

ANNUAL DEBT STATEMENT

AS REQUIRED BY N.J.S.A. 40A:2-40

of the TOWN of PHILLIPSBURG, County of WARREN

Prepared as of December 31, 2008

	Gross	Deduction	Net
1. (a) Total Bonds and Notes for School Purposes	\$ 2,995,000.00 (50011-00)		
(b) Less Applicable Deductions		\$ 2,995,000.00 (50012-00)	
(c) Net Debt for School Purposes			\$ (50013-00)
2. (a) Total Bonds and Notes for Self-Liquidating Purposes	\$ 865,501.54 (50014-00)		
(b) Less Applicable Deductions		\$ 865,501.54 (50015-00)	
(c) Net Debt for Self-Liquidating Purposes			\$ (50016-00)
3. (a) Total Other Bonds, Notes and Loans	\$ 14,767,258.30 (50017-00)		
(b) Less Applicable Deductions		\$ 4,700,000.00 (50018-00)	
(c) Net Debt for Other Purposes			\$ 10,067,258.30 (50019-00)
Total Gross Debt-	\$ 18,627,759.84 (50020-00)		
Total Deductions		\$ 8,560,501.54 (50021-00)	
4. TOTAL NET DEBT DECEMBER 31, 2008			\$ 10,067,258.30 (50022-00)

EQUALIZED VALUATION BASIS

Equalized valuation basis (the average of the equalized valuations of real estate, including improvements, and the assessed valuation of class II railroad property of the local unit for the last 3 preceeding years).

(1) 2006 Equalized Valuation Real Property with Improvements plus assessed valuation of class II R.R. property	\$ 1,000,292,905.00
(2) 2007 Equalized Valuation Real Property with Improvements plus assessed valuation of class II R.R. property	\$ 1,037,742,872.00
(3) 2008 Equalized Valuation Real Property with Improvements plus assessed valuation of class II R.R. property	\$ 1,071,700,280.00
5. EQUALIZED VALUATIONS BASIS - Average of (1), (2), and (3).	\$ 1,036,578,686.00

6. PERCENTAGE OF NET DEBT OF EQUALIZED VALUATION BASIS

The percentage that the net debt (Line 4 above) bears to the equalized valuation basis (Line 5 above):

Ninety-Seven Hundredths of One per cent(0.97 %)
(50039-00)

AFFIDAVIT

STATE OF NEW JERSEY }
County of WARREN }ss.

Joseph Hriczak, being duly sworn, deposes and says:

Deponent is the chief financial officer of the TOWN of PHILLIPSBURG County of WARREN here and in the statement hereinafter mentioned called "the municipality" or "the county." The Annual Debt Statement annexed hereto and hereby made a part hereof is a true statement of the debt condition of the municipality or county as of December 31, 2008 and is computed as provided by the Local Bond Law of New Jersey (N.J.S.A. 40A:2-1 et. seq.). The amounts of such items as are indefinite or unascertainable are estimated and are so marked.

Name: Joseph Hriczak

Title: Chief Financial Officer

Address: 675 Corliss Avenue

Phillipsburg, NJ 08865

Phone: 909-454-5500

Fax: 909-454-6511

Subscribed and sworn to before me
this 24th day of January 2009
Michele D. Brouilow
Notary Public of New Jersey

MICHELE D. BROULOW
Trenton, N.J. 08625-0001
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires June 10, 2013

**DEDUCTIONS APPLICABLE TO BONDS AND NOTES
FOR SCHOOL PURPOSES**

Amounts held or to be held for the sole purpose of paying bonds and notes included on the opposite page (Items 1, 2, 3, 5, 6)

- | | | |
|----|--|---------------------------------------|
| 1. | Sinking funds in hand for bonds shown as Line 1,
Page 2 of this statement but not in excess of such bonds. | \$ _____
(50211-00) |
| 2. | Funds in hand in those cases where such funds cannot
be diverted to purposes other than the payment of bonds
and notes included in Line 4, Page 2. | \$ _____
(50212-00) |
| 3. | Estimated proceeds of bonds and notes authorized but
not issued where such proceeds will be used for the sole
purpose of paying bonds and notes included in Line 4,
Page 2. | \$ _____
(50213-00) |
| 4. | <u>4</u> per centum of average of equalized valuations
(50221-00)
as stated in Line 5, Page 1 | \$ <u>41,463,147.44</u>
(50214-00) |

Instruction re: Line 4.

