

**TOWNSHIP OF EAST BRUNSWICK**  
**IN THE COUNTY OF MIDDLESEX, NEW JERSEY**

**OFFICIAL STATEMENT**

April 14, 2010

**THE TOWNSHIP OF EAST BRUNSWICK  
COUNTY OF MIDDLESEX  
STATE OF NEW JERSEY**

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No dealer, broker, salesperson or other person has been authorized by the Township of East Brunswick, New Jersey to give any information or to make any representations, other than those contained in this Generic Statement and if, given or made, such other information or representations must not be relied upon as having been authorized by the Township. The information contained herein reflects the latest financial information available.

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This Generic Statement is not to be construed as a contract or agreement between the Township of East Brunswick, New Jersey and the purchasers or holders of any of the Debt Instrument. Any statements made in this Generic Statement, involving matters of opinion, whether or not expressly so stated, are intended merely as an opinion and not as representations of fact. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Generic Statement, nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Township of East Brunswick, New Jersey since the date hereof.



**GENERIC STATEMENT  
OF THE  
TOWNSHIP OF EAST BRUNSWICK  
IN THE  
COUNTY OF MIDDLESEX, NEW JERSEY**

**INTRODUCTION**

This Generic Statement which includes the cover page and the appendices has been prepared by the Township of East Brunswick and provides certain information relating to the Township of East Brunswick (the "Township") in connection with the sale of its Bonds, Bond Anticipation Notes or Tax Anticipation Notes described below (the "Debt Instrument"). This Generic Statement has been executed on behalf of the Township by the Township's Chief Finance Officer and meets the Secondary Market Disclosure, SEC requirements. Information has been developed by the Chief Finance Officer from Township records and from the Annual Audit.

**PURPOSE OF ISSUE**

A separate offering notice describing each Bond(s) or Note(s) to be issued during the next twelve (12) months will be provided prior to each offering and attached to this Generic Statement.

**SECURITY FOR THE DEBT INSTRUMENT**

The Debt Instrument is a general obligation of the Township and, unless paid from other sources, the Township is authorized and required by law to levy ad valorem taxes on all taxable real property within the Township without limitation as to rate or amount for the payment of the principal of and interest on the Debt Instrument. The full faith and credit of the Township are irrevocably pledged for the payment of principal of and interest on the Debt Instrument.

**AUTHORIZATION**

The Debt Instrument has been authorized and is to be issued pursuant to the laws of the State of New Jersey, including the Local Bond Law, constituting Chapter 2 of Title 40A of the New Jersey Statutes. The Debt Instrument is authorized by bond ordinances and resolutions adopted by the Mayor and Council of the Township. All of the ordinances included in the sale were published in full or in summary form after their adoption along with the statement that the twenty day period of limitation within which a suit, action or proceeding questioning the validity of the authorizing bond ordinances can be commenced began to run from the date of the first publication of such estoppel statement. The Local Bond Law provides that after issuance all obligations shall be conclusively presumed to be fully authorized and issued by all laws of the State, and any person shall be estopped from questioning the sale, execution or delivery of the Debt Instrument by the Township.

## **BOOK-ENTRY ONLY SYSTEM**

The description which follows of the procedures and recordkeeping with respect to beneficial ownership interest in the Bonds, payment of principal and interest and other payments on the Bonds to Direct and Indirect Participants (defined below) or Beneficial Owners (defined below), confirmation and transfer of beneficial ownership interests in the Bonds and other related transactions by and between DTC, Direct Participants and Beneficial Owners, is based on certain information furnished by DTC to the Township. Accordingly, the Township does not make any representations as to the completeness or accuracy of such information.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each issue of the Bonds, each in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 85 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation, (NSCC, GSCC, MBSCC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Township as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Paying Agent, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Township as Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The Township may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Township believes to be reliable, but the Township takes no responsibility for the accuracy thereof.

**THE PAYING AGENT WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATION TO SUCH DTC PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE PAYMENTS TO OR PROVIDING OF NOTICE FOR THE DTC PARTICIPANTS OR THE INDIRECT PARTICIPANTS, OR BENEFICIAL OWNERS.**

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE BONDS, AS NOMINEE OF DTC, REFERENCES HEREIN TO THE BONDHOLDERS OR REGISTERED OWNERS OF THE BONDS (OTHER THAN UNDER THE CAPTION "TAX EXEMPTION") SHALL MEAN CEDE & CO. AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE BONDS.

#### **Discontinuation of Book-Entry Only System Discontinuation of Book-Entry Only System**

If the Township, in its sole discretion, determines that DTC is not capable of discharging its duties, or if DTC discontinues providing its services with respect to the Bonds at any time, the Township will attempt to locate another qualified Securities Depository. If the Township fails to find such Securities Depository, or if the Township determines, in its sole discretion, that it is in the best interest of the Township or that the interest of the Beneficial Owners might be adversely affected if the book-entry only system of transfer is continued (the Township undertakes no obligation to make an investigation to determine the occurrence of any events that would permit it to make such determination) the Township shall notify DTC of the termination of the book-entry only system.

In the event that the book-entry only system for the Bonds is discontinued, the Township has, pursuant to the Resolution, provided that upon receipt of the Bond certificates from DTC and the Participant information, the Township will authenticate (or cause to be authenticated) and deliver definitive Bonds to the holders thereof, and the principal of and interest on the Bonds will be payable and the Bonds may thereafter be transferred or exchanged in the manner described in the Bond certificates so provided.

### **SALE AND DELIVERY**

A detailed Notice of Sale, closing and delivery instructions will be provided separately for each offering during current year and after.

### **GENERAL INFORMATION**

#### **Information**

The Township was formally established on February 28, 1860 by an Act of the New Jersey Legislature in accordance with the Jersey Town Act of 1798. Located in central northeastern New Jersey astride the major transportation corridor, the Township is in close distance to New York City and Philadelphia.

#### **Governmental Structure**

The Township is managed under a Mayor-Council form of government authorized under Plan E of the Faulkner Act of 1950. This form of government, adopted in 1965 by Township voters, provides for, among other things, the direct election of the Mayor and Council by the electorate, the separation of legislative power from administrative functions, and the employment of full time professional personnel in Finance, Public Safety, Purchasing, Administration and Health and Welfare. All governmental units are housed in a modern Municipal Complex constructed in recent years.

#### **Utilities**

The Township of East Brunswick operates a number of utilities which are different than the traditional Authorities which are often created by county and local governments. A utility is a self liquidating, enterprise account and the Mayor and Council serve as the Board of Directors for the operating utility. The utility is part of the general governmental structure and the Township of East Brunswick has operated the following utilities which are described in the Generic Official Statement.

