	$68,496	58,552
Total	$68,496	58,552

LIABILITIES		
Due to Current Fund	$417	594
Payroll Taxes Payable	68,079	57,958
Total	$68,496	58,552

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

EXHIBIT E

TOWNSHIP OF LITTLE EGG HARBOR
STATEMENT OF FIXED ASSETS
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2007 AND 2006

	2007	2006
Fixed Assets:		
Building	$6,243,700	6,243,700
Land	6,698,600	6,698,600
Equipment	1,653,347	2,323,572
Total	$14,595,647	15,265,872
Investment in Fixed Assets	$14,595,647	15,265,872

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

TOWNSHIP OF LITTLE EGG HARBOR
COUNTY OF OCEAN

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

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TOWNSHIP OF LITTLE EGG HARBOR

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

Note 1. Summary of Significant Accounting Policies

A. Description of Financial Reporting Entity

The Township of Little Egg Harbor was incorporated in 1798 and is located in the Ocean County, New Jersey. The population according to the 2000 census was 15,945.

The form of Government is known as a Township pursuant to N.J.S.A.40A:63-1 et seq. The government consists of five (5) Committee Members who are elected at large to three (3) year staggered terms. The Mayor is elected from and by the Members of the Committee and serves a one (1) year term. Under the statutes the Mayor is the head of the government and acts as the executive branch. The Committee acts as the legislative branch of government and has executive powers not assigned to the Mayor.

Component Units

The Township of Little Egg Harbor has one component unit as defined by Governmental Accounting Standards Board Statement No. 14 (The Municipal Utility Authority). The Township MUA has not been presented discretely in the Township's financial statements.

The financial statements of the Township of Little Egg Harbor include every board, body, officer or commission supported and maintained wholly or in part of funds appropriated by the Township of Little Egg Harbor, as required by *N.J.S.40A:5-5.*

Basis of Accounting, Measurement Focus and Basis of Presentation - The financial statements of the Township of Little Egg Harbor 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 State of America applicable to local government units. The more significant differences are explained in this Note.

In accordance with the "Requirements", the Township of Little Egg Harbor 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 Fund – The various Trust Funds account for receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

Note 1. Summary of Significant Accounting Policies (continued):

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.

Budgets and Budgetary Accounting - The Township of Little Egg Harbor must adopt an annual budget for its Current Fund 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 10th of each year. At introduction, the governing body must 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 Local Government Services, with the permission of the Local Finance Board. Budgets are adopted on the same basis of accounting utilized for the preparation of the Township's financial statements. Once a budget is approved it may be amended after November 1, by a resolution adopted by the governing body.

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

Inventories and Supplies - The cost 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 balance sheets of assets, liabilities, reserves and fund balance.

General Fixed Assets – Property and equipment purchased by the Current and General Capital Fund are recorded as expenditures at the time of purchase and are not capitalized. All interest costs are recorded as expenditures when paid.

Accounting for governmental Fixed Assets, as promulgated by Technical Accounting Directive No. 85-2 as issued by the Division of Local Government Services, differs in certain respects from accounting principles generally accepted in the United States of America. The following is a brief description of the provisions of the Directive:

Fixed assets used in governmental operations (General Fixed Assets) are accounted for in the General Fixed Assets Account Group. Public domain ("infrastructure") general fixed assets consisting of certain

Note 1. Summary of Significant Accounting Policies (continued):

improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available, except for land, which is valued at estimated market value. No depreciation has been provided for in the financial statements. Donated general fixed assets are valued at their estimated fair market value on the date received.

Expenditures for construction in progress are recorded in the General Capital Fund until such time as the construction is completed and put into operation. Fixed assets acquired through grants-in-aid or contributed capital has not been accounted for separately.

	Balance December 31, 2006	Additions	Deletions	Balance December 31, 2007
Land & Land Improvements	$ 6,698,600	$ -		$ 6,698,600
Buildings	6,243,700			6,243,700
Equipment & Vehicles	2,323,572		$670,225	1,653,347
Total	$15,265,872	$ -	$670,225	$14,595,647

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.

Fund Balance – Fund Balance included in the Current Fund represent the amount available for anticipation as revenue in future year's budgets, with certain restrictions.

Revenues – are recorded when received in cash except for certain amounts, which are due from other governmental units. Revenue from Federal and State grants are realized when anticipated as such in the Township's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the Township's Current Fund; accordingly, such

Note 1. Summary of Significant Accounting Policies (continued):

amounts are not recorded as revenue until collected. Other amounts that are due the Township, which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenues when received.

Property Tax Revenues – are collected in quarterly installments due February 1, May 1, August 1 and November 1. The amount of tax levied includes not only the amount required in support of the Township's annual budget, but also the amounts required in support of the budgets of the County of Ocean, Township of Little Egg Harbor School District and the Pineland's Regional School District. Unpaid property taxes are subject to tax sale in accordance with statutes.

School Taxes – The municipality is responsible for levying, collecting and remitting school taxes for the Township of Little Egg Harbor School District and its share of the Pinelands Regional School District. Operations is charged for the full amount required to be raised from taxation to operate the local school district and the Township's share of the Regional High School District for the period from July 1 to June 30, increased by the amount deferred at December 31, 2007 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 Ocean. 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 10th 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 10th of the current year and due to be paid to the County by February 15th of the following year.

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

Expenditures – are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed as required by Technical Accounting Directive No. 85-1. When an expenditure is paid, the amount encumbered is simultaneously liquidated in its original amount. Encumbrances are offset by an account entitled reserve for encumbrances. The reserve is classified as a cash liability under New Jersey municipal accounting. At December 31, this reserve represents the portion of appropriation reserves that has been encumbered and is subject to the same statutory provisions as appropriation reserves.

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

Note 1. Summary of Significant Accounting Policies (continued):

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

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

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

Note 2. Long-Term Debt

Summary of Municipal Debt:

	2007	2006	2005
Issued:			
General:			
Bonds & Notes	$17,247,447	$16,205,670	$17,491,548
Authorized But Not Issued General:			
Bonds & Notes	1,905,557	2,932,757	1,296,257
Bonds & Notes Authorized But Not Issued	19,153,004	19,138,427	18,787,805
Cash on Hand Held to Pay Notes	79,000	100,000	100,000
Net Bonds & Notes Issued and Authorized/ But Not Issued	$19,074,004	$19,038,427	$18,687,805

Summary of Statutory Debt Condition - Annual Debt Statement:

The summarized statement of debt condition, which follows, is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of .71%.

Note 2. Long-Term Debt (continued):

	Gross Debt	Deductions	Net Debt
School Purposes	$32,317,396	$32,217,396	
General Debt	19,153,004	79,000	$19,074,004
Total	$51,370,400	$32,296,396	$19,074,004

Schedule of Annual Debt Service for Principal and Interest for Bonded Debt Issued and Outstanding as follows:

Calendar Year	General		
	Principal	Interest	Total
2008	$ 850,000	$ 506,286	$ 1,356,286
2009	900,000	471,164	1,371,164
2010	943,000	433,895	1,376,895
2011	660,000	394,240	1,054,240
2012	690,000	369,040	1,059,040
2013 to 2017	3,834,000	1,425,985	5,259,985
2018 to 2022	3,880,000	590,980	4,470,980
2023	520,000	22,750	542,750
Total	$12,277,000	$4,214,338	$16,491,338

Green Acres Assistance Loan

Schedule of loan repayment as follows:

Year-To-Date Recap of Green Acres by Year

Year	Principal	Interest	Total
2008	$ 63,648	$ 22,039	$ 85,687
2009	64,927	20,761	85,687
2010	66,233	19,455	85,687
2011	67,564	18,123	85,687
2012	67,172	16,774	83,946
2013 to 2017	344,699	63,248	407,946
2018 to 2022	346,354	28,368	374,721
2023 to 2026	97,201	3,845	101,046
Total	$1,117,796	$192,613	$1,310,409

Note 3. Fund Balances Appropriated

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

Year	Balance December 31,	Utilized in Succeeding Year	Percentage of Fund Balance Utilized
2007	$5,514,184	$2,400,000	43.52%
2006	5,728,149	2,300,000	40.15%
2005	5,608,821	2,200,000	39.22%
2004	4,027,190	1,900,000	47.18%

Note 4. Cash and Cash Equivalents and Investments

The Township is governed by the deposit and investment limitations of New Jersey state law. The Deposits and investments held at December 31, 2007, and reported at fair value are as follows:

Type	Carrying Value
Deposits:	
Demand Deposits	$15,976,340
Total Deposits	$15,976,340
Reconciliation of Statement of Comparative Balance Sheets:	
Current:	
Treasurer	$ 8,190,982
Payroll	68,496
Other Trust	5,770,098
General Capital	1,742,187
State & Federal Grants	147,591
Trust Assessment	56,986
Total Reconciliation of Comparative Balance Sheets	$15,976,340

Custodial Credit Risk – Deposits in financial institutions, reported as components of cash, cash equivalents and investments had a bank balance of $16,262,416 at December 31, 2007. Of the bank balance $100,000 was fully insured by the FDIC (Federal Depository Insurance Corporation) and $16,162,416 was secured by a collateral pool held by the bank, but not in the Township's name, as required by New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Governmental Unit Deposit Protection Act is more fully described in Note 5 of these financial statements.