- Use applicable per centum as follows:
- 2 1/2% Kindergarten or Grade 1 through Grade 6
 - 3% Kindergarten or Grade 1 through Grade 8
 - 3 1/2% Kindergarten or Grade 1 through Grade 9
 - 4% Kindergarten or Grade 1 through Grade 12
 - Other (insert applicable description)

_____ % _____
(50222-00)

- | | | |
|----|---|------------------------------------|
| 5. | Additional State School Building Aid Bonds
(N.J.S.A. 18A:58-33.4(d)). | (50220-00) \$ _____ |
| 6. | Total | (50215-00) \$ <u>41,463,147.44</u> |
| 7. | School Debt as shown by
Line 4, Page 2. | (50216-00) \$ <u>2,995,000.00</u> |
| 8. | Deduction for School Debt included in Line 4, Page 2
(smaller of Line 6 or 7). | (50217-00) \$ <u>2,995,000.00</u> |
| 9. | Regional School Debt as shown by Line 7, Page 2. | (50218-00) \$ _____ |

Page Total	\$ <u>2,995,000.00</u> (50219-00)
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BONDS AND NOTES FOR SELF-LIQUIDATING PURPOSES

A.	<u>SEWER UTILITY</u> SYSTEM			
	(Insert Applicable Utility)			
1.	Term bonds	(503 1-00)	\$	_____
2.	Serial bonds			
	(a) Issued	(503 2-00)	\$	<u>849,873.88</u>
	(b) Authorized but not issued	(503 3-00)	\$	<u>15,627.66</u>
3.	Refunding bonds (N.J.S.A. 40A:2-52)			
	(a) Issued	(503 4-00)	\$	_____
	(b) Authorized but not issued	(503 5-00)	\$	_____
4.	Bond anticipation notes			
	(a) Issued	(503 6-00)	\$	_____
	(b) Authorized but not issued	(503 7-00)	\$	_____
5.	Capital Notes (N.J.S.A. 40A:2-8)			
	(a) Issued	(503 8-00)	\$	_____
	(b) Authorized but not issued	(503 9-00)	\$	_____
6.	Total		\$	<u>865,501.54</u> (503 0-00)
B.	<u>N/A</u> SYSTEM			
	(Insert Applicable Utility)			
7.	Term bonds	(503 1-00)	\$	_____
8.	Serial bonds			
	(a) Issued	(503 2-00)	\$	_____
	(b) Authorized but not issued	(503 3-00)	\$	_____
9.	Refunding bonds (N.J.S.A. 40A:2-52)			
	(a) Issued	(503 4-00)	\$	_____
	(b) Authorized but not issued	(503 5-00)	\$	_____
10.	Bond anticipation notes			
	(a) Issued	(503 6-00)	\$	_____
	(b) Authorized but not issued	(503 7-00)	\$	_____
11.	Capital Notes (N.J.S.A. 40A:2-8)			
	(a) Issued	(503 8-00)	\$	_____
	(b) Authorized but not issued	(503 9-00)	\$	_____
12.	Total		\$	_____
				(503 0-00)
C.	OTHER SELF-LIQUIDATING PURPOSES FROM WHICH MUNICIPALITY DERIVES REVENUE			
	(state on a separate sheet in the manner stated above)			
	Total		\$	_____
Page Total			\$	<u>865,501.54</u> (50409-00)

**DEDUCTIONS APPLICABLE TO BONDS AND NOTES
FOR SELF-LIQUIDATING PURPOSES**

1.	<u>SEWER UTILITY</u> SYSTEM (Insert Applicable Utility)		
	(a) Gross <u>SEWER UTILITY</u> System Debt	(504 1-00)	\$ <u>865,501.54</u>
	(b) Less: Deficit (Capitalized at 5%) (Line 9 or Line 11, Page 11)		
	\$ _____ times 20	(504 2-00)	\$ _____
	(c) Deduction	(504 3-00)	\$ <u>865,501.54</u>
	(d) Plus: Cash held to Pay Bonds and Notes included in 2 (a) above	(504 4-00)	\$ _____
	(e) Total Deduction		\$ <u>865,501.54</u> (504 5-00)

2.	<u>N/A</u> SYSTEM (Insert Applicable Utility)		
	(a) Gross _____ System Debt	(504 1-00)	\$ _____
	(b) Less: Deficit (Capitalized at 5%) (Line 20 or Line 22, Page 11)		
	\$ _____ times 20	(504 2-00)	\$ _____
	(c) Deduction	(504 3-00)	\$ _____
	(d) Plus: Cash held to Pay Bonds and Notes included in 2 (a) above	(504 4-00)	\$ _____
	(e) Total Deduction		\$ _____ (504 5-00)

3. OTHER SELF-LIQUIDATING PURPOSES FROM WHICH MUNICIPALITY DERIVES REVENUE
(State separately as above)

NOTE-The deficit in revenues may be capitalized by either dividing such deficit by .05 or by multiplying such deficit by 20 as indicated above.