**Water Utility.** This utility provides water to 98.0% of our residents and we have operated the utility since 1952. The utility is self liquidating and fees cover all operational and debt service costs. The Township holds a water diversion privilege from the N.J. State Water Supply Authority which operates the Spruce Run/Round Valley Reservoir. We have a long term contract with Middlesex Water Company to treat and pump our diversion. A Consumer Confidence Report is available upon request.

**Pool Utility.** The Township has operated a municipal pool utility for more than thirty (30) years. In 1995, the lake was filled and a new blue water facility known as Crystal Springs Aquatic Facility was developed. Crystal Springs consists of seven (7) water facilities, one of which is a lazy river, two slides, a children's pool, two Olympic sized pools and other activity pools. The Crystal Springs facility has proven to be very successful and operates on a self liquidating basis. We provide recreational activities over the 100 day season to about 100,000 guests each year.

**Parking Utility.** The Township commenced a parking utility in 1980 when it purchased from bankruptcy a large parcel of property along Route 18. The utility was expanded to a second site with the construction of the Tower Centers Parking Garage at the intersection of the New Jersey Turnpike and Route 18. A new 1,685 stall parking garage was constructed as Route 18 and Tices Lane. The two facilities, ie: Transportation and Commerce Center and the Neilson Plaza will permit us to commute on average 3,000 commuters each day. The Township controls the parking by charging a fee and we have a contract with Coach USA-Suburban bus to provide commuter service. We receive a rental fee from Coach USA-Suburban and we retain all of the parking revenues. The utility is self liquidating.

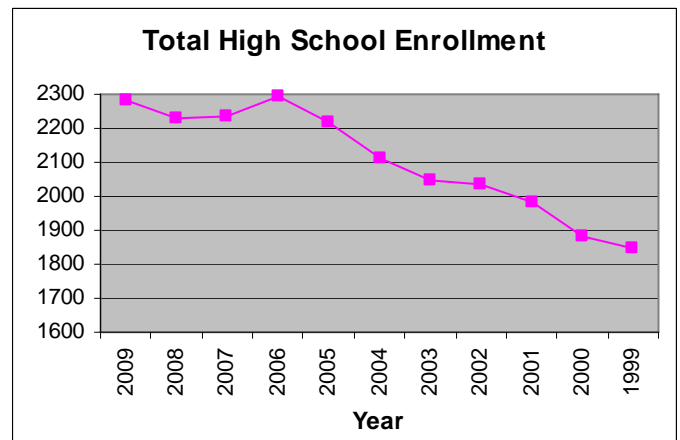
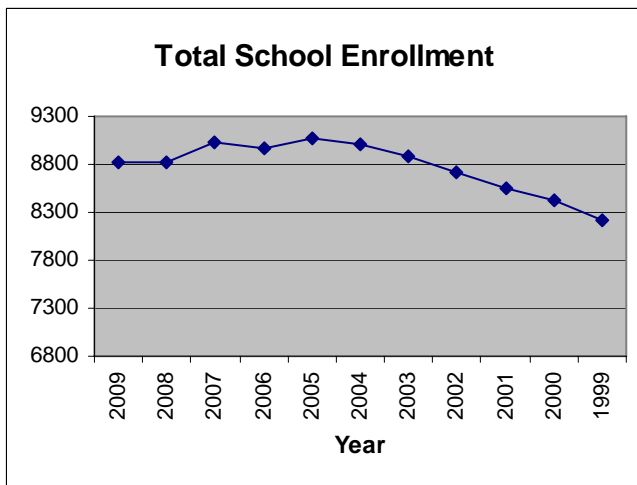
**Police Firearms Training Utility.** In October 1999, the township opened a new Police Firearms Training facility which consists of twelve (12) ports permitting twelve (12) individuals to qualify at one time. Beyond the twelve (12) shooting ports, we will have an IMAX Theater which will allow for three dimensional real live training programs to be offered to uniform personnel. We have more than thirty (30) scenarios developed in conjunction with a professional training firm. The township also has available a classroom within the facility and we hope to have contracts with communities throughout the state to qualify Public Safety officers. Current requirements are for uniformed personnel to qualify with their weapons twice annually and qualifications require a minimum of sixty (60) rounds each time with day and night shooting. We also are the only facility in the state that has what is referred to as a running man target which allows one to improve their proficiency with the weapon. The Attorney General has recommended that all uniformed personnel have access to or qualify with a running man target beyond the normal qualification process. We believe the Police Firearms Training Utility will be self liquidating. It will be restricted to uniformed qualified personnel only and it will enhance the capabilities of our uniformed personnel.

## **Governmental Services**

**Education.** The Township has 8 elementary schools (K-5), one middle school (6 & 7), one junior high school (8 & 9) and a senior high school (10-12). In 1991 a long range facility plan was developed by the Vitetta Group of Camden, N.J. for the Board of Education. The report stated that school enrollments, while declining over the last few years, will show a steady increase over the next five years. This has necessitated additions to three (3) elementary schools and the middle school the past two years. The projected growth will require the purchase of an administrative building, the reopening of an elementary school and may require an addition to the senior high school. The changes as projected to take place will be over a five (5) year period depending on growth.

## TOTAL SCHOOL ENROLLMENT ENROLLMENTS AS OF JUNE 30

SCHOOL	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
BOWNE	297	314	292	229	311	315	319	304	300	317	301
CENTRAL	443	458	439	441	466	468	476	478	484	480	474
CHITTICK	495	514	609	560	553	582	563	553	551	592	568
FROST	504	509	553	528	567	579	586	568	540	554	558
IRWIN	441	434	533	536	549	508	543	534	527	516	513
LAW. BROOK	572	526	449	451	469	473	453	446	450	461	444
MEMORIAL	377	389	388	378	383	384	376	368	362	356	356
WARNSDORFER	500	543	563	588	575	561	553	565	528	553	562
HAMMARSKJOLD	1441	1414	1,427	1,468	1,509	1,483	1,424	1,472	1,476	1,348	1,282
CHURCHILL	1461	1498	1,547	1,501	1,483	1,548	1,536	1,383	1,331	1,354	1,313
HIGH SCHOOL	<u>2284</u>	<u>2229</u>	<u>2,236</u>	<u>2,297</u>	<u>2,216</u>	<u>2,113</u>	<u>2,050</u>	<u>2,036</u>	<u>1,981</u>	<u>1,883</u>	<u>1,847</u>
<b>TOTALS</b>	<b>8,815</b>	<b>8,828</b>	<b>9,036</b>	<b>8,977</b>	<b>9,081</b>	<b>9,014</b>	<b>8,879</b>	<b>8,707</b>	<b>8,541</b>	<b>8,434</b>	<b>8,218</b>



### Census Information

The 2000 Census has been conducted and information is being trickled out by the Census Bureau over the course of the next twelve (12) months. Rather than try and delineate obsolete or stale information, we are deleting this section from the current Official Statement. After more information has been completed, we will be able to provide detailed statements in future tables. You can obtain the information from the Census Bureau through the Internet and be much more current than data available at the time of printing this Official Statement.

