

COPY 2003

# 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, 2003

	Gross	Deduction	Net
1. (a) Total Bonds and Notes for School Purposes	\$29,875,645.70 (50011-00)		
(b) Less Applicable Deductions		\$29,875,645.70 (50012-00)	\$0.00 (50013-00)
(c) Net Debt for School Purposes			
2. (a) Total Bonds and Notes for Self-Liquidating Purposes	\$0.00 (50014-00)		
(b) Less Applicable Deductions		\$0.00 (50015-00)	\$0.00 (50016-00)
(c) Net Debt for Self-Liquidating Purposes			
3. (a) Total Other Bonds and Notes	\$18,518,678.61 (50017-00)		
(b) Less Applicable Deductions		\$0.00 (50018-00)	
(c) Net Debt for Other Purposes			\$18,518,678.61 (50019-00)
Total Gross Debt	\$48,394,324.31 (50020-00)		
Total Deductions		\$29,875,645.70 (50021-00)	
<b>4. TOTAL NET DEBT DECEMBER 31, 2003</b>			<b>\$18,518,678.61</b> (50022-00)

## 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) 2001 Equalized Valuation Real Property with Improvements plus assessed valuation of class II R.R. property **\$1,168,872,785.00**
  - (2) 2002 Equalized Valuation Real Property with Improvements plus assessed valuation of class II R.R. property **\$1,275,000,435.00**
  - (3) 2003 Equalized Valuation Real Property with Improvements plus assessed valuation of class II R.R. property **\$1,526,119,643.00**
- 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):  
39/100 of One per cent **1.39%**  
 (50039-00)

## AFFIDAVIT

STATE OF NEW JERSEY }  
County of SOMERSET } ss.  
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, 2003 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 31st day of January, 2004.

Michelle DeRocco  
Notary Public of New Jersey

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

**MICHELLE DeROCCO**  
A Notary Public of New Jersey  
My Commission Expires: **June 11, 2008**

NOTE- One copy must be filed not later than January 31, 2004 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.

# BONDS AND NOTES FOR SCHOOL PURPOSES

School District Other Than Regional School District

Issued by

Municipality (Type B) Strike out one  
 { Type II School District }

1. TERM BONDS	(50111-00)	
2. SERIAL BONDS		
(a) Issued	(50112-00)	\$17,253,000.00
(b) Authorized but not issued	(50113-00)	\$5,097,000.00
3. TEMPORARY BONDS AND NOTES		
(a) Issued	(50114-00)	
(b) Authorized but not issued	(50115-00)	
4. TOTAL OF ABOVE BONDS AND NOTES		\$22,350,000.00
		(50116-00)

Regional School District

5. SERIAL BONDS		
(a) Issued	(50117-00)	\$7,525,645.70
(b) Authorized but not issued	(50118-00)	\$0.00
6. TEMPORARY BONDS AND NOTES		
(a) Issued	(50119-00)	\$0.00
(b) Authorized but not issued	(50120-00)	
7. TOTAL OF REGIONAL SCHOOL BONDS AND NOTES		\$7,525,645.70
		(50121-00)

N.J.S.A. 40A:2-43 reads in part as follows: "Gross debt of a municipality shall also include that amount of the total of all the bonds and notes issued and authorized but not issued by any school district including the area of the municipality, which results from the application to such total of the ratio which the equalized valuation basis of the municipality bears to the sum of the equalized valuation basis of each municipality in any such school district."

## COMPUTATION OF REGIONAL AND/OR CONSOLIDATED SCHOOL DISTRICT DEBT

Municipality	Average Equalized Valuations	%	APPORTIONMENT OF DEBT - DEC. 31, 2003		
			Serial Bonds Issued	Temp. Bonds - Notes Issued	Authorized But not Issued
<b>WATCHUNG HILLS REGIONAL HIGH SCHOOL</b>					
LONG HILLS TWP.	\$1,218,569,444.00	21.37136209	\$6,929,877.87		
WARREN TWP.	\$3,159,979,712.00	55.41996063	\$17,970,476.43		
WATCHUNG BORO.	\$1,323,330,954.00	23.20867729	\$7,525,645.70		
Totals	\$5,701,880,110.00	100.00%	\$32,426,000.00	\$0.00	\$0.00

Page Total

\$29,875,645.70  
(50122-00)

**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.	<u>(50211-00)</u>
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.	<u>(50212-00)</u>
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.	<u>(50213-00)</u>
4. 3 per centum of average of equalized valuations (50221-00) as stated in Line 5, Page 1.	<u>\$39,699,928.63</u> <u>(50214-00)</u>

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) )	<u>(50220-00)</u>
6. Total	<u>\$39,699,928.63</u>
7. School Debt as shown by Line 4, Page 2.	<u>(50216-00)</u> <u>\$29,875,645.70</u>
8. Deduction for School Debt included in Line 4, Page 2 (smaller of Line 6 or 7).	<u>(50217-00)</u> <u>\$29,875,645.70</u>
9. Regional School Debt as shown by Line 7, Page 2.	<u>(50218-00)</u>

Page Total

\$29,875,645.70  
(50219-00)

# BONDS AND NOTES FOR SELF-LIQUIDATING PURPOSES

## A. \_\_\_\_\_ SYSTEM

(insert Applicable Utility)