Page Total	\$ <u>865,501.54</u> (50499-00)
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OTHER BONDS, NOTES AND LOANS

1. TERM BONDS (state purposes separately)

(1) _____	\$ _____
(2) _____	\$ _____
(3) _____	\$ _____
(4) _____	\$ _____
(5) _____	\$ _____
(6) _____	\$ _____
(7) _____	\$ _____
(8) _____	\$ _____

2. Total Term Bonds

\$ _____
(50509-00)

3. SERIAL BONDS (state purposes separately)

(a) Issued

(1) <u>General Improvement Bonds of 2001</u> _____	\$ <u>3,403,000.00</u>
(2) _____	\$ _____
(3) _____	\$ _____
(4) _____	\$ _____
(5) _____	\$ _____
(6) _____	\$ _____
(7) _____	\$ _____
(8) _____	\$ _____
(9) _____	\$ _____
(10) _____	\$ _____
(11) _____	\$ _____
(12) _____	\$ _____
(13) _____	\$ _____
(14) _____	\$ _____
(15) _____	\$ _____
(16) _____	\$ _____
(17) _____	\$ _____

OTHER BONDS, NOTES AND LOANS

3. SERIAL BONDS (Continued)

(a) Issued

(18)	_____	\$	_____
(19)	_____	\$	_____
(20)	_____	\$	_____
(21)	_____	\$	_____
(22)	_____	\$	_____
(23)	_____	\$	_____
(24)	_____	\$	_____
(25)	_____	\$	_____
(26)	_____	\$	_____
(27)	_____	\$	_____
(28)	_____	\$	_____
(29)	_____	\$	_____
(30)	_____	\$	_____
(31)	_____	\$	_____
(32)	_____	\$	_____
(33)	_____	\$	_____
(34)	_____	\$	_____
(35)	_____	\$	_____
(36)	_____	\$	_____
Total Serial Bonds Issued		\$	3,403,000.00 (50547-00)

(b) Authorized but not Issued

(1)	_____	\$	_____
(2)	_____	\$	_____
(3)	_____	\$	_____
(4)	_____	\$	_____
(5)	_____	\$	_____
(6)	_____	\$	_____
(7)	_____	\$	_____
(8)	_____	\$	_____
(9)	_____	\$	_____
(10)	_____	\$	_____
(11)	_____	\$	_____
(12)	_____	\$	_____
(13)	_____	\$	_____
Total Serial Bonds Authorized but not Issued		\$	_____ (50564-00)

4. Total Serial Bonds Issued and Authorized but not Issued	\$	3,403,000.00 (50565-00)
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OTHER BONDS, NOTES AND LOANS

5. BOND ANTICIPATION NOTES (state purposes separately)

(a) Issued

(1) <u>Various Capital Improvements</u>	\$	<u>368,000.00</u>
(2) <u>Various Capital Improvements</u>	\$	<u>387,000.00</u>
(3) <u>Various Capital Improvements</u>	\$	<u>643,000.00</u>
(4) <u>Various Capital Improvements</u>	\$	<u>1,102,400.00</u>
(5) <u>Various Capital Improvements</u>	\$	<u>1,749,600.00</u>
(6) <u>Various Capital Improvements</u>	\$	<u>755,800.00</u>
(7) _____	\$	_____
(8) _____	\$	_____
(9) _____	\$	_____
(10) _____	\$	_____
(11) _____	\$	_____
(12) _____	\$	_____
(13) _____	\$	_____
(14) _____	\$	_____
Bond Anticipation Notes Issued	\$	<u>5,005,800.00</u> (50625-00)

(b) Authorized but not Issued

(1) <u>Various Capital Improvements</u>	\$	<u>476.50</u>
(2) <u>Various Capital Improvements</u>	\$	<u>300,049.00</u>
(3) <u>Various Local Improvements</u>	\$	<u>4,700,000.00</u>
(4) <u>Various Capital Improvements</u>	\$	<u>773,870.00</u>
(5) _____	\$	_____
(6) _____	\$	_____
(7) _____	\$	_____
(8) _____	\$	_____
(9) _____	\$	_____
(10) _____	\$	_____
Total Bond Anticipation Notes Authorized but not Issued	\$	<u>5,774,395.50</u> (50661-00)