<u>Place</u>	<u>7/07 Pop</u>	<u>7/03 Pop</u>	<u>Change</u>	<u>Percent</u>
Middlesex County	786,971	780,995	5,976	0.8%
East Brunswick	47,649	48,337	-688	-1.4%

## Management, Discussion and Analysis

The Governmental Accounting Standards Board (GASB) promulgated a governmental financial reporting model for state and local governments in June of 1999. An area of controversy was reporting model to require local and state governments to present general government infrastructure assets in their financial statement based upon historical costs. The Government Finance Officers Association (GFOA) found this position to be unacceptable and under Generally Accepted Accounting Principles (GAAP) state and local governments are not required to report the infrastructure assets in their financial statement. East Brunswick Township agrees with the Government Finance Officers Association and is opposed to reporting governmental assets. That being said there are valid recommendations contained within the GASB reporting model.

One criticism of local government is the amount of time which elapses between the authorization of a project and completion. In some cases, authorizations have been made through capital appropriations and the projects not completed for many years. To provide full disclosure a table summarizing capital authorizations from 1995 through 2009 has been prepared. The table delineates the authorization by ordinance for each particular year and the general purpose of the ordinance. The table reports the year the indebtedness was incurred and summary information on annual and total paydown each year. As you look at the table, you will see over the period of time, 1995 through 2009, the Township has authorized debt of \$188,054,675. The aggregate paydown in the forms of either bond retirement or note paydown has been \$88,518,485. Please observe the Township has adopted a very aggressive paydown schedule and we expect to continue this aggressiveness into the future.

The primary purpose of this table and dialogue is to report to bondholders how the Township has expended funds and paid down debt over the past 16 years to report as projects are completed. You will see most of the projects have been completed or soon to be completed. One will also be able to observe that East Brunswick uses its ability to enter the capital market to assist the Board of Education in receiving least cost financing for improving schools. We believe we are one of the few Type II school/municipalities in the State of New Jersey that offers a lease purchase agreement to the Board of Education, thereby not causing the Board to issue Certificates of Participation (COPs) through the regular market. This level of cooperation between the two political bodies (Township Council and the Board of Education), ultimately results in significant savings for the taxpayers. This same process is used by all three Fire Districts and the East Brunswick Rescue Squad to meet their capital needs.

### Post Retirement Health Benefits

In addition to the pension and retirement plans the Township provides post retirement health care benefits, in accordance with State statute N.J.S.A. 40A:10-23 to employees who retire with at least 25 years of service with the Township, or go out on disability with 10 years of service or more. The Township does not issue a publicly available financial report for the plan. Benefit provisions for the plan are established and amended with the approval of the Township's governing body and there is no statutory requirement for the Township to continue this plan for future Township employees. The plan is a contributory plan with all payments for plan benefits being funded by the Township.

GASB Statement 45 requires that the Township disclose its annual OPEB cost for the plan which is calculated based on the annual required contribution ("ARC"), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. However, Local Finance Notice 2007-15, *Implementing GASB 45: Disclosure of Liabilities for Other Post-Employment Benefits for Municipalities and Counties*, does not require municipalities and counties to calculate the ARC. The Township has elected to not calculate the ARC and therefore no amount is disclosed. The actual amounts paid for the OPEB benefits, accounted for on the pay-as-you-go basis, for retired Township employees during 2008 totaled \$856,792.73.

As of December 31, 2009, the actuarial accrued liability for benefits was \$57,442,879, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$27,846,575, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 48.48%.

The actuarial valuation date is December 31, 2009. Actuarial valuations involve estimates of the value reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funding status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the Township and the plan members to that point. Actuarial calculations reflect a long-term perspective and employee methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

For the December 31, 2009 actuarial valuation, the project unit credit funding method was used. The actuarial assumptions included a 4.5% discount rate and an annual healthcare cost trend rate of 9% in 2009, reducing by 0.5% per annum, leveling at 5% per annum in 2019, for medical, dental and prescription. As required by Local Finance Notice 2007-15, the Township's demographics assumptions were selected based on those used by the State Division of Pensions and Benefits calculation from its July 1, 2007 report and the Benefits Program (SHBP) in calculating SHBP member OPEB requirements from its July 1, 2007 report. Of the former employees receiving benefits, currently 50 of the 132 retirees receiving single benefits are 65 or older and 41 of the 132 retirees receiving family coverage are 65 or older. Those retirees 65 or older are obligated to pay their Medicare Part B portion and the Township only funds the exceptions to Medicare. Additionally, as of December 31, 2009, there are 398 active participants in the plan. The cost of family coverage is \$14,050.20 per family unit and single coverage is \$6,527.04 per participant for medical, dental and prescription drug.

#### **Accrued Sick and Vacation Benefits**

Under contractual agreements with the various collective bargaining groups, unused sick time is accumulated toward future use or payment upon separation from employment. Under past policy, the Township appropriated sufficient funds to pay the liability to employees who retired or left their position on a current basis. This appropriation was included in the regular appropriations for salary and wages. Effective in 1983, a separate line item appropriation was provided for this purpose in the current fund. Beginning in 1987, employees were given the option of turning their unused sick and vacation time for cash payment, a deposit in the "Excess Benefit Trust Fund" or the Deferred Compensation Program, the latter of two of which are maintained by the Hartford Variable Life Insurance Company. The latter plan is under Internal Revenue Code Section 457 and has been approved by the State Department of Community Affairs. Cash payments are charged as though current income to the employees whereas taxes are deferred on deposits into the Trust Fund. The "Excess Benefit Trust Fund" amounted to \$22,570.328 and \$2,353,941 at December 31, 2009 and 2008, respectively and appears on the General Trust Fund balance sheet and is subject to the claims of general creditors of the Township

There is also an estimated current liability in the sum of \$1,840,000 existing for potential claims based upon accruals of sick and vacation time earned and not utilized for management, members of the Municipal Employees Association, the Police Benevolent Association and the Superior Officers Associations. This amount represents the current value of all accumulations and is not intended to portray amounts that would be recorded under GAAP. The Township has not discounted the total based upon study of utilization or the likelihood of the amount of accumulations vesting with employees. The expected pays for these accruals are funded through the annual budget, Self Insurance Plan, the Fringe Benefit Fund and the Cost of Living Pension Health Fund. No amount is accrued for this estimated liability in the financial statements.