Note 4. Cash and Cash Equivalents and Investments (continued):

Investment Interest Rate Risk – The Township has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Maturities of investment held at December 31, 2007, are provided in the above schedule.

Investment Credit Risk – The Township has no investment policy that limits its investment choices other than the limitation of state law as follows:

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- Government money market mutual funds;
- Any obligation that a federal agency or federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor;
- Bonds or other obligations of the Township or bonds or other obligations of the local unit or units within which the Township is located;
- Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, approved by the Division of Investment in the Department of Treasury for investment by the Township;
- Local Governments investment pools;
- Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281; or
- Agreements for the repurchase of fully collateralized securities with certain limitations.

Concentration of Investment Credit Risk – The Township places no limit on the amount it may invest in any one issuer.

Note 5. Governmental Unit Deposit Protection Act (GUDPA)

The Township has deposited cash in 2007 with an approved public fund depository qualified under the provisions of the Government Unit Deposit Protection Act. In addition to savings and checking accounts the Township invests monies in certificates of deposits.

Note 5. Governmental Unit Deposit Protection Act (GUDPA) (continued):

The Governmental Unit Deposit Protection Act P.L. 1970, Chapter 236, was passed to afford protection against bankruptcy or default by a depository. C.17:9-42 provides that no governmental unit shall deposit funds in a public depository unless such funds are secured in accordance with this act. C.17:9-42 provides that every public depository having public funds on deposit shall, as security for such deposits, maintain eligible collateral having a market value at least equal to either (1) 5% of the average daily balance of collected public funds on deposit during the 6 month period ending on the next preceding valuation date (June 30 or December 31) or (2) at the election of the depository, at least equal to 5% of the average balance of collected public funds on deposit on the first, eighth, fifteenth, and twenty-second days of each month in the 6 month period ending on the next preceding valuation date (June 30 or December 31). No public depository shall be required to maintain any eligible collateral pursuant to this act as security for any deposit or deposits of any governmental unit to the extent such deposits are insured by F.D.I.C. or any other U.S. agency which insures public depository funds.

No public depository shall at any time receive and hold on deposit for any period in excess of 15 days public funds of a governmental unit(s) which, in the aggregate, exceed 75% of the capital funds of the depository, unless such depository shall, in addition to the security required to be maintained under the paragraph above, secure such excess by eligible collateral with a market value at least equal to 100% of such excess.

In the event of a default, the Commissioner of Banking within 20 days after the default occurrence shall ascertain the amount of public funds on deposit in the defaulting depository and the amounts covered by federal deposit insurance and certify the amounts to each affected governmental unit. Within 10 days after receipt of this certification, each unit shall furnish to the Commissioner verified statements of its public deposits. The Commissioner shall ascertain the amount derived or to be derived from the liquidation of the collateral maintained by the defaulting depository and shall distribute such proceeds pro rata among the governmental units to satisfy the net deposit liabilities to such units.

If the proceeds of the sale of the collateral are insufficient to pay in full the liability to all affected governmental units, the Commissioner shall assess the deficiency against all other public depositories having public funds on deposit determined by a formula determined by law. All sums collected by the Commissioner shall be paid to the governmental units having deposits in the defaulting depository in the proportion that the net deposit liability to each such governmental unit bears to the aggregate of the net deposit liabilities to all such governmental units.

All public depositories are required to furnish information and reports dealing with public funds on deposit every six months, June 30th and December 31st, with the Commissioner of Banking. Any public depository which refuses or neglects to give any information so requested may be excluded by the

Commissioner from the right to receive public funds for deposit until such time as the Commissioner shall acknowledge that such depository has furnished the information requested.

Note 5. Governmental Unit Deposit Protection Act (GUDPA) (continued):

Upon review and approval of the Certification Statement that the public depository complies with statutory requirements, the Commissioner issues forms approving the bank as a municipal depository. The Municipality should request copies of these approval forms semiannually to assure that all depositories are complying with requirements.

Note 6. District School Taxes

Regulations provided for the deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the School District.

The Township has elected to defer school taxes as follows:

	BALANCE DECEMBER 2007	2006
Local School Taxes:		
Balance of Tax	$5,132,715	$5,008,073
Deferred	4,965,389	4,844,863
Tax Payable	$ 167,326	$ 163,210
Regional School Taxes:		
Balance of Tax	$ 39,779	$ 58,385
Deferred	-0-	-0-
Tax Payable	$ 39,779	$ 58,385

Note 7. Pension

A. Plan Description

The Township of Little Egg Harbor contributes to a cost-sharing multiple-employer defined benefit pension plan, Public Employees' Retirement System (P.E.R.S.) and Police and Fireman's Retirement System (P.F.R.S.), administered by the State of New Jersey, Division of Pensions and Benefits. It provides retirement, disability, medical and death benefits to plan members and beneficiaries. The State of New Jersey P.E.R.S. and P.F.R.S. programs were established as of January 1, 1955 and July 1, 1944, respectively. The programs were established under the provisions of *N.J.S.A.43:15A* and *N.J.S.A.43:16A* which assigns authority to establish and amend benefit provisions to the plan's board of trustees. P.E.R.S. and P.F.R.S. issues a publicly

Note 7. Pension (continued):

available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to: State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625, or calling (609) 984-1684.

B. Funding Policy

The System's designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the System is mandatory for substantially all full-time employees of the State of New Jersey or any county; municipality, school district or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction. The System's Board of Trustees is primarily responsible for the administration of the System.

According to the State of New Jersey administrative code, all obligations of the System will be assumed by the State of New Jersey should the System terminate.

Plan members are required to contribute 5% of their annual covered salary for P.E.R.S, 8.5% of their annual covered salary for P.F.R.S. and the Township is required to contribute at an actuarially determined rate. The current rate represents approximately 5.95% combined for both P.E.R.S. and P.F.R.S. of annual covered payroll. The contribution requirements of plan members and the Township of Little Egg Harbor are established and may be amended by the plan's board of trustees. The Township's contributions to P.E.R.S. for the years ending December 31, 2007, 2006 and 2005 were $109,426, $58,081 and $21,219, respectively, equal to the required contributions for each year, and to P.F.R.S. for the years ending December 31, 2007, 2006 and 2005 were $322,243, $178,372 and $77,358, respectively, equal to the required contributions for each year.

Note 8. Accrued Sick and Vacation Benefits

The Township has permitted employees to accrue unused vacation and sick pay, which may be taken as time off or paid at a later date at an agreed upon rate. The monetary value of these earned and unused employee benefits has not been accrued by either charges to operations or to budgets of prior years, although in some cases they might be material. At December 31, 2007, we have estimated this liability to be approximately $1,978,005. The realization of this liability may be affected by conditions, which could preclude an employee from receiving full payment of the accrual.

Note 9. Deferred Compensation

The Township has contracted with Valic Annuity Life Insurance Company for a deferred compensation program. The Division of Local Government Services has approved the plan and contract. The investment fund balance of the program as of December 31, 2007 is $1,616,495. The assets of this program have not been included in the financial statements.

Note 10. Interfund Receivables and Payables

The following interfund balances were recorded on the various balance sheets as of December 31, 2007:

Fund	Interfunds Receivable	Interfunds Payable
Current Fund	$ 417	
Capital Fund	67,500	
Trust Fund		$67,500
Payroll Fund		417
Total	$67,917	$67,917

Note 11. Risk Management

The Township is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; error and omission, injuries to employees; and natural disaster. It is the policy of the Township to purchase commercial insurance for the risks of loss to which it is exposed.

Note 12. Pending Litigation

The Township is a defendant in several legal proceedings that are in various stages of litigation. No liability has been recorded in these financial statements to cover any potential liability associated with this litigation.