1. Terms Bonds	_____	(503 1-00)
2. Serial bonds	_____	(503 2-00)
(a) Issued	_____	(503 3-00)
(b) Authorized but not issued	_____	(503 4-00)
3. Refunding Bonds (N.J.S.A. 40A:2-52)	_____	(503 5-00)
(a) Issued	_____	(503 6-00)
(b) Authorized but not issued	_____	(503 7-00)
4. Bond anticipation notes	_____	(503 8-00)
(a) Issued	_____	(503 9-00)
(b) Authorized but not issued	_____	
5. Capital Notes (N.J.S.A. 40A:2-8)	_____	
(a) Issued	_____	
(b) Authorized but not issued	_____	
6. Total	_____	(503 0-00)

## B. \_\_\_\_\_ SYSTEM

(insert Applicable Utility)

7. Terms Bonds	_____	(503 1-00)
8. Serial bonds	_____	(503 2-00)
(a) Issued	_____	(503 3-00)
(b) Authorized but not issued	_____	(503 4-00)
9. Refunding Bonds (N.J.S.A. 40A:2-52)	_____	(503 5-00)
(a) Issued	_____	(503 6-00)
(b) Authorized but not issued	_____	(503 7-00)
10. Bond anticipation notes	_____	(503 8-00)
(a) Issued	_____	(503 9-00)
(b) Authorized but not issued	_____	
11. Capital Notes (N.J.S.A. 40A:2-8)	_____	
(a) Issued	_____	
(b) Authorized but not issued	_____	
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)	General Improvement Bonds - 91	\$292,000.00
(2)	General Improvement Bonds - 95	\$804,000.00
(3)	General Improvement Bonds - 99	\$6,441,000.00
(4)	Special Assessment Bonds - 95	\$130,000.00
(5)	Special Assessment Bonds - 99	\$815,000.00
(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

\$8,482,000.00  
(50547-00)

## (b) Authorized but not issued

(1)	Purchase of Front End Loader 03-01	<u>\$99,500.00</u>
(2)	Various Sanitary Sewer Improvements 03-03	<u>\$1,202,000.00</u>
(3)	Various Road Water Improvement Projects	<u>\$572,565.00</u>
(4)	Improvement of Anderson Road	<u>\$138,000.00</u>
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
(11)		
(12)		
(13)		

Total Serial Bonds Authorized but not Issued

\$2,012,065.00  
(50564-00)  
\$10,494,065.00  
(50565-00)

## 4. Total Serial Bonds Issued and Authorized but not Issued

## OTHER BONDS AND NOTES

### 5. BOND ANTICIPATION NOTES (state purposes separately)

(a) Issued		
(1)	Various Public Improvements 00-06	\$535,000.00
(2)	Various Capital Improvements 01-10	\$965,000.00
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
(11)		

#### Bond Anticipation Notes Issued

\$1,500,000.00  
(50625-00)

#### (b) Authorized but not issued

(1)	Reconstruction of Johnson Drive -97-17	\$100,000.00
(2)	Reconstruction of Hill Hollow Road - 98-19	\$59,745.49
(3)	Road Improvements - 98-22	\$64,500.00
(4)	Rehabilitation of Dwellings - 98-23	\$85,500.00
(5)	Installation of Sanitary Sewer - 99-12	\$56,696.00
(6)	Installation of Sanitary Sewer - 99-13	\$4,616.00
(7)	Installation of Sanitary Sewer - 99-14	\$69,805.00
(8)	Road Resurfacing - 00-05	\$22,500.00
(9)	Sewer Design, Construction & Rehabilitation - 00-12	\$29,500.00
(10)	Purchase of Equipment - 01-09	\$157,700.00
(11)	Various Capital Improvements - 01-10	\$3,051,000.00
(12)		

#### Bond Anticipation Notes Authorized but not Issued

\$3,701,562.49  
(50661-00)

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

\$5,201,562.49  
(50662-00)

## 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)	INFRASTRUCTURE LOANS ECONOMIC	(50713-00)	\$2,078,633.34
(4)	DEVELOPMENT LOANS	(50714-00)	\$196,376.20
(5)	GREEN TRUST LOANS	(50715-00)	\$548,041.58
	Miscellaneous Bonds and Notes Issued		\$2,823,051.12

(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

	\$2,823,051.12
	(50726-00)

Total of Pages 6, 7, 8 and 9

	\$18,518,678.61
	(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

(1) \_\_\_\_\_

(2) \_\_\_\_\_

(3) \_\_\_\_\_

\_\_\_\_\_  
\$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) \_\_\_\_\_

(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)

Page Total

\_\_\_\_\_  
\$0.00  
(50849-00)

(Set forth in the following form, the figures showing whether the self-liquidating utility(s) have supported themselves during fiscal year 2003)

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, 2003 under N.J.S.A. 40:1-16(d)       | _____            |
|   | (51100-00)       |
| 2. Obligations heretofore authorized during 2003 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 2003 authorizations repealed during 2003  | _____ (51105-00) |
| 4. Net authorizations during 2003   | _____ (51106-00) |
| 5. Balance of debt incurring capacity December 31, 2003 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 \_\_\_\_\_, 2004.

\_\_\_\_\_  
Director