**GENERAL CAPITAL  
1997-2010**

DATE	ORD. #	DESCRIPTION	INDEBTEDNESS		ANNUAL PRINCIPAL PAYDOWN		
			INCURRED BY YEAR	NEW DEBT BY YEAR	BOND PRINCIPAL RETIRED*	NOTE PAYDOWN	STATUS
2010	10-01	Multi Purpose Bond Ordinance	2,580,000	2,340,000		5,808,000	In Process
2009	09-02	Reconstruction of Various Roads	1,500,000				In Process
	09-05	Fire District #3 - New Fire Truck	570,000				In Process
	09-08	Water Main Replacement	3,700,000				In Process
	09-14	Reconstruction of Harts Lane	<u>400,000</u>	6,170,000		7,815,294	In Process
2008	08-21	Acquisition of Property	25,000,000				On Hold
	08-03	Fire District #2 - Supplemental 05-02	2,500,000				In Process
	08-14	Various Capital Improvements	<u>1,787,028</u>	29,287,028		10,272,560	Completed
2007	07-09	Various Capital Improvements	2,589,150				Completed
	07-24	Fire District #1 - New Fire House	<u>6,100,000</u>	8,689,150		10,070,350	In Process
2006	06-08	Heavenly Farms Sport Field	2,700,000				Completed
	06-09	Various Capital Improvement	5,890,500				Completed
	06-10	New Parking Facility	32,000,000				Completed
	06-26	Ambulance	<u>155,000</u>	40,745,500		13,301,300	Completed
2005	05-02	Land Acquisition	3,000,000				Completed
	05-07	Various Capital Improvements	2,417,000				Completed
	05-19	School Improvements	<u>1,000,000</u>	6,417,000	447,000	12,598,300	Completed
2004	04-01	Land Acquisition for Open Space	12,000,000				Completed
	04-04	Capital Improvements	2,582,794				Completed
	04-12	Land Acquisition	1,900,000				Completed
	04-14	Road Improvements - Fresh Ponds Rd	108,300				Completed
	04-15	Improvements EB High School	<u>6,550,000</u>	23,141,094			Completed
2003	03-02	Board of Education Equipment	2,500,000				Completed
	03-11	Capital improvements	2,579,000				Completed
	03-12	Fire District #1 - equipment	1,100,000				Completed
	03-14	Road improvements - Tices Lane	3,500,000				Completed
	03-24	Fire District #3 - equipment	<u>359,000</u>	10,038,000	604,242	6,924,300	Completed
2002	02-06	Capital Improvements	2,011,603				Completed
	02-19	Tree Repl, Sidewalk, Curb & Apron Improv	<u>304,000</u>	2,315,603	614,060	6,510,800	Completed
2001	01-10	EB Fire District/Lease Purchase	387,000				Completed
	01-18	Tree Repl, Sidewalk, Curb & Apron Improv	220,000				Completed
	01-20	Various capital improvements	1,780,000				Completed
	01-27	Board of Education Improvements	5,000,000				Completed
	01-32	Tree Repl, Sidewalk, Curb & Apron Improv	<u>400,000</u>	7,787,000	623,881	5,237,375	Completed
2000	00-6	Various capital improvements	2,341,900				Completed
	00-10	Tree Repl, Sidewalk, Curb & Apron Improv	300,000				Completed
	0017	EB Fire District/Fire Truck	<u>450,000</u>	3,091,900	633,706	5,223,400	Completed
1999	99-1	Land Acquisition	3,600,000				Completed
	99-2	Board of Education/Lease Purchase	14,300,000				Completed
	99-15	Various capital improvements	2,261,000				Completed
	99-25	Computer Related Equipment	3,150,000				Completed
	99-40	East Brunswick Rescue Squad	<u>840,000</u>	24,151,000	643,534	5,496,300	Completed
1998	98-10	Road resurfacing	1,000,000				Completed
	98-11	Various capital improvements	1,267,300				Completed
	98-19	Acq. of Open Space	5,000,000				Completed
	98-20	Acq. & Dev. of Pistol Range	1,150,000				Completed
	98-27	Acq. of Ambulance	<u>105,000</u>	8,522,300	1,236,367	4,135,300	Completed
1997	97-17	Various Capital Improvements	1,765,000	1,765,000	1,246,201	2,697,500	Completed
			<b>172,120,575</b>	<b>172,120,575</b>	<b>6,048,991</b>	<b>96,090,779</b>	

**HISTORICAL ECONOMIC INFORMATION  
BUILDING PERMITS**

<u>Year</u>	<u>Permits</u>	<u>Construction Value*</u>	<u>All Other # of Certificates Of Occupancy Issued</u>	<u># of COs Issued for New Residential Units</u>
2009	2,733	\$30,241,699.00	323	38
2008	2,773	48,426,248.00	351	28
2007	2,751	43,415,715.00	408	84
2006	2,880	136,953,299.00	379	117
2005	3,307	60,015,006.00	457	77
2004	3,209	52,252,314.00	611	30
2003	3,243	103,412,481.00	448	126
2002	3,209	127,950,898.00	528	101
2001	3,039	73,368,942.00	542	69
2000	3,161	76,704,965.00	496	87
1999	2,922	61,642,612.00	519	121
1998	2,937	76,159,642.00	494	281
1997	3,126	101,689,054.00	463	344
1996	4,022	62,258,605.00	995	219
1995	5,930	36,825,149.00	397	115
1994	7,956	47,679,000.00	365	39
1993	7,089	25,164,027.00	305	37