6. Total Bond Anticipation Notes Issued
and Authorized but not Issued

\$ 10,780,195.50
(50662-00)

OTHER BONDS, NOTES AND LOANS

7. MISCELLANEOUS BONDS, NOTES AND LOANS (not including Tax Anticipation Notes, Emergency Notes, Special Emergency Notes and Utility Revenue Notes)

(a) Issued

(1) Capital Notes (N.J.S.A. 40A:2-8)	(50711-00)	\$	
(2) Bonds issued by another Public Body Guaranteed by the Municipality	(50712-00)	\$	
(3) <u>Green Trust Loans</u>	(50713-00)	\$	223,102.92
(4) <u>Infrastructure Trust</u>	(50714-00)	\$	360,959.88
(5) _____	(50715-00)	\$	
Miscellaneous Bonds, Notes and Loans Issued		\$	584,062.80 (50716-00)

(b) Authorized but not issued

(1) Capital Notes (N.J.S.A. 40A:2-8)	(50721-00)	\$	
(2) Bonds Authorized by another Public Body Guaranteed by the Municipality	(50722-00)	\$	
(3) _____	(50723-00)	\$	
(4) _____	(50724-00)	\$	
(5) _____	(50725-00)	\$	
Miscellaneous Bonds, Notes and Loans Authorized but not Issued		\$	

8. Total Miscellaneous Bonds, Notes and Loans Issued and Authorized but not Issued \$ 584,062.80
(50726-00)

Total of Pages 6, 7, 8 and 9 \$ 14,767,258.30
(50799-00)

DEDUCTIONS APPLICABLE TO OTHER BONDS AND NOTES

1. Amounts held or to be held for the sole purpose of paying bonds and notes included on Pages 6, 7, 8 and 9.

(a) Sinking funds in hand for term bonds shown on Line 2 on Page 6

(1) _____ \$ _____
 (2) _____ \$ _____
 (3) _____ \$ _____

\$ _____
 (50814-00)

(b) Funds in hand (including proceeds of bonds and notes held to pay other bonds and notes), in those cases where such funds cannot be diverted to purposes other than the payment of bonds and notes included on pages 6, 7, 8 and 9

Redevelopment and Housing per N.J.S.A. 40A:12A-67d
 (1) _____ \$ 4,700,000.00
 (2) _____ \$ _____
 (3) _____ \$ _____

\$ 4,700,000.00
 (50824-00)

(c) Estimated proceeds of bonds and notes authorized but not issued where such proceeds will be used for the sole purpose of paying bonds and notes included on pages 6, 7, 8 and 9

(1) _____ \$ _____
 (2) _____ \$ _____
 (3) _____ \$ _____

\$ _____
 (50834-00)

(d) Accounts receivable from other public authorities applicable only to the payment of any part of the gross debt not otherwise deductible

(1) _____ \$ _____
 (2) _____ \$ _____

\$ _____
 (50843-00)

2. Bonds authorized by another Public Body to be guaranteed by the municipality

\$ _____
 (50844-00)

3. Bonds issued and bonds authorized but not issued to meet cash grants-in-aid for housing authority, redevelopment agency or municipality acting as its local public agency [N.J.S.A. 55:14B-4.1(d)]

\$ _____
 (50848-00)

4. Bonds issued and bonds authorized but not issued - Capital projects for county colleges (N.J.S.A. 18A:64A-22.1 to N.J.S.A. 18A:64A-22.8)

\$ _____
 (50851-00)

5. Refunding Bonds (N.J.S.A. 40A:2-52)

(1) _____ \$ _____
 (2) _____ \$ _____

\$ _____
 (50860-00)

Page Total

\$ 4,700,000.00
 (50849-00)

(Set forth in the following form, the figures showing whether the self-liquidating utility(s) have supported themselves during fiscal year 2008)