SUPPLEMENTAL EXHIBITS

CURRENT FUND

EXHIBIT A-4

TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2007

		CURRENT FUND		STATE & FEDERAL GRANT FUND
Balance December 31, 2006		$8,209,374		133,099
Increased by Receipts:				
Taxes Receivable	$43,566,599			
Tax Title Liens Receivable	4,144			
Due From State - Senior Citizen & Veteran Deductions	440,809			
Miscellaneous Revenue Anticipated	3,804,279			
Miscellaneous Revenue Not Anticipated	178,313			
Tax Overpayments	267,327			
Prepaid Taxes	367,822			
Refunds of Current Year Appropriations	227,305			
Contra	343,376			
Construction Fees Due State of New Jersey	24,281			
Federal & State Grants Receivable			154,156	
Interfunds Created/Liquidated	16		6,349	
Total Receipts		49,224,271		160,505
Subtotal		57,433,645		293,604
Decreased by Disbursements:				
2007 Appropriations	16,638,623			
Contra	343,376			
Appropriation Reserves	224,200			
Encumbrances Payable	396,527			
Special Emergency Note Payable	150,000			
County Taxes Payable	8,911,943			
Due County for Added & Omitted Taxes	162,149			
Local District School Tax	9,806,136			
Municipal Open Space Tax Payable	317,703			
Regional High School Tax	11,326,536			
Special District Taxes	875,772			
Construction Fees Due State of NJ	28,080			
Refund Tax Overpayments	61,618			
Federal & State Grants - Appropriated			139,664	
Interfunds Created/Liquidated			6,349	
Total Disbursements		49,242,663		146,013
Balance December 31, 2007		$8,190,982		147,591

TOWNSHIP OF LITTLE EGG HARBOR
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	COLLECTED 2006	COLLECTED 2007	OVER-PAYMENTS APPLIED	SENIOR CITIZENS & VETERANS	CANCELED	TRANSFERRED TO TAX TITLE LIENS	BALANCE DECEMBER 31, 2007
Prior Year										
2004	$2,525									2,525
2005	2,877		1		1					2,877
2006	80,223		720		85,706		(11,634)	106		6,765
Total	85,625		721		85,707		(11,634)	106		12,167
2007		44,709,655		373,133	43,480,892	284,271	449,806	73,104	15,189	33,260
Total	$85,625	44,709,655	721	373,133	43,566,599	284,271	438,172	73,210	15,189	45,427

TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
FOR THE YEAR ENDED DECEMBER 31, 2007

ANALYSIS OF 2007 PROPERTY TAX LEVY:

Tax Yield:		
General Property Tax		$43,143,906
Special District		875,772
Added Taxes (54:4-63.1 et. seq.)	689,977	$44,709,655
Total Tax Yield		$44,709,655
Tax Levy:		
Local School District Tax (Abstract)		$9,930,778
Regional High School Tax (Abstract)		11,307,930
Municipal Open Space (Abstract)		312,279
Municipal Open Space (Added)		4,576
County Taxes:		
County Tax (Abstract)	$7,343,788	
County Library Tax (Abstract)	870,404	
County Health Services (Abstract)	352,638	
County Open Space	345,114	
Due County for Added Taxes (54:4-63,1 et.seq.)	138,616	
Total County Taxes		9,050,560
Fire District #1 (Amount Certified)	314,352	
Fire District #2 (Amount Certified)	362,420	
Fire District #3 (Amount Certified)	199,000	
Total Special District Taxes		875,772
Local Tax for Municipal Purposes	12,655,657	
Add: Additional Tax Levied	572,103	13,227,760
Total Tax Levy		$44,709,655

EXHIBIT A-6

TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006		$242,619
Increased by:		
Transfers from Taxes Receivable	$15,189	
Additional Property Maintenance Liens	1,710	
Interest & Costs Accrued by Sale/Adjustments	600	17,499
Subtotal		260,118
Decreased by:		
Collections		4,144
Balance December 31, 2007		$255,974

EXHIBIT A-7

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES
(AT ASSESSED VALUATION)
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006	$6,919,500
Decreased by:	
Adjustments to Assessed Valuation	1,126,500
Balance December 31, 2007	$5,793,000

EXHIBIT A-8

TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
STATEMENT OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2007

	BALANCE DECEMBER 31, 2006	ACCRUED IN 2007	TREASURER	BALANCE DECEMBER 31, 2007
Miscellaneous Revenue Anticipated:				
Licenses - Alcoholic Beverages		9,082	9,082	
Fees & Permits		92,988	92,988	
Municipal Court	$25,974	318,079	322,145	21,908
Other Court Fees		10,844	10,844	
Interest & Costs on Taxes		127,600	127,600	
Interest on Investments & Deposits		446,878	446,878	
Payments in Lieu of Taxes		70,016	70,016	
Energy Receipts Tax		1,238,163	1,238,163	
Supplemental Energy Receipts Tax		45,784	45,784	
Reserve for Debt Payment		21,000	21,000	
Garden State Trust		184,674	184,674	
Consolidated Municipal Property Tax Relief		400,004	400,004	
Legislative Initiative Municipal Block Grant		62,521	62,521	
Municipal Homeland Security Assistance Aid		70,000	70,000	
Pinelands Property Tax Stabilization Aid		1,817	1,817	
Reserve for Trust Assessment		25,000	25,000	
Municipal Property Tax Assistance		33,805	33,805	
Uniform Construction Code Fees		451,969	451,969	
Tower Rental		189,989	189,989	
Total	$25,974	3,800,213	3,804,279	21,908

Cash Receipts	$3,804,279
Total	$3,804,279

EXHIBIT A-9

TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2007

GRANT	BALANCE DECEMBER 31, 2006	ANTICIPATED REVENUE	RECEIVED	GRANT ADJUSTMENT	CANCELLED	BALANCE DECEMBER 31, 2007
Clean Communities Program		27,645	27,645			
Alcohol Education & Rehabilitation		1,917	1,917			
Drunk Driving Enforcement Fund		5,556	5,556			
Recycling Revenue & Disposal		30,731	30,731			
Recycling Tonnage Grant		4,487	4,487			
COPS in School		1,200	1,200			
New Jersey Fire Safety		250	250			
N.J.D.E.P. Mapping Grant	$2,500					2,500
Safe & Secure Communities Program	27,018	60,000	75,000			12,018
Click It or Ticket		3,800	3,800			
Body Armor Replacement		7,791	7,791			
Total	$29,518	143,377	158,377			14,518

Township Matching Funds		
Grants Receivable	$143,377	
Total	$143,377	
Unappropriated Reserves		$4,221
Cash Receipts		154,156
Total		$158,377

EXHIBIT A-10

TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
SCHEDULE OF RESERVES FOR STATE AND FEDERAL GRANTS - UNAPPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2007

APPROPRIATION	DECEMBER 31, 2006	APPROPRIATED DURING 2007	RECEIVED	DECEMBER 31, 2007
Federal Share of Grants:				
Bullet Proof Vest Program	$4,221	4,221		
Total	$4,221	4,221		

EXHIBIT A-11

TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
SCHEDULE OF RESERVES FOR STATE AND FEDERAL GRANTS - APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2007

APPROPRIATION	BALANCE DECEMBER 31, 2006	2007 BUDGET APPROPRIATION	EXPENDED	GRANT ENCUMBRANCES	CANCELLED / ADJUSTMENT	BALANCE DECEMBER 31, 2007
Clean Communities:						
2006 Grant	$11,128		11,128			
2007 Grant		27,645	5,799			21,846
Pot Hole Repair Program	752					752
CDBG - Parkertown Dock	1,195					1,195
Recycling Tonnage Grant - County	57,528	35,218	3,324			89,422
Alcohol Education & Rehabilitation	794	1,917				2,711
Drunk Driving Enforcement Fund	3,364	5,556	4,605			4,315
Click It or Ticket It Grant		3,800	3,800			
COPS Secure Our School Grant	19,840		19,840			
GIS Rutgers Technical Assistance	250					250
Fire Safety Bureau Fees:						
1992 Grant	2,305	250				2,555
Safe & Secure Communities Program:						
2005 Grant	6,000	60,000	57,710			8,290
COPS MORE:						
Non Sworn Civilians	7,865					7,865
COPS Shop	320					320
COPS in School	2,429					2,429
Troops to COPS	700					700
Recycling Mini Grant	13,794		4,163			9,631
DEP Mapping	2,500					2,500
Body Armor Replacement Fund	7,789	7,791	14,020			1,560
Stormwater Management Regulation - Federal Grant	14,530		9,922	1,160	(1,160)	4,608
Citizens Corps		1,200	1,200			
Total	$153,083	143,377	135,511	1,160	(1,160)	160,949

Cash Disbursements	$135,511
Total	$135,511

TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
SCHEDULE OF 2006 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2007