**CONSTRUCTION VALUE OF BUILDING PERMITS**

	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>
New Residential	\$40,652,250.00	\$17,376,438.00	\$25,258,131.00	\$27,449,870.00
Res. Alterations/Additions	9,926,273.00	11,569,130.00	13,885,950.00	13,850,028.00
New Commercial/Industrial	9,388,400.00	2,177,900.00	1,800,371.00	15,664,463.00
Comm'l Alterations/Additions	<u>16,192,719.00</u>	<u>30,519,144.00</u>	<u>35,760,513.00</u>	<u>16,404,581.00</u>
	<u>\$76,159,642.00</u>	<u>\$61,642,612.00</u>	<u>\$76,704,965.00</u>	<u>\$73,368,942.00</u>
	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>
New Residential	\$49,567,966.00	\$56,391,988.00	\$15,862,810.00	\$4,907,043.00
Res. Alterations/Additions	18,116,875.00	24,681,139.00	18,510,171.00	16,976,914.00
New Commercial/Industrial	9,775,500.00	12,944,635.00	1,564,000.00	17,441,000.00
Comm'l Alterations/Additions	<u>50,490,557.00</u>	<u>9,394,719.00</u>	<u>16,315,333.00</u>	<u>17,356,450.00</u>
	<u>\$127,950,898.00</u>	<u>\$103,412,481.00</u>	<u>\$52,252,314.00</u>	<u>\$56,681,407.00</u>
	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
New Residential	\$7,206,842.00	\$2,873,400.00	\$ 2,038,000.00	\$ 500,000.00
Res. Alterations/Additions	17,935,739.00	20,357,444.00	18,902,838.00	13,112,650.00
New Commercial/Industrial	1,492,618.00	5,230,700.00	9,144,432.00	1,860,151.00
Comm'l Alterations/Additions	<u>110,318,100.00</u>	<u>14,954,282.00</u>	<u>18,400,978.00</u>	<u>14,657,898.00</u>
	<u>\$136,953,299.00</u>	<u>\$43,415,715.00</u>	<u>\$48,486,248.00</u>	<u>\$30,241,699.00</u>

Through December 31, 2009

## HISTORY TAX RATES FOR REAL PROPERTY (RATE PER \$100 OF ASSESSED VALUE)

Year	Rate	Rate Division			Municipal Open Space	County Open Space
		School	Municipal	County		
2009	8.57	5.65	1.69	1.09	0.02	0.12
2008	8.29	5.64	1.49	1.02	0.02	0.12
2007	7.91	5.40	1.40	0.97	0.02	0.12
2006	7.37	5.03	1.27	0.96	0.02	0.09
2005	6.96	4.75	1.19	0.91	0.02	0.09
2004	6.51	4.41	1.11	0.89	0.02	0.08
2003	6.22	4.17	1.10	0.86	0.02	0.07
2002	5.82	3.86	1.04	0.83	0.02	0.07
2001	5.38	3.55	1.01	0.78	0.02	0.02
2000	5.07	3.29	0.98	0.76	0.02	0.02
1999	4.89	3.13	0.98	0.74	0.02	0.02
1998	4.76	3.01	0.96	0.75	0.02	0.02
1997	4.64	2.90	0.96	0.76		0.02
1996	4.54	2.78	0.97	0.77		0.02
1995	4.38	2.68	0.93	0.77		
1994	4.19	2.57	0.85	0.77		
1993	4.03	2.45	0.85	0.73		
1992	3.83	2.31	0.79	0.73		
1991	3.75	2.24	0.78	0.73		
1990	3.71	2.18	0.79	0.74		
1989	3.54	2.05	0.79	0.70		

\* There are three local Fire Districts in the Township. Their rates are: Fire District #1 – 0.26; Fire District #2 – 0.10; Fire District #3 – 0.25.

### DEBT STATEMENT December 31, 2009

	<u>Gross</u>	<u>Deduction (1)</u>	<u>Net</u>
1.Total Bonds and Notes			
For School Purposes	\$102,372,480.00		
Less Applicable Deductions.....		\$102,372,480.00	
Net Debt for School.....			\$ 0.00
2.Total Bonds and Notes			
Self-Liquidating Purposes	\$ 64,060,450.00		
Less Applicable Deductions.....		\$ 64,060,450.00	
Net Debt Self-Liquidating.....			\$ 0.00
3.Total Other Bonds and Notes			
General Purposes	\$ 52,804,208.61		
Less Applicable Deductions.....		\$ 12,699,811.00	
Net Debt for Other Purposes			\$40,104,379.61
TOTAL GROSS DEBT	<u>\$219,247,138.61</u>		
TOTAL DEDUCTIONS.....		<u>\$179,132,741.00</u>	
TOTAL NET DEBT.....			<u>\$40,104,379.61</u>

(1) Deduction column is utilized to reflect deductions of the School Debt permitted under New Jersey Statutes. Utility Debt (NJSA 40A:2-45) is sometimes chargeable to the statutory borrowing capacity of the Township but in no way relieves the Utilities from the payment of the Gross Debt shown above. The self-liquidating formula used by the State only includes fees and charges but miscellaneous income is not part of the self-liquidating formula. Therefore, all utility debt is deducted for this statement which is not the same as reported in the annual audit.

(2) \$12,699,811.00 of general debt is to fund various school and fire district improvements through Shared Services Agreements.

**COMPARATIVE ANALYSIS BUDGET TO REVENUE – CURRENT FUND**

<b>Revenue Item</b>	<b>2008 Realized</b>	<b>2009 Budget</b>	<b>2009 Realized</b>	<b>2010 Budget*</b>
Fund Balance	2,878,000	2,500,000	2,500,000	2,900,000
Receipt of Delinquent Taxes	2,005,855	1,200,000	2,148,994	1,355,000
Alcoholic Beverage License	56,125	55,375	55,625	55,375
Const. Code Official Fees & Permits				
Fees and Other Permits	305,073	230,000	287,348	230,000
Municipal Court Fines & Csts.	1,292,318	1,250,000	1,069,568	1,000,000
Interest and Costs on Taxes	435,079	285,000	494,707	400,000
Energy Receipts Tax (Franchise/Gross) *	3,958,591	4,187,114	4,187,114	3,668,676
Special State Aid - Extraordinary Aid				
C M P T R A	1,413,417	1,050,594	1,050,594	497,921
Int. on Investments & Deposits	879,727	950,000	422,691	400,000
Recreation Fees	974,196	959,854	1,000,192	959,854
Recreation Fees – Add	99,110	0		
Alliance Prev Alch & Drug-County	42,854	42,854	41,454	41,454
BPU-Host Community Benefits	3,205,888	3,500,000	4,010,934	3,500,000
MCUA Fees – Add	987,350	1,011,010	1,011,010	1,046,010
Statewide Mandatory Recycling Funds	75,824	50,000	19,843	50,000
Sale of Assets - Trust Account	46,665	40,000	30,582	30,000
Shared Services Agreements:				
Fire Districts 1, 2 & 3	602,194	506,193	506,193	516,138
E B Rescue Squad	92,624	123,337	123,337	0
EB Board of Education	4,500,141	1,668,745	1,668,745	2,082,000
Communication Interlocal	31,891	32,000	50,509	32,000
School Aged Child Care	2,058,896	2,050,470	2,050,470	0
Sports Camp	42,542	42,500	34,025	33,675
Police Sign Sales	5,000	5,000	9,836	5,000
Developers Contribution	4,500,000	0	0	0
Clean Community Grant	58,002	74,232	74,232	74,232
EBBIC (ROID Grant)	20,000	15,000	15,000	15,000
Capital Surplus	200,000	300,000	300,000	300,000
Escrow Trustee	1,250,000	700,000	700,000	700,000
Fed/Police Emergency Mgmt Grant	5,000	5,000	5,000	5,000
Safe and Secure Community	56,757	58,769	58,769	58,769
State Aid Per Capita				
MCIA Recycling/Newspaper	50,000	50,000	54,139	50,000
Aggressive Driving	12,260	4,000	4,000	0
Community Housing Grant	39,269	39,269	39,269	39,269
Seat Belt Grant				
Police Quasi Reimbursement	75,000	75,000	75,000	0
Grant Matching	5,000	5,000	5,000	5,000
Sports Programs	21,717	21,700	22,430	21,700