<u>SEWER</u>	<u>UTILITY</u>
(Insert Applicable Utility)	
1. Total Cash Receipts from Fees, Rents or Other Charges for Year	(509 1-00) \$ <u>4,697,044.40</u>
2. Operating and Maintenance Cost	(509 2-00) \$ <u>2,636,225.00</u>
3. Debt Service per Water Accounts	
(a) Interest	(509 3-00) \$ <u>22,958.41</u>
(b) Notes	(509 4-00) \$ _____
(c) Serial Bonds	(509 5-00) \$ <u>1,314,571.83</u>
(d) Sinking Fund Requirement	(509 6-00) \$ _____
4. Debt Service per Current Budget (N.J.S.A. 40A:2-52)	
(a) Interest on _____ Refunding Bonds	(509 7-00) \$ _____
(b) _____ Refunding Bonds	(509 8-00) \$ _____
5. Anticipated Deficit in Dedicated _____ Assessment Budget	(509 9-00) \$ _____
6. Total Debt Service	(510 0-00) \$ <u>1,337,530.24</u>
7. Total Deductions (Line 2 plus Line 6)	(510 1-00) \$ <u>3,973,755.24</u>
8. Excess in Revenues (Line 1 minus Line 7)	(510 2-00) \$ <u>723,289.16</u>
9. Deficit in Revenues (Line 7 minus Line 1)	(510 3-00) \$ _____
10. Total Debt Service (Line 6)	(510 4-00) \$ <u>1,337,530.24</u>
11. Deficit (smaller of Line 9 or Line 10) to Page 5	(510 5-00) \$ _____
If Excess in Revenues (Line 8) all <u>SEWER</u> Utility Debt is Deductible	

<u>N/A</u>	<u>UTILITY</u>
(Insert Applicable Utility)	
12. Total Cash Receipts from Fees, Rents or Other Charges for Year	(509 1-00) \$ _____
13. Operating and Maintenance Cost	(509 2-00) \$ _____
14. Debt Service	
(a) Interest	(509 3-00) \$ _____
(b) Notes	(509 4-00) \$ _____
(c) Serial Bonds	(509 5-00) \$ _____
(d) Sinking Fund Requirement	(509 6-00) \$ _____
15. Debt Service per Current Budget (N.J.S.A. 40A:2-52)	
(a) Interest on _____ Refunding Bonds	(509 7-00) \$ _____
(b) _____ Refunding Bonds	(509 8-00) \$ _____
16. Anticipated Deficit in Dedicated _____ Assessment Budget	(509 9-00) \$ _____
17. Total Debt Service	(510 0-00) \$ _____
18. Total Deductions (Line 13 plus Line 17)	(510 1-00) \$ _____
19. Excess in Revenues (Line 12 minus Line 18)	(510 2-00) \$ _____
20. Deficit in Revenues (Line 18 minus Line 12)	(510 3-00) \$ _____
21. Total Debt Service (Line 17)	(510 4-00) \$ _____
22. Deficit (smaller of Line 20 or Line 21) to Page 5	(510 5-00) \$ _____
If Excess in Revenues (Line 19) all <u>N/A</u> Utility Debt is Deductible	

(If Municipality has other utilities or enterprises, additional pages are to be added to this statement.)

**SPECIAL DEBT STATEMENT
BORROWING POWER AVAILABLE UNDER N.J.S.A. 40A:2-7(f)**

1. Balance of debt incurring capacity as of December 31, 2007 under N.J.S.A. 40:1-16(d)		\$ _____ (51100-00)
2. Obligations heretofore authorized during 2008 in excess of debt limitation and pursuant to		
(a) N.J.S.A. 40A:2-7, paragraph (d)	(51101-00)	\$ _____
(b) N.J.S.A. 40A:2-7, paragraph (f)	(51102-00)	\$ _____
(c) N.J.S.A. 40A:2-7, paragraph (g)	(51103-00)	\$ _____
Total	(51104-00)	\$ _____
3. Less 2008 authorizations repealed during 2008	(51105-00)	\$ _____
4. Net authorizations during 2008		\$ _____ (51106-00)
5. Balance of debt incurring capacity December 31, 2008 under N.J.S.A. 40:1-16(d)		\$ _____ (51107-00)

I, Director of the Division of Local Government Services of the Department of Community Affairs of the State of New Jersey, do hereby certify that I have compared this copy of an Annual Debt Statement of the above municipality or county with the original Annual Debt Statement filed in the Division of Local Government Services of the Department of Community Affairs of the State of New Jersey on _____ and that this is a true copy of said statement and of the whole thereof.

In Witness Whereof, I have hereunto set my hand as Director of the Division of Local Government Services of the Department of Community Affairs of the State of New Jersey this _____ day of _____, 20_____

Director