	BALANCE DECEMBER 31, 2006	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
Salaries and Wages:				
General Government:				
General Administration:				
Administration	$75,737	75,737	7,020	68,717
Mayor & Council	2,438	2,438	1,173	1,265
Municipal Clerk	10,837	10,837	7,706	3,131
Department of Finance:				
Office of the Comptroller	10,079	10,079	7,927	2,152
Division of Tax Collection	23,344	23,344	4,395	18,949
Division of Assessments	28,286	28,286	6,758	21,528
Economic Development:				
Economic Development Committee	400	400		400
Land Use Administration:				
Planning Board	1,900	1,900		1,900
Zoning Board	200	200	100	100
Zoning Officer	5,617	5,617	2,556	3,061
Code Enforcement	62,485	37,485	18,466	19,019
Public Works Functions:				
Road Repairs & Maintenance	329	329		329
Maintenance of Motor Vehicles	10,074	10,074	3,396	6,678
Building & Grounds	4,554	4,554	4,093	461
Recycling Solid Waste	14,510	14,510	5,458	9,052
Sanitation Solid Waste	40,987	40,987	38,415	2,572
Mosquito Control	406	406		406
Health & Human Services:				
Board of Health	300	300		300
Environmental Health	100	100		100
Parks & Recreation:				
Senior Center	676	676	549	127
Community Activities	1,710	1,710		1,710
Maintenance of Parks	20,926	20,926	2,377	18,549
Public Safety Functions:				
Police	212,829	212,829	166,622	46,207
Police Dispatchers	57,441	57,441	13,604	43,837
Municipal Court	52,802	52,802	7,769	45,033
Other Expenses:				
General Administration	3,628	3,628	189	3,439
Mayor & Council	3,134	3,134	990	2,144
Municipal Clerk	8,446	8,446	781	7,665
Department of Finance:				
Office of the Controller	20,360	20,360	189	20,171
Division of Tax Collection	7,169	7,169	189	6,980
Division of Assessments	174	174	138	36
Auditing Services	14,849	14,849	6,275	8,574
Liquidation of Tax Title Liens	5,000	5,000		5,000
Legal Services & Costs	48,687	48,687	6,441	42,246
Engineering Services & Costs	29,148	29,148	17,019	12,129
Economic Development Committee	461	461		461
Tax Sale Costs	13,789	13,789	5,485	8,304
Municipal Prosecutor	3,000	3,000	3,000	
Public Defender	7,651	7,651	175	7,476
Land Use Administration:				
Planning Board	9,863	9,863	1,880	7,983
Zoning Board of Adjustment	8,908	8,908	7,578	1,330
Zoning Officer	3,652	3,652	1,094	2,558
Code Enforcement	34,063	14,063	1,704	12,359
Insurance:				
Group Insurance for Employees	116,780	116,780	10,480	106,300
Other Insurance Premiums - Liability	1,480	1,480		1,480
Surety Bond Premiums	1,854	1,854	1,467	387

TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
SCHEDULE OF 2006 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2007

	BALANCE DECEMBER 31, 2006	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
Other Expenses (continued):				
Public Safety Functions:				
Police	53,497	113,497	113,407	90
Police Dispatch	6,000	6,000		6,000
Office of Emergency Mgt	4,000	4,000		4,000
Aid to Volunteer Fire Company	1,200	1,200		1,200
Supplemental Safe Neighborhood	1,514	1,514		1,514
Statutory Expenditures:				
Consolidated Police & Firemen's Pension	1	1		1
Public Works Functions:				
Road Repairs & Maintenance	28,490	28,490	10,066	18,424
Vehicle Maintenance	9,130	9,130	7,413	1,717
Buildings & Grounds	11,794	11,794	1,551	10,243
Mosquito Control	5,268	5,268		5,268
Sanitation Solid Waste	6,767	6,767	6,486	281
Recycling Solid Waste	8,877	8,877	2,943	5,934
Health & Human Services:				
Board of Health	628	1,628	750	878
Environmental Health	1,550	1,550		1,550
Animal Control	661	1,661	852	809
Contributions to Social Services	11,500	11,500		11,500
Parks & Recreation:				
Senior Center	9,508	9,508	221	9,287
Maintenance of Parks	14,479	14,479	654	13,825
Community Activities	174	174		174
Utility Expenses & Bulk Purchases:				
Electricity	36,982	36,982	33,357	3,625
Fuel Oil	8,000			
Street Lighting	1,270	1,270	662	608
Telephone Expenses	14,429	14,429	3,765	10,664
Gasoline	9,184	19,184	19,158	26
Landfill/Solid Waste Disposal Costs	501	1,501	588	913
Municipal Court	6,525	6,525	1,813	4,712
Police Consortium - Local Share	3,900	3,900		3,900
Celebration of Public Events	3,560	3,560		3,560
Relocation Assistance	4,500			
Social Security System	37,331	37,331	22,634	14,697
Schedule C	41,864	41,864	949	40,915
Municipal Alliance Council	1,922	1,922		1,922
Sick Pay Trust	30,000	30,000	30,000	
Tax Appeals	17,110	1,610		1,610
Total	$1,373,179	1,373,179	620,727	752,452

2006 Appropriation Reserves	$976,652
2006 Encumbrances	396,527
Total	$1,373,179

EXHIBIT A-13

TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
SCHEDULE OF LOCAL DISTRICT TAX
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006:		
School Tax Deferred	$4,844,863	
School Tax Payable	163,210	$5,008,073
Increased by Levy:		
School Year July 1, 2007 - June 30, 2008		9,930,778
Subtotal		14,938,851
Decreased by:		
Payments		9,806,136
Subtotal		5,132,715
Balance December 31, 2007:		
School Tax Deferred	4,965,389	
School Tax Payable	167,326	
Balance December 31, 2007		$5,132,715

ANALYSIS OF AMOUNT CHARGED TO OPERATIONS

2007 Payments	$9,806,136
Less School Taxes Payable at December 31, 2006	163,210
Plus School Taxes Payable at December 31, 2007	167,326
Amount Charged to 2007 Operations	$9,810,252

EXHIBIT A-14

SCHEDULE OF REGIONAL HIGH SCHOOL TAX PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006	$58,385
Increased By:	
Levy - July 1, 2007 to June 30, 2008	11,307,930
Subtotal	11,366,315
Decreased by:	
Payments	11,326,536
Balance December 31, 2007	$39,779

TRUST FUND

EXHIBIT B-1

TOWNSHIP OF LITTLE EGG HARBOR
TRUST FUND
SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2007

	TRUST OTHER		TRUST ASSESSMENT	
Balance December 31, 2006		$4,422,392		50,125
Increased by Receipts:				
Escrow Fees	$1,754,524			
Planning Board	388,780			
Recreation	1,793			
Open Space	465,019			
Community Center	7,622			
Forfeited Funds	9,643			
COAH Fees	130,142			
Sick/Vacation Funds	180,821			
Assessments Receivable			31,861	
Interest Due Current	22,144	2,960,488	2,222	34,083
Subtotal		7,382,880		84,208
Decreased by Disbursements:				
Escrow Fees	1,203,405			
Planning Board	396,831			
Recreation	1,392			
Open Space	287,666			
Community Center	16,462			
Special Law Enforcement Fund	19,269			
Repayment of Debt			25,000	
Interest Due Current	22,144	1,947,169	2,222	27,222
Balance December 31, 2007		$5,435,711		$56,986

EXHIBIT B-2

SCHEDULE OF CASH - COLLECTOR - TAX TITLE LIEN REDEMPTION
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006		$294,738
Increased by Receipts:		
Deposits for Redemption of Tax Sale Certificates	$1,314,855	
Interest	10,057	1,324,912
Subtotal		1,619,650
Decreased by Disbursements:		
Interest	10,057	
Refunds - Tax Sale Certificates Redeemed	1,275,206	1,285,263
Balance December 31, 2007		$334,387

EXHIBIT B-3

TOWNSHIP OF LITTLE EGG HARBOR
TRUST FUND
SCHEDULE OF CASH - DOG WARDEN
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006		$ -
Increased by Receipts:		
Dog License Fees	$4,993	
State Dog License Fees	2,303	7,296
Subtotal		7,296
Decreased by Disbursements:		
Disbursements to State of New Jersey	2,303	
Disbursements for Dog License Expenses	4,993	7,296
Balance December 31, 2007		$ -

EXHIBIT B-4

SCHEDULE OF RESERVE FOR DOG FUND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2007

LICENSE FEES COLLECTED

YEAR	AMOUNT
2006	$7,417
2005	6,704
Total	$14,121

EXHIBIT B-5

SCHEDULE OF DEPOSITS FOR REDEMPTION OF TAX SALE CERTIFICATES
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006	$294,738
Increased by Receipts:	
Deposits Received - Collector	1,314,855
Subtotal	1,609,593
Decreased by Disbursements:	
Refunds - Tax Sale Certificates	1,275,206
Balance December 31, 2007	$334,387

EXHIBIT B-6

TOWNSHIP OF LITTLE EGG HARBOR
TRUST FUND
SCHEDULE OF RESERVE FOR ESCROW DEPOSITS
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006	$3,193,679
Increased By:	
Escrow Deposits Received	1,754,524
Subtotal	4,948,203
Decreased by:	
Disbursements	1,203,405
Balance December 31, 2007	$3,744,798

EXHIBIT B-7

TOWNSHIP OF LITTLE EGG HARBOR
TRUST FUND
SCHEDULE OF RESERVE FOR FORFEITED PROPERTY
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006		$72,195
Increased By:		
Additional Forfeited Property	$6,407	
Interest Earnings	3,236	9,643
Subtotal		81,838
Decreased By:		
Disbursements		19,269
Balance December 31, 2007		$62,569

EXHIBIT B-8

TOWNSHIP OF LITTLE EGG HARBOR
TRUST FUND
SCHEDULE OF RESERVE FOR PLANNING BOARD
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006		$144,134
Increased by:		
Planning Board Fees	$388,443	
Interest Earnings	337	388,780
Subtotal		532,914
Decreased by:		
Escrow Fees	-	396,831
Balance December 31, 2007		$136,083

EXHIBIT B-9

SCHEDULE OF RESERVE FOR RECREATION
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006	$39,866
Increased by:	
Interest Earnings	1,793
Subtotal	41,659
Decreased by:	
Recreation Expenditures	1,392
Balance December 31, 2007	$40,267

EXHIBIT B-10

TOWNSHIP OF LITTLE EGG HARBOR
SCHEDULE OF RESERVE FOR OPEN SPACE
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006		$466,521
Increased By:		
Tax Levy	$316,855	
Green Acres Reimbursement	130,891	
Interest Earnings	16,425	464,171
Subtotal		930,692
Decreased By:		
Disbursements	287,666	
Due to Capital Fund	67,500	355,166
Balance December 31, 2007		$575,526

EXHIBIT B-11

SCHEDULE OF RESERVE FOR COMMUNITY CENTER
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006		$33,945
Increased By:		
Community Center Contributions	$6,285	
Interest Earnings	1,337	7,622
Subtotal		41,567
Decreased By:		
Disbursements		16,462
Balance December 31, 2007		$25,105

EXHIBIT B-12

TOWNSHIP OF LITTLE EGG HARBOR
TRUST ASSESSMENT FUND
STATEMENT OF ASSESSMENTS BONDS
FOR THE YEAR ENDED DECEMBER 31, 2007

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITY OF BONDS OUTSTANDING DECEMBER 31, 2007		INTEREST RATE	BALANCE DECEMBER 31, 2006	ISSUED	BOND MATURITIES	BALANCE DECEMBER 31, 2007
			DATE	AMOUNT					
Atlantis Water & Sewer Project	8/01/01	$245,000	08/01/08	$25,000	4.375%	$145,000		25,000	120,000
			08/01/09	25,000	4.375%				
			08/01/10	25,000	4.500%				
			08/01/11	25,000	4.500%				
			08/01/12	20,000	4.500%				
					Total	$145,000		25,000	120,000

EXHIBIT B-13

TOWNSHIP OF LITTLE EGG HARBOR
TRUST ASSESSMENT FUND
STATEMENT OF ASSESSMENTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2007

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2006	2007 CONFIRMATIONS	COLLECTIONS	ADJUSTMENTS CANCELLATIONS	BALANCE DECEMBER 31, 2007	BALANCE PLEDGED TO ASSESSMENT BONDS	BALANCE PLEDGED TO ASSESSMENT NOTES
2000-5,6	Atlantis Water & Sewer Extension	$78,481		19,228		59,253	59,253	
2002-08	Cherrywood Drive	52,596		6,761		45,835	45,835	
	Total	$131,077		25,989		105,088	105,088	

GENERAL CAPITAL FUND

EXHIBIT C-1

TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
SCHEDULE OF FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006	$49,475
Increased by :	
Premiums Received on BAN Sale	53
Balance December 31, 2007	$49,528

EXHIBIT C-2

SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006		$248,055
Increased by Receipts:		
Interest	$69,751	
Premium on BANS	54	
Proceeds of BANS	4,674,046	
Interfund - Current Fund	200,000	
Receipts - Improvement Authorization Refunds	12,510	
Receipts from DOT Grant	153,750	
Budget Appropriation - Current Fund	200,000	5,310,111
Subtotal		5,558,166
Decreased by Disbursements:		
Improvement Authorizations	1,503,131	
Repayment of BANS	2,022,096	
Anticipated Revenue - Current Fund	21,000	
Due to Current Fund	269,752	3,815,979
Balance December 31, 2007		$1,742,187

TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
ANALYSIS OF CASH
AT DECEMBER 31, 2007

		BALANCE (OVERDRAFT) DECEMBER 31, 2006	RECEIPTS MISCELLANEOUS	DISBURSEMENTS IMPROVEMENT AUTHORIZATIONS	DISBURSEMENTS MISCELLANEOUS	TRANSFERS FROM	TRANSFERS TO	BALANCE (OVERDRAFT) DECEMBER 31, 2007
Fund Balance		$49,475	53					49,528
Capital Improvement Fund		285,929	200,000				57,750	428,179
Contra BANS			2,022,096		2,022,096			
Reserve for the Payment of Debt Service		100,000			21,000			79,000
Due to Current Fund			269,752		269,752			
Due from Open Space Trust Fund Ord # 07-25							67,500	(67,500)
Due to County - CDBG		3,722						3,722
IMPROVEMENT AUTHORIZATIONS:								
ORDINANCE NUMBER								
96-10	Satellite Repeaters & Logging Recorders	(250)						(250)
99-23	Municipal Complex	(2,230)						(2,230)
00-05	Sewer Line Extension - Atlantis	(4,571)						(4,571)
00-06	Water Line Extension - Atlantis	5,562						5,562
02-04	Construction of Sports Complex Drive	6,781						6,781
02-08	Improvements to Cherrywood Drive	(30,000)						(30,000)
02-14,36	Construction of Recreation Facilities	(40,730)						(40,730)
02-22	Purchase of Street Sweeper	(80)						(80)
02-23	Acquisition of Land - Parker Run	(27,983)						(27,983)
02-24	Comfort Station	4,700						4,700
02-41	Construction of Municipal Complex	72,253						72,253
03-04	Acquisition of Real Property	7,072						7,072
03-06	Acquisition of Trash Trucks & Cans	61,148		12,510				73,658
03-07	Acquisition of Sport Utility Vehicles	(730)						(730)
03-11	Road Improvements - Beach Drive	8,800						8,800

TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
ANALYSIS OF CASH
AT DECEMBER 31, 2007

ORDINANCE NUMBER		BALANCE (OVERDRAFT) DECEMBER 31, 2006	RECEIPTS MISCELLANEOUS	DISBURSEMENTS IMPROVEMENT AUTHORIZATIONS	DISBURSEMENTS MISCELLANEOUS	TRANSFERS FROM	TRANSFERS TO	BALANCE (OVERDRAFT) DECEMBER 31, 2007
03-28	Road Improvements - Navasink Road	43,997		183				43,814
04-04	Acquisition of Trash Trucks	13,682		183				13,499
04-15	Acquisition of Fuel Depot	64,127		780				63,347
04-16	Construction of Various Streets/ Lots	165,709		183				165,526
04-19	Various Improvements Municipal Building	29,213						29,213
04-22	Acquisition of Two Police Cars	326						326
04-28	Acquisition of Radios/Finger Print System	631		631				
05-04	Road & Drainage Improvements - South Longboat Drive	74,037	37,500	183				111,354
05-05	Bulkhead Construction at Parkertown Dock	129,094		86,752				42,342
05-13	Acquisition of Recycling Trucks	(266,750)	289,750	183				22,817
05-16	Acquisition of a Tractor	(51,600)	53,200	183				1,417
05-17	Improvements at the Municipal Recreation Park	165,574		10,090				155,484
05-19	Road Improvements - Various	(461,700)	500,000	183				38,117
05-22	Construction of Recreation Trail	(42,769)	45,000	517				1,714
05-33	Purchase of Motorcycles	5,805						5,805
06-02	Improvements to North Ensign Drive	(192,692)	206,000	183				13,125
06-07	Various Road Improvements	(162,724)	1,111,500	501,081				447,695
06-14	Construction of Softball Field & Tot Lot	250,000		40,676				209,324
06-15	Construction of Softball Field & Tot Lot	(14,773)	446,500	431,173				554
07-04	Construction of North Burgee Drive		116,250	272,477				(156,227)
07-10	Acquisition of Garbage Truck			152,000		9,000		(143,000)
07-15	Acquisition of Two Police Cars			5,490		48,750		43,260
07-25	Acquisition of Land					67,500		67,500
	Total Analysis of Cash	$248,055	5,310,111	1,503,131	2,312,848	125,250	125,250	1,742,187

EXHIBIT C-4

TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006		$14,559,970
Decreased by:		
2007 Budget Appropriation to Pay General Serial Bonds	$1,228,000	
Green Trust Loan Bonds	57,173	1,285,173
Balance December 31, 2007		$13,274,797

EXHIBIT C-5

TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
FOR THE YEAR ENDED DECEMBER 31, 2007

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2006	2007 AUTHORIZATIONS	REDUCTIONS	ADJUSTMENTS	BALANCE DECEMBER 31, 2007	ANALYSIS OF BALANCE DECEMBER 31, 2007 UNEXPENDED IMPROVEMENT AUTHORIZATION	EXPENDED	BOND ANTICIPATION NOTES
96-03	Improvements to Twin Lakes Boulevard								
96-10/99-09	Satellite Repeaters & Logging Recorders	$250				250		250	
99-23	Municipal Complex	2,230				2,230		2,230	
00-05	Sewer Line Extension - Atlantis	4,571				4,571		4,571	
02-08	Improvements to Cherrywood Drive	30,666				30,666	666	30,000	
02-14,36	Construction of Recreation Facilities	40,730				40,730		40,730	
02-22	Purchase of Street Sweeper	80				80		80	
02-23	Acquisition of Land - Parker Run	46,550				46,550	18,566	27,984	
03-07	Acquisition of Sport Utility Vehicles	730				730		730	
04-04	Acquisition of Trash Trucks	361,000				361,000			361,000
04-15	Acquisition of Fuel Depot	289,750		84,450		205,300			205,300
04-16	Construction of Various Streets/Lots	448,400				448,400			448,400
04-28	Acquisition of Radios/Finger Print System	182,400			(182,400)				
05-04	Road & Drainage Improvements - South Longboat Drive	217,500		213,900	(3,600)				
05-05	Bulkhead Construction at Parkertown Dock	39,150		39,150	186,000	186,000			186,000
05-13	Acquisition of Recycling Trucks	289,750				289,750			289,750
05-16	Acquisition of a Tractor	53,200				53,200			53,200
05-19	Road Improvements - Various	617,500				617,500	117,500		500,000
05-22	Construction of Recreation Trail	45,000				45,000			45,000
06-02	Improvements to North Ensign Drive	206,000				206,000			206,000
06-07	Various Road Improvements	1,111,500				1,111,500			1,111,500
06-15	Construction of Softball Field & Tot Lot	446,500				446,500			446,500
07-04	Construction of North Burgee Drive		325,000	116,250		208,750	51,523	157,227	
07-10	Acquisition of Garbage Truck		171,000			171,000	28,000	143,000	
07-25	Acquisition of Land		1,350,000	67,500		1,282,500	1,282,500		
	Total	$4,433,457	1,846,000	521,250		5,758,207	1,498,755	406,802	3,852,650

Pay Down on Notes from Current Fund	$300,000
Proceeds from Open Space Trust	67,500
Proceeds from DOT Grants	153,750
Total	$521,250

EXHIBIT C-6

TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006	$285,929
Increased By:	
Budget Appropriation	200,000
Subtotal	485,929
Decreased by:	
Appropriated to Finance Improvement Authorizations	57,750
Balance December 31, 2007	$428,179

EXHIBIT C-7

TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
STATEMENT OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2007

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	ORDINANCE AMOUNT	BALANCE DECEMBER 31, 2006 FUNDED	BALANCE DECEMBER 31, 2006 UNFUNDED	2007 AUTHORIZATIONS	RECLASSIFICATION PRIOR YEAR PAYABLES	CASH DISBURSEMENTS	CURRENT YEAR CONTRACTS & ENCUMBRANCES PAYABLE	BALANCE DECEMBER 31, 2007 FUNDED	BALANCE DECEMBER 31, 2007 UNFUNDED
00-06	Water Line Extension - Atlantis	5/11/00	$177,800	$5,562						5,562	
02-04	Construction of Sports Complex Drive	2/14/02	249,865	6,781						6,781	
02-08	Improvements to Cherrywood Drive	4/25/02	140,000		666						666
02-23	Acquisition of Land - Parker Run	5/23/02	49,000		18,566						18,566
02-24	Comfort Station	5/23/02	100,000	4,700						4,700	
02-41	Construction of Municipal Complex	11/25/02	6,550,000	64,255			8,000		8,000	64,255	
03-04	Acquisition of Real Property	4/10/03	355,000		7,072						7,072
03-06	Acquisition of Trash Trucks & Cans	4/10/03	800,000	61,148				(12,510)		73,658	
03-11	Road Improvements - Beach Drive	6/26/03	217,900		8,801						8,801
03-28	Road Improvements - Navasink Road	12/22/03	270,000		43,997			183			43,814
04-04	Acquisition of Trash Trucks				13,682			183			13,499
04-15	Acquisition of Fuel Depot				64,127			780			63,347
04-16	Construction of Various Streets/Lots				165,709			183			165,526
04-19	Various Improvements Municipal Building			29,211						29,211	
04-22	Acquisition of Two Police Cars			327						327	
04-28	Acquisition of Radios/Finger Print System				631			631			
05-04	Road & Drainage Improvements - South Longboat Drive	2/24/05	330,000		111,537			183			111,354
05-05	Bulkhead Construction at Parkertown Dock	2/24/05	225,150		129,094			86,752			42,342
05-13	Acquisition of Recycling Trucks	8/11/05	305,000		23,000			183			22,817
05-16	Acquisition of a Tractor	6/23/05	56,000		1,600			183			1,417
05-17	Improvements at the Municipal Recreation Park	7/14/05	250,000	165,573				10,090		155,483	
05-19	Road Improvements - Various	8/11/05	650,000		155,800			183			155,617
05-22	Construction of Recreation Trail	9/22/05	60,000		2,231			517			1,714
05-33	Purchase of Motorcycles	12/8/05	40,000	5,805						5,805	
06-02	Improvements to North Ensign Drive	2/23/06	340,000		13,308			183			13,125
06-07	Various Road Improvements	6/22/06	1,170,000		929,326		19,450	501,081			447,695
06-14	Construction of Softball Field & Tot Lot	8/10/06	250,000	250,000				40,676		209,324	
06-15	Construction of Softball Field & Tot Lot	8/10/06	470,000		431,727			431,173			554
07-04	Construction of North Burgee Drive	3/08/07	325,000			325,000		272,477	1,000		51,523
07-10	Acquisition of Garbage Truck	6/14/07	180,000			180,000		152,000			28,000
07-15	Acquisition of Two Police Cars	6/28/07	48,750			48,750		5,490	42,524		736
07-25	Acquisition of Land	12/13/07				1,350,000				67,500	1,282,500
			Total	$593,362	2,120,874	1,903,750	27,450	1,490,621	51,524	622,606	2,480,685

Cash Disbursements	$1,503,131	
Refunds	(12,510)	
Encumbrances Payable		51,524
Total	$1,490,621	51,524

EXHIBIT C-8

TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
STATEMENT OF BOND ANTICIPATION NOTES
AT DECEMBER 31, 2007

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF ORIGINAL ISSUE	AMOUNT OF ORIGINAL ISSUE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2006	INCREASED	DECREASED	ADJUSTMENTS	BALANCE DECEMBER 31, 2007
04-04	Acquisition of Trash Trucks	4/5/05	$361,000	4/5/06	4/5/08	3.75%	$361,000	361,000	361,000		361,000
04-15	Acquisition of Fuel Depot	4/5/05	289,750	4/5/06	4/5/08	3.75%	289,750	205,300	289,750		205,300
04-16	Construction of Various Streets	4/5/05	448,400	4/5/06	4/5/08	3.75%	448,400	448,400	448,400		448,400
04-28	Construction of Various Streets	4/5/05	182,400	4/5/06	4/5/07	3.66%	182,400			(182,400)	
05-04	South Longboat Drive Improvements	4/5/05	180,000	4/5/06	4/5/07	3.66%	180,000		176,400	(3,600)	
05-05	Bulkhead Construction Parkertown Dock	4/5/05	225,150	4/5/06	4/5/08	3.75%	39,150		39,150	186,000	186,000
05-13	Acquisition of Recycling Trucks	4/5/07	289,750	4/5/07	4/5/08	3.75%		289,750			289,750
05-16	Acquisition of a Tractor	4/5/07	53,200	4/5/07	4/5/08	3.75%		53,200			53,200
05-19	Road Improvements - Various	4/5/07	500,000	4/5/07	4/5/08	3.75%		500,000			500,000
05-22	Construction of Recreation Trail	4/5/07	45,000	4/5/07	4/5/08	3.75%		45,000			45,000
06-02	Improvements to North Ensign Drive	4/5/07	206,000	4/5/07	4/5/08	3.75%		206,000			206,000
06-07	Various Road Improvements	4/5/07	1,111,500	4/5/07	4/5/08	3.75%		1,111,500			1,111,500
06-15	Construction of Softball Field and Tot Lot	4/5/07	446,500	4/5/07	4/5/08	3.75%		446,500			446,500
					Total		$1,500,700	3,666,650	1,314,700	-	3,852,650

TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS
AT DECEMBER 31, 2007

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING DECEMBER 31, 2007 DATE	AMOUNT	INTEREST RATE	BALANCE DECEMBER 31, 2006	INCREASED	DECREASED	BALANCE DECEMBER 31 2007
General Improvement Bonds	10/01/92	$4,728,000			5.60%	$438,000		438,000	
General Improvement Bonds	7/01/97	2,913,000	07/01/08	275,000	4.875%	1,138,000		260,000	878,000
			07/01/09	295,000	4.90%				
			07/01/10	308,000	5.00%				
General Improvement Bonds	8/01/01	5,175,000	08/01/08	230,000	4.375%	4,295,000		220,000	4,075,000
			08/01/09	240,000	4.375%				
			08/01/10	250,000	4.500%				
			08/01/11	260,000	4.500%				
			08/01/12	275,000	4.500%				
			08/01/13	290,000	4.500%				
			08/01/14	300,000	4.500%				
			08/01/15	310,000	4.500%				
			08/01/16	320,000	4.600%				
			08/01/17	320,000	4.625%				
			08/01/18	320,000	4.700%				
			08/01/19-21	960,000	4.750%				
General Improvement Bonds	11/01/03	8,324,000	11/01/08	320,000	3.300%	7,514,000		310,000	7,204,000
			11/01/09	340,000	3.300%				
			11/01/10	360,000	3.300%				
			11/01/11	375,000	3.300%				
			11/01/12	395,000	3.300%				
			11/01/13	415,000	3.400%				
			11/01/14	435,000	3.450%				
			11/01/15	460,000	3.600%				
			11/01/16	480,000	3.700%				
			11/01/17	504,000	3.800%				
			11/01/18	520,000	3.900%				
			11/01/19	520,000	4.000%				
			11/01/20	520,000	4.125%				
			11/01/21	520,000	4.200%				
			11/01/22	520,000	4.300%				
			11/01/23	520,000	4.375%				
					Totals	$13,385,000		1,228,000	12,157,000

Paid from Current Fund	$1,228,000
Total	$1,228,000

TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
SCHEDULE OF GREEN TRUST LOAN PAYABLE
AT DECEMBER 31, 2007

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING DECEMBER 31, 2007 DATE	AMOUNT	INTEREST RATE	BALANCE DECEMBER 31, 2006	INCREASED	ADJUSTMENT	DECREASED	BALANCE DECEMBER 31, 2007
Parkertown Dock	01/27/92	$28,000	2008	1,616	2.00%	$8,246			1,584	6,662
			2009	1,648						
			2010	1,682						
			2011	1,716						
Mystic Beach Acquisition	02/13/96	94,760	2008	5,050	2.00%	48,313			4,950	43,363
			2009	5,152						
			2010	5,255						
			2011	5,361						
			2012	5,469						
			2013	5,579						
			2014	5,691						
			2015	5,805						
Open Space Acquisition	10/22/02	255,220	2008	11,833	2.00%	216,390			11,600	204,790
			2009	12,071						
			2010	12,314						
			2011	12,562						
			2012	12,814						
			2013	13,071						
			2014	13,334						
			2015	13,602						
			2016	13,876						
			2017	14,154						
			2018	14,439						
			2019	14,729						
			2020	15,026						
			2021	15,327						
			2022	15,638						

TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
SCHEDULE OF GREEN TRUST LOAN PAYABLE
AT DECEMBER 31, 2007

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING DECEMBER 31, 2007 DATE	AMOUNT	INTEREST RATE	BALANCE DECEMBER 31, 2006	INCREASED	ADJUSTMENT	DECREASED	BALANCE DECEMBER 31, 2007
Recreation Complex	7/18/02	500,000	2008	23,415	2.00%	412,620			22,954	389,666
			2009	23,885						
			2010	24,365						
			2011	24,855						
			2012	25,354						
			2013	25,865						
			2014	26,384						
			2015	26,914						
			2016	27,455						
			2017	28,008						
			2018	28,570						
			2019	29,145						
			2020	29,730						
			2021	30,328						
			2022	15,392						
Municipal Complex	9/7/05	250,000	2008	11,029	2.00%	239,401			10,812	228,589
			2009	11,250						
			2010	11,477						
			2011	11,708						
			2012	11,943						
			2013	12,183						
			2014	12,428						
			2015	12,677						
			2016	12,932						
			2017	13,192						
			2018	13,457						
			2019	13,727						
			2020	14,004						
			2021	14,285						
			2022	14,572						
			2023	14,865						
			2024	15,164						
			2025	7,696						

TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
SCHEDULE OF GREEN TRUST LOAN PAYABLE
AT DECEMBER 31, 2007

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING DECEMBER 31, 2007 DATE	AMOUNT	INTEREST RATE	BALANCE DECEMBER 31, 2006	INCREASED	ADJUSTMENT	DECREASED	BALANCE DECEMBER 31, 2007
Construction of Softball Field & Tot Lot	11/27/06	250,000	2008	10,705	2.00%	250,000			5,273	244,727
			2009	10,919						
			2010	11,140						
			2011	11,363						
			2012	11,592						
			2013	11,825						
			2014	12,062						
			2015	12,305						
			2016	12,552						
			2017	12,804						
			2018	13,061						
			2019	13,324						
			2020	13,592						
			2021	13,865						
			2022	14,144						
			2023	14,428						
			2024	14,718						
			2025	15,014						
			2026	15,314						
					Total	$1,174,970			57,173	1,117,797

EXHIBIT C-11

TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
AT DECEMBER 31, 2007

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2006	2007 AUTHORIZATIONS /INCREASES	2007 REDUCTIONS	BALANCE DECEMBER 31, 2007
96-10/99-09	Satellite Repeaters & Logging Recorders	$250			250
99-23	Municipal Complex	2,230			2,230
00-06	Water Line Extension - Atlantis	4,571			4,571
02-08	Improvements to Cherrywood Drive	30,666			30,666
02-14,36	Construction of Recreation Facilities	40,730			40,730
02-22	Purchase of Street Sweeper	80			80
02-23	Acquisition of Land - Parker Run	46,550			46,550
03-07	Acquisition of Sport Utility Vehicles	730			730
05-04	Road & Drainage Improvements - South Longboat Drive	37,500		37,500	
05-13	Acquisition of Recycling Trucks	289,750		289,750	
05-16	Acquisition of a Tractor	53,200		53,200	
05-19	Road Improvements - Various	617,500		500,000	117,500
05-22	Construction of Recreation Trail	45,000		45,000	
06-02	Road Improvements North Ensign Drive	206,000		206,000	
06-07	Improvements to Various Roads	1,111,500		1,111,500	
06-15	Construction of Softball Field & Tot Lot	446,500		446,500	
07-04	Road & Drainage Improvements North Burgee Drive		325,000	116,250	208,750
07-10	Acquisition of Garbage Truck		171,000		171,000
07-25	Acquisition of Land		1,282,500		1,282,500
	Total	$2,932,757	1,778,500	2,805,700	1,905,557

BANS Issued	$2,651,950
D.O.T. Receipts	153,750
Total	$2,805,700

EXHIBIT C-12

TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
SCHEDULE OF STATE ROAD AID ALLOTMENTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006	$37,500
Increased By:	
2007 Road Aid Accounts Receivable - North Burgee Drive	155,000
Subtotal	192,500
Decreased By:	
2007 Road Aid Received	153,750
Balance December 31, 2007	$38,750

ANALYSIS OF BALANCE

2007-04 North Burgee Drive Road & Drainage Improvements	$38,750
Total	$38,750

PAYROLL FUND

EXHIBIT D-1

TOWNSHIP OF LITTLE EGG HARBOR
PAYROLL FUND
STATEMENT OF PAYROLL FUND CASH
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006		$58,552
Increased by Receipts:		9,955,797
Subtotal		10,014,349
Decreased by Disbursements:		
Net Pay	$6,153,318	
Due to Current	8,409	
Payment to Agencies	3,784,126	9,945,853
Balance December 31, 2007		$68,496

EXHIBIT D-2

STATEMENT OF PAYROLL TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2007

Balance December 31, 2006	$57,958
Increased by:	
Payroll Deductions	3,794,247
Subtotal	3,852,205
Decreased by:	
Disbursements	3,784,126
Balance December 31, 2007	$68,079

ANALYSIS OF BALANCE

Police & Fireman's Retirement System	$41,804
Public Employees Retirement System	23,617
New Jersey Unemployment Compensation	2,658
Balance December 31, 2007	$68,079

SUPPLEMENTARY DATA

Summary of Municipal Debt
(Excluding Current Debt)

	YEAR 2007	YEAR 2006	YEAR 2005
Issued -			
General - Bonds and Notes	$17,247,447	16,205,670	17,491,548
Authorized but not Issued:			
General - Bonds and Notes	1,905,557	2,932,757	1,296,257
Total	19,153,004	19,138,427	18,787,805
Less: Deduction to Pay Bonds & Notes	79,000	100,000	100,000
Total	$19,074,004	19,038,427	18,687,805

Summary of Statutory Debt
Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of .71%.

	GROSS DEBT	DEDUCTIONS	NET DEBT
Local School District Debt	$20,964,000	20,964,000	
Regional School District Debt	11,253,396	11,253,396	
General Debt	19,153,004	79,000	19,074,004
Total	$51,370,400	32,296,396	19,074,004

Net Debt, $19,074,004 divided by Equalized Valuation Basis per N.J.S.A.40A:2-2, as amended, $2,679,112,138 equals .71%.

Equalized Valuation Basis:	
2007	$3,039,973,294
2006	2,788,779,835
2005	2,208,583,285
Average	$2,679,112,138

Borrowing Power Under 40A:2-6:

3-1/2% of Equalized Valuation Bases (Municipal)	$93,768,925
Net Debt	19,074,004
Remaining Borrowing Power	$74,694,921

Comparative Statement of Operations and Change in Fund Balance - Current Fund

	YEAR 2007		YEAR 2006	
	AMOUNT	PERCENT	AMOUNT	PERCENT
Revenue and Other Income Realized				
Fund Balance Utilized	$2,300,000	4.44%	2,200,000	4.49%
Miscellaneous - From Other Than Local Property Tax Levies	4,885,373	9.42%	4,763,948	9.73%
Collection of Delinquent Taxes & Tax Title Liens	78,217	0.15%	381,912	0.78%
Collection of Current Tax Levy	44,588,102	85.99%	41,619,765	85.00%
Total Income	51,851,692	100.00%	48,965,625	100.00%
Expenditures				
Budget Expenditures - Municipal Purposes	18,231,801	36.64%	17,218,285	36.91%
County Taxes	9,050,560	18.19%	8,002,574	17.16%
Local and Regional School Taxes	21,118,182	42.44%	20,285,039	43.49%
Municipal Open Space	316,855	0.64%	309,442	0.66%
Special District Taxes	875,772	1.76%	830,957	1.78%
Other Expenses	172,487	0.35%		
Total Expenditures	49,765,657	100.00%	46,646,297	100.00%
Excess to Fund Balance	2,086,035		2,319,328	
Fund Balance January 1	5,728,149		5,608,821	
Total	7,814,184		7,928,149	
Less: Utilization as Anticipated Revenue	2,300,000		2,200,000	
Fund Balance December 31	$5,514,184		5,728,149	

Comparison of Tax Levies and Collection Currently

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

YEAR	TAX LEVY	CURRENTLY CASH COLLECTIONS	CURRENTLY PERCENTAGE OF COLLECTION
2007	$44,709,655	44,588,102	99.73%
2006	41,748,529	41,619,765	99.69%
2005	40,034,603	39,983,072	99.87%

Comparison of Tax Rate Information

	2007	2006	2005
Total Tax Rate - Excluding Fire District	$1.381	$1.318	$3.312
Apportionment of Tax Rate:			
Municipal	0.414	0.386	0.920
County	0.288	0.260	0.631
Local School	0.317	0.318	0.816
Regional School	0.362	0.354	0.945
Fire District			
#1	0.025	0.024	0.058
#2	0.026	0.026	0.069
#3	0.046	0.042	0.104

Net Valuation Taxable:

2007	$3,123,347,088	
2006		$3,040,180,924
2005		$1,142,744,520

Delinquent Taxes and Tax Title Liens

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

YEAR ENDED DECEMBER 31	AMOUNT OF TAX TITLE LIENS	AMOUNT OF DELINQUENT TAXES	TOTAL DELINQUENT	PERCENTAGE OF TAX LEVY
2007	$255,974	45,427	301,401	0.674%
2006	242,617	85,625	328,242	0.786%
2005	249,032	43,022	292,054	0.730%

Comparative Schedule of Fund Balances

Current Fund:	Balance December 31	Utilized in Budget of Succeeding Year
2007	$5,514,184	2,400,000
2006	5,728,149	2,300,000
2005	5,608,821	2,200,000
2004	4,027,090	1,900,000

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office at December 31, 2007:

NAME	TITLE	AMOUNT OF BOND	NAME OF CORPORATE SURETY
Barbara Crea	Mayor		
Scott Stites	Deputy Mayor		
Raymond Gormley	Committeeman		
John Kehm	Committeeman		
Arthur Midgley	Committeeman		
Dayna Cook	Tax Collector, & Tax Search Officer	$250,000	A
Joseph Sorrentino	Tax Assessor		
Raymond Urezzio	Chief Financial Officer/ Township Administrator	$ 50,000	A
Diana McCracken	Township Clerk	$ 10,000	A
Deborah O'Brien	Court Administrator	$ 50,000	A
Damian Murray	Court Magistrate	$ 50,000	A
Gilmore & Monahan	Solicitors		
Jim Oris	Engineer		

(A) Selective Insurance Company

All of the bonds were examined and properly executed.

TOWNSHIP OF LITTLE EGG HARBOR
COUNTY OF OCEAN

PART II

COMMENTS AND RECOMMENDATIONS FOR THE YEAR ENDED DECEMBER 31, 2007

****

Holman & Frenia, P.C.
Certified Public Accountants & Consultants

To the Honorable Mayor and
Members of the Township Committee
Township of Little Egg Harbor
Little Egg Harbor, New Jersey 08087

We have audited the financial statements of the Township of Little Egg Harbor in the County of Ocean on for the year ended December 31, 2007, in accordance with requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the following are the *General Comments* and *Recommendations* for the year then ended.

GENERAL COMMENTS

Contracts and Agreements Required to be advertised by (N.J.S.A.40A:11-4)

N.J.S.A.40A:11-4 - Every contract or agreement, for the performance of any work or furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other Law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate $21,000 except by contract or agreement.

It is pointed out that the governing body of the municipality has the responsibility of determining whether the expenditures in any category will exceed the statutory minimum within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the solicitor's opinion should be sought before a commitment is made.

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

Acquisition of Garbage Truck, Police Cars, Tandem Axle Truck.

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

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

Contracts and Agreements Requiring Solicitation of Quotations

The examination of expenditures did not reveal any individual payments, contracts or agreements in excess of $3,150 thereafter "for the performance of any work or the furnishing or hiring of any materials or supplies", other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of (*N.J.S.A.40A:11-6.1*).

Collection of Interest on Delinquent Taxes

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

The governing body on January 1, 2007 adopted the following resolution authorizing interest to be charged on delinquent taxes:

> "**BE IT RESOLVED** by the Township Committee of the Township of Little Egg Harbor, County of Ocean, State of New Jersey, the rate of interest charged on delinquent taxes or assessments on any installment made ten (10) days after the date upon which the same became payable, shall not exceed eight (8) percent per annum of the first One Thousand Five Hundred Dollars ($1,500.00) of the delinquency, and eighteen (18) percent per annum on any amount in excess of One Thousand Five Hundred Dollars ($1,500.00).
> **BE IT FURTHER RESOLVED**, that where interest on delinquent tax payments is one dollar ($1.00) or less, payment and collection of said interest is hereby waived."

It appears from an examination of the Collector's record that interest was collected in accordance with the foregoing resolution.

Tax Collector

A review of the Tax Collector's office was performed and everything was found to be in order.

Delinquent Taxes and Tax Title Liens

The delinquent taxes at December 31, 2007, included 2007, 2006, 2005 and 2004 real estate taxes only.

The last tax sale was held on December 17, 2007 and was complete.

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

YEAR	NUMBER OF LIENS
2007	66
2006	61
2005	65

Examination of Bills

A test check of paid bills was made and each bill, upon proper approval, was considered as a separate and individual contract unless the records disclosed it to be a part payment or estimate.

Municipal Court

A separate report of the Municipal Court transactions was filed in accordance with the requirements of the Local Finance Board.

Municipal Court (continued):

As part of the test of the Municipal Court records, no attempt was made to differentiate between fines due the Township, County, or State, or to pass upon the authenticity of the preparation and procedures for complaints issued.

Payroll Fund

The examination of the payroll fund included testing the detail computation of various deductions or other credits from the payroll of Township employees; also, the examination ascertained that the accumulated withholdings were distributed to the proper agencies.

Prior Year Findings

In accordance with government auditing standards, my procedures included a review of all prior year findings. Corrective action was taken on all prior findings.

Acknowledgment

We received the complete cooperation of all the Township Officials and employees and we greatly appreciate the courtesies extended to the members of the audit team.

The problems and weaknesses noted in our review were not of such magnitude that they would affect our ability to express an opinion on the financial statements taken as a whole.

Should you have any questions concerning our comments or recommendations, or should you desire any assistance in implementing our recommendations, please call me.

Respectfully submitted,

HOLMAN & FRENIA, P.C.

Kevin P. Frenia
Registered Municipal Accountant
No. CR435

Medford Office
May 16, 2008