\*Planned but not approved

Revenue Item	2008 Realized	2009 Budget	2009 Realized	2010 Budget*
Public Safety Body Armor		12,000	12,000	6,000
DMV – Grant	126,750	100,000	117,000	120,000
Highway Traffic Safety Grant		4,000	4,000	0
Drunk/Over Limit	5,000	0	0	0
Watershed Moratorium Offset Aid	7,567	7,567	7,567	0
Energy Reimbursement	50,000	50,000	50,000	50,000
Open Space – State - County				
State Forestry Services		25,000	25,000	7,000
Duke Energy Foundation				
Sidewalk Payment	100,000	0	0	0
NJDOT	1,000,000	454,000	197,748	400,751
Discovery Fees	24,000	30,000	30,000	30,000
Middlesex Bike Grant				
PARIS Grant				
EB Daisy Association	66,300	35,901	35,901	35,901
Police Youth Academy	2,850	0	0	0
East Brunswick Housing Corp.	3,500	15,000	0	0
Hotel Tax	700,000	700,000	700,000	700,000
County Senior Citizens	9,500	9,500	9,500	9,500
J&J Senior Citizens Grant	1,800	0	0	0
Pension Trust		427,644	427,644	0
Cops In Shop		5,500	6,000	0
Heritage Commission Grant		1,452	1,595	1,900
Justice Assistance Grant (JAG)		25,685	28,017	0
Daisy Saturday PM Program (SPA)		8,063	8,800	25,000
McDonough Summer Entertainment		9,944	10,850	0
Senior Meals Program		16,818	16,818	0
Environmental Grant				199,300
Alcohol Education & Rehab				112,000
Misc. Revenues Not Anticipated	282,509		188,699	
<b>Totals</b>	<b><u>34,662,141</u></b>	<b><u>25,009,272</u></b>	<b><u>26,003,749</u></b>	<b><u>21,769,425</u></b>

\*Planned but not approved

## COMPARATIVE ANALYSIS BUDGET TO REVENUE

<b>WATER UTILITY</b>	<b>2008</b>	<b>2009</b>	<b>2009</b>	<b>2010</b>
<b>Anticipated Revenues</b>	<b>Realized</b>	<b>Budget</b>	<b>Realized</b>	<b>Budget</b>
Surplus	1,157,590.00	1,377,204.00	1,377,204.00	1,075,431.00
Connection Fees	119,105.41	100,000.00	100,000.00	40,000.00
Interest on Investments	50,000.00	50,000.00	12,981.00	30,000.00
Water Rents	7,129,616.83	6,000,000.00	7,141,133.00	6,500,000.00
Misc. Revenues	<u>00.0</u>	<u>0.00</u>	<u>55,700.00</u>	<u>0.00</u>
<b>TOTAL WATER UTILITY</b>	<b>8,456,312.24</b>	<b>7,527,204.00</b>	<b>8,687,018.00</b>	<b>7,645,431.00</b>

<b>POOL UTILITY</b>	<b>2008</b>	<b>2009</b>	<b>2009</b>	<b>2010</b>
<b>Anticipated Revenues</b>	<b>Realized</b>	<b>Budget</b>	<b>Realized</b>	<b>Budget</b>
Food Stand	9,500.00	8,400.00	10,500.00	8,000.00
Pool Fees	692,627.47	640,000.00	626,790.00	640,000.00
Interest on Investments	6,000.00	7,000.00	691.00	
Misc. Revenues	0.00	0.00	0.00	
Surplus	<u>136,093.00</u>	<u>93,365.00</u>	<u>93,563.00</u>	<u>83,763.00</u>
<b>TOTAL POOL UTILITY</b>	<b>844,220.47</b>	<b>748,365.00</b>	<b>731,544.00</b>	<b>731,763.00</b>

<b>PARKING UTILITY</b>	<b>2008</b>	<b>2009</b>	<b>2009</b>	<b>2010</b>
<b>Anticipated Revenues</b>	<b>Realized</b>	<b>Budget</b>	<b>Realized</b>	<b>Budget</b>
Parking Fees	1,439,233.08	1,400,000.00	1,483,070.00	1,434,700.00
Interest on Investments	431,560.31	400,000.00	111,872.00	100,000.00
Rental Park & Ride				
Rent-Suburban Transit	552,000.00	660,000.00	650,000.00	720,000.00
County Energy Grant		80,000.00	80,000.00	
Capital Surplus	280,000.00	885,610.00	885,610.00	339,500.00
Misc. Revenues	0.00	0.00	0.00	
Surplus	<u>612,000.00</u>	<u>373,595.00</u>	<u>373,595.00</u>	<u>659,000.00</u>
<b>TOTAL PARKING UTILITY</b>	<b>3,314,793.39</b>	<b>3,719,205.00</b>	<b>3,584,147.00</b>	<b>3,253,200.00</b>

## COMPARATIVE SCHEDULE FUND BALANCE UTILIZED

Current Fund			Water Utility		
Year	Balance December 31	Utilized in Budget of Succeeding Year	Year	Balance December 31	Utilized in Budget of Succeeding Year
2009	\$4,289,404.00	2,900,000.00	2009	\$2,584,816.00	\$1,075,341.00
2008	2,878,430.00	2,500,000.00	2008	2,359,004.00	1,377,204.00
2007	3,278,486.00	2,900,000.00	2007	1,836,430.00	1,157,590.00
2006	4,077,133.06	4,000,000.00	2006	799,253.20	999,408.00
2005	4,415,290.93	4,000,000.00	2005	1,406,448.40	850,000.00
2004	4,582,906.00	4,000,000.00	2004	865,959.98	1,303,610.00
2003	4,479,162.00	3,500,000.00	2003	1,470,742.00	1,413,368.00
2002	4,038,630.00	4,850,988.00	2002	1,948,549.00	1,329,082.00
2001	6,095,499.00	3,859,285.00	2001	2,177,127.00	1,000,000.00
2000	6,559,660.00	3,331,168.00	2000	1,744,309.00	957,713.00
1999	5,805,540.00	6,000,000.00	1999	1,972,793.00	681,464.00
1998	7,177,961.00	3,000,000.00	1998	1,430,434.00	168,045.00
1997	7,025,108.00	2,293,600.00	1997	1,049,548.00	263,629.00
1996	3,678,359.74	1,847,590.00	1996	530,841.51	718,703.00
1995	2,210,833.07	1,847,590.00	1995	1,148,024.48	349,465.00
1994	2,232,646.69	1,847,590.00	1994	693,145.80	100,000.00
1993	1,950,889.85	1,500,000.00	1993	719,150.59	0.00
1992	1,836,693.00	1,500,000.00	1992	87,797.18	220,000.00

Parking Utility			Pool Utility		
Year	Balance December 31	Utilized in Budget of Succeeding Year	Year	Balance December 31	Utilized in Budget of Succeeding Year
2009	\$659,600.00	\$659,000.00	2009	\$115,093.00	\$83,763.00
2008	800,971.00	363,595.00	2008	173,970.00	93,365.00
2007	1,238,527.00	612,000.00	2007	196,053.00	136,093.00
2006	1,022,255.29	683,560.00	2006	183,241.14	22,199.00
2005	1,341,033.92	337,628.00	2005	121,182.50	50,000.00
2004	1,008,613.27	273,397.00	2004	\$64,334.47	129,874.00
2003	726,451.00	408,111.00	2003	157,004.00	109,726.00
2002	643,285.00	477,347.00	2002	218,680.00	149,486.00
2001	790,701.00	567,333.00	2001	229,869.00	166,786.00
2000	1,006,659.00	443,783.00	2000	300,844.00	8,129.00
1999	1,243,294.00	551,130.00	1999	308,973.00	5,347.00
1998	1,541,645.00	209,053.00	1998	210,900.00	42,126.00
1997	1,337,512.00	200,000.00	1997	241,078.00	23,832.00
1996	347,314.14	680,000.00	1996	174,155.80	123,047.00
1995	682,490.67	842,129.00	1995	286,635.24	0.00
1994	1,058,256.89	1,313,628.00	1994	118,237.62	0.00
1993	1,397,149.24	889,750.00	1993	63,494.40	68,317.00
1992	2,098,838.17	907,415.00	1992	68,429.92	55,229.00

**EQUALIZED VALUATION OF REAL PROPERTY PLUS ASSESSED VALUATION  
OF CLASS II RAILROAD PROPERTY**

Year 2009	\$8,231,592,095.00
Year 2008	\$8,242,449,346.00
Year 2007	\$8,042,174,381.00
 Average Equalized Valuation	 \$8,172,071,941.00
Percentage of Net Debt to Average Equalized Valuation	0.47%
Percentage of Gross Debt to Average Equalized Valuation	2.5%
Statutory Debt Ceiling (3.5%) for East Brunswick permits Authorization up to	\$ 286,022,517.94

**OVERLAPPING DEBT**

	<u>Total Debt</u>	<u>Overlapping Debt</u>
East Brunswick Sewerage Authority As of 12/31/09	\$ 5,075,352	\$ 5,075,352
Middlesex County as of 12/31/09	\$607,439,239	\$42,520,746
Middlesex County Utility Authority as of 12/31/09	<u>\$240,000,000</u>	<u>\$11,520,000</u>
Total	\$852,514,591	\$59,116,098

Overlapping Debt: Middlesex County has been determined by the ratio of Township Valuation to total County equalization valuation which is 7.0%. Middlesex County Utility Authority overlapping debt is 4.8%.

**OUTSTANDING BOND ANTICIPATION NOTES as of 3/1/10**

<u>Description</u>	<u>Amount</u>	<u>Maturity</u>
General Capital	\$29,380,000	01/07/11
	12,900,000	04/28/10
	5,227,000	10/07/10
Water Capital	\$ 1,100,000	04/28/10
	2,000,000	10/07,10
Parking Capital	<u>\$ 30,500,000</u>	04/28/10
Sub Total	\$ 85,588,000	
Authorized But Not Issued as of 3/1/10		
General Various	\$ <u>20,282,700</u>	
Total	<u>\$101,870,700</u>	

## RATIO OF ASSESSED TO TRUE VALUATION

<u>Year</u>	<u>Assessed Personal Property</u>	<u>Assessed Valuation Real Property</u>	<u>State Equalized Ratio*</u>	<u>Equalized Valuation*</u>
2010	\$3,275,529	\$2,012,600,700	24.54	\$8,201,306,845
2009	3,585,743	2,022,347,100	24.48	8,257,325,882
2008	3,641,776	2,017,751,600	25.06	8,246,091,122
2007	3,720,999	2,015,368,900	26.23	7,683,449,867
2006	4,111,796	2,022,361,800	28.41	7,118,485,744
2005	4,724,877	2,020,470,500	31.62	6,389,849,779
2004	5,137,447	2,033,647,700	36.90	5,525,163,000
2003	6,080,384	2,002,546,200	41.50	4,840,064,058
2002	6,458,170	1,976,949,300	45.48	4,365,853,995
2001	6,818,652	1,967,289,700	49.80	3,964,072,996
2000	6,826,409	1,941,180,700	52.63	3,701,324,547
1999	9,856,471	1,900,357,500	53.10	3,515,892,262
1998	11,862,592	1,855,076,200	54.11	3,449,796,880
1997	12,326,931	1,822,741,800	54.62	3,359,701,082
1996	11,969,500	1,816,146,000	54.41	3,374,933,977
1995	12,384,528	1,800,092,700	54.18	3,336,088,877
1994	12,810,558	1,805,491,300	56.00	3,246,967,604
1993	13,024,661	1,805,224,400	57.55	3,159,422,954
1992	13,038,779	1,816,312,400	56.58	3,233,211,698
1991	13,021,280	1,842,234,200	56.01	3,302,137,866
1990	13,893,500	1,839,508,900	56.01	3,298,144,348
1989	12,638,200	1,805,635,600	59.43	3,050,894,300
1988	15,293,100	1,737,731,800	60.74	2,876,227,904
1987	18,303,400	1,623,238,800	71.38	2,292,384,095
1986	18,644,300	1,546,687,500	91.34	1,711,974,686

\*State Division of Taxation Equalization Tables-produced annual each October

<u>Year</u>	<u>Total</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Apartment</u>	<u>Vacant Land</u>
2010	\$2,012,600,700	\$1,555,083,900	\$337,851,900	\$94,190,800	\$28,205,900	\$14,551,600
2009	2,020,347,100	1,528,947,400	339,965,000	94,814,900	35,525,900	18,081,100
2008	2,017,751,600	1,525,964,300	342,894,700	95,344,300	32,988,700	17,546,800
2007	2,015,368,900	1,518,562,800	349,214,100	96,603,700	32,110,300	18,878,000
2006	2,022,361,800	1,507,945,200	362,714,600	100,762,600	33,814,700	17,124,700
2005	2,020,124,300	1,498,193,000	364,725,700	103,127,500	33,814,700	17,435,400
2004	2,033,647,700	1,484,363,900	385,686,700	110,709,900	33,814,700	19,072,500
2003	2,002,546,200	1,452,870,600	380,584,400	111,135,800	33,814,700	24,135,700
2002	1,976,949,300	1,428,265,700	382,759,100	111,821,300	33,814,700	19,938,800
2001	1,967,289,700	1,417,064,100	382,799,900	117,352,900	33,814,700	16,258,100
2000	1,941,180,700	1,392,462,100	370,854,400	117,352,900	36,913,900	18,597,400
1999	1,900,357,500	1,371,041,100	351,563,900	116,853,600	37,069,700	23,829,200
1998	1,855,076,200	1,332,034,500	345,591,300	111,285,900	37,265,400	28,899,100
1997	1,822,741,800	1,303,457,300	338,036,300	116,139,200	37,096,900	28,012,100
1996	1,816,146,000	1,293,524,200	330,154,400	130,025,900	36,928,500	25,513,000
1995	1,800,092,700	1,280,533,200	327,378,000	130,252,100	33,811,800	28,117,600
1994	1,805,491,300	1,278,367,500	323,680,900	132,421,800	33,811,800	37,209,300
1993	1,805,224,400	1,270,147,100	323,588,600	133,438,500	36,665,300	41,384,900
1992	1,816,312,400	1,272,113,100	322,117,300	139,317,500	36,665,300	45,099,200
1991	1,842,580,400	1,287,453,000	332,295,100	137,463,400	37,915,300	47,453,600
1990	1,839,855,100	1,280,293,700	326,085,000	139,966,900	37,915,300	55,594,200
1989	1,805,635,600	1,266,164,800	307,280,900	140,304,300	35,806,400	56,079,200
1988	1,738,149,800	1,225,956,200	282,993,100	135,453,800	34,654,000	54,808,400
1987	1,623,361,600	1,140,520,700	257,990,600	126,815,200	34,654,000	58,116,200
1986	1,546,557,300	1,079,808,700	239,624,100	119,961,600	33,726,200	73,436,700

## CURRENT REAL PROPERTY TAX COLLECTION EXPERIENCE

<b>Year</b>	<b>Tax Levy</b>	<b>Taxes Collected</b>	<b>Percent Collection</b>
2009	\$177,485,925.21	\$174,710,624.45	98.43%
2008	171,394,339.00	169,280,254.00	98.69%
2007	162,794,590.00	160,741,613.00	98.65%
2006	143,785,322.81	142,671,552.16	99.23%
2005	140,791,440.30	138,473,123.94	98.35%
2004	134,891,940.00	133,165,323.00	98.72%
2003	129,164,251.00	127,500,284.00	98.71%
2002	119,228,410.00	117,768,815.00	98.76%
2001	109,653,813.00	108,212,055.00	98.68%
2000	101,900,957.00	100,583,878.00	98.71%
1999	96,997,078.00	95,592,477.00	98.55%
1998	92,147,436.81	90,575,781.00	98.29%
1997	87,958,357.00	87,123,519.00	99.05%
1996	85,496,826.53	84,549,679.35	99.05%
1995	81,606,852.58	80,404,959.24	98.46%
1994	78,102,768.26	76,923,942.74	98.52%
1993	75,251,791.04	74,130,541.64	98.51%
1992	72,182,546.50	70,114,906.10	97.14%
1991	71,435,333.84	69,512,460.37	97.31%
1990	70,643,612.05	68,595,591.98	97.10%
1989	66,754,244.26	64,520,211.62	96.65%
1988	60,106,342.68	59,292,402.30	98.65%
1987	54,072,708.52	53,035,146.93	98.08%

### DELINQUENT TAXES as of 12/31 year end

<b>Year</b>	<b>Delinquent Taxes Balance Dec. 31</b>	<b>Tax Title Liens Balance Dec. 31</b>	<b>Delinquent Taxes Budgeted</b>	<b>Delinquent Taxes Collected</b>
2009	\$2,274,268.89	\$114,155.05	\$1,200,000.00	\$2,166,596.35
2008	2,114,085.00	83,707.00	1,200,000.00	2,005,605.00
2007	1,879,528.00	78,195.94	1,100,000.00	1,578,358.00
2006	1,577,318.00	72,928.70	1,100,000.00	1,794,912.00
2005	1,784,372.17	68,197.05	900,000.00	1,784,372.16
2004	1,369,074.00	63,483.00	900,000.00	1,779,989.00
2003	1,729,192.00	59,212.00	900,000.00	2,438,760.00
2002	1,850,999.00	107,006.00	900,000.00	1,408,448.00
2001	1,667,156.00	84,652.00	900,000.00	1,617,491.00
2000	1,274,282.00	58,083.00	900,000.00	841,479.50
1999	1,398,429.00	62,031.00	610,000.00	1,587,572.00
1998	95,981.00	116,262.00	520,000.00	987,026.00
1997	26,859.60	152,266.24	1,000,000.00	1,171,464.07
1996	917,632.36	173,348.19	1,000,000.00	1,249,166.20
1995	1,164,065.74	170,031.28	1,000,000.00	1,636,471.41
1994	1,554,968.47	243,307.71	1,152,410.00	1,049,068.58
1993	1,402,597.27	312,437.07	1,500,000.00	1,244,967.29
1992	1,422,734.60	471,024.84	1,500,000.00	1,580,176.92
1991	1,454,454.26	591,075.14	1,500,000.00	1,891,882.65
1990	2,184,639.46	38,458.94	1,500,000.00	2,433,335.00
1989	2,278,425.86	297,650.05	700,000.00	926,223.12
1988	953,653.88	145,359.45	677,000.00	1,008,612.12
1987	975,020.76	75,806.46	640,000.00	1,050,827.22



## HOST COMMUNITY BENEFITS

The State Legislature adopted Public Laws of 1985, Chapter 38 authorizing a minimum of \$1.00 per ton Host Community Benefits to municipalities in which a solid waste disposal facility was sited. The Township of East Brunswick has located within its political boundaries a Landfill operated by Middