

COPY 2002

AMENDED ANNUAL DEBT STATEMENT

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

of the BOROUGH of WATCHUNG, County of SOMERSET

Prepared as of December 31, 2002

Table with columns: Description, Gross, Deduction, Net. Rows include Total Bonds and Notes for School Purposes, Less Applicable Deductions, Net Debt for School Purposes, Total Bonds and Notes for Self-Liquidating Purposes, Less Applicable Deductions, Net Debt for Self-Liquidating Purposes, Total Other Bonds and Notes, Less Applicable Deductions, Net Debt for Other Purposes, Total Gross Debt, Total Deductions, and TOTAL NET DEBT DECEMBER 31, 2002.

EQUALIZED VALUATION BASIS

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

- (1) 2000 Equalized Valuation Real Property with Improvements plus assessed valuation of class II R.R. property
(2) 2001 Equalized Valuation Real Property with Improvements plus assessed valuation of class II R.R. property
(3) 2002 Equalized Valuation Real Property with Improvements plus assessed valuation of class II R.R. property

\$1,073,247,217.00
\$1,168,872,785.00
\$1,275,000,435.00
\$1,172,373,479.00

5. EQUALIZED VALUATION BASIS - Average of (1), (2), and (3).

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): 65/100 of One 1.65% per cent

AFFIDAVIT

STATE OF NEW JERSEY
County of SOMERSET

WILLIAM J. HANCE

, being duly sworn, deposes and says:

Deponent is the chief financial officer of the TOWNSHIP OF WATCHUNG, COUNTY OF SOMERSET 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, 2002 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.

Subscribed and sworn to before me this ___ day of ___, 2003

Name:
Title: Chief Financial Officer
Address: Municipal Building
15 Mountain Blvd.
Watchung, N.J. 07069
Phone: 908 - 756-0080
Fax: 908 - 757-7027

Notary Public of New Jersey

NOTE- One copy must be filed not later than January 31, 2003 with Division of Local Government Services, P.O. 803, Trenton, N.J. 08625-0803. The code numbers in brackets () are for Division of Local Government Services use only.

**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. 3 per centum of average of equalized valuations
(50221-00)
as stated in Line 5, Page 1.

\$35,171,204.37
(50214-00)

Instructions 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) \$35,171,204.37

7. School Debt as shown by
Line 4, Page 2.

(50216-00) \$0.00

8. Deduction for School Debt included in Line 4, Page 2
(smaller of Line 6 or 7).

(50217-00) \$0.00

9. Regional School Debt as shown by Line 7, Page 2.

(50218-00)

Page Total

\$0.00
(50219-00)

BONDS AND NOTES FOR SELF-LIQUIDATING PURPOSES

A. _____ SYSTEM
(insert Applicable Utility)

- 1. Terms Bonds _____ (503 1-00)
- 2. Serial bonds _____
 - (a) Issued _____ (503 2-00)
 - (b) Authorized but not issued _____ (503 3-00)
- 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 _____ (503 0-00)

B. _____ SYSTEM
(insert Applicable Utility)

- 7. Terms 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 _____ \$0.00
(50409-00)

OTHER BONDS AND NOTES

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 - 91</u>	<u>\$402,000.00</u>
(2)	<u>General Improvement Bonds - 95</u>	<u>\$919,000.00</u>
(3)	<u>General Improvement Bonds - 99</u>	<u>\$6,941,000.00</u>
(4)	<u>Special Assessment Bonds - 95</u>	<u>\$195,000.00</u>
(5)	<u>Special Assessment Bonds - 99</u>	<u>\$951,000.00</u>
(6)		
(7)		
(8)		
(9)		
(10)		
(11)		
(12)		
(13)		
(14)		
(15)		
(16)		
(17)		

OTHER BONDS AND NOTES

3. SERIAL BONDS (Continued)

(a) Issued	
(18)	
(19)	
(20)	
(21)	
(22)	
(23)	
(24)	
(25)	
(26)	
(27)	
(28)	
(29)	
(30)	
(31)	
(32)	
(33)	

Total Serial Bonds Issued

\$9,408,000.00
(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

\$0.00
(50564-00)

4. Total Serial Bonds Issued and Authorized but not Issued

\$9,408,000.00
(50565-00)

OTHER BONDS AND NOTES

7. MISCELLANEOUS BONDS AND NOTES (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>INFRASTRUCTURE LOANS</u> ECONOMIC	(50713-00)	\$2,177,806.00
(4)	<u>DEVELOPMENT LOANS</u>	(50714-00)	\$221,145.00
(5)	<u>GREEN TRUST LOANS</u>	(50715-00)	\$605,577.00
	Miscellaneous Bonds and Notes Issued		\$3,004,528.00

(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 and Notes Authorized but not Issued		\$0.00

8. Total Miscellaneous Bonds and Notes Issued and Authorized but not Issued

	\$3,004,528.00
	(50726-00)

Total of Pages 6, 7, 8 and 9

	\$19,363,090.49
	(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) _____

(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

- (1) _____
- (2) _____
- (3) _____

(50814-00)

\$0.00
(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) Reserve to pay debt _____ \$134,500.00
- (2) Cash on hand to pay notes _____ 95,000.00
- (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

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)]

(50844-00)

(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)

\$0.00
(50849-00)

Page Total

(Set forth in the following form, the figures showing whether the self-liquidating utility(s) have supported themselves during fiscal year 2001.)

Utility

(Insert Applicable Utility)

1. Total Cash Receipts from Fees, Rents or other Charges for Year	(509 1-00)	
2. Operating and Maintenance Cost	(509 2-00)	
3. Debt Service per Water Accounts		
(a) Interest	(509 3-00)	
(b) Notes	(509 4-00)	
(c) Serial Bonds	(509 5-00)	
(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)	
Refunding Bonds	(509 8-00)	
5. Anticipated Deficit in Dedicated Assessment Budget	(509 9-00)	
6. Total Debt Service	(510 0-00)	
7. Total Deductions(Line 2 plus Line 6)	(510 1-00)	
8. Excess in Revenues(Line 1 minus Line 7)	(510 2-00)	
9. Deficit in Revenues (Line 7 minus Line 1)	(510 3-00)	
10. Total Debt Service (Line 6)	(510 4-00)	
11. Deficit(smaller of Line 9 or Line 10) to Page 5	(510 5-00)	
If Excess in Revenues (Line 8)all		Utility Debt is Deductible

Utility

(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)	
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		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:2-7f)

- 1. Balance of debt incurring capacity as of December 31, 2002 under N.J.S.A. 40:1-16(d) _____
(51100-00)

- 2. Obligations heretofore authorized during 2002 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 2002 authorizations repealed during 2002 _____ (51105-00)

- 4. Net authorizations during 2002 _____ (51106-00)

- 5. Balance of debt incurring capacity December 31, 2002 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 Local Government Services of the Department of Community Affairs of the State of New Jersey this _____ day of _____, 2003.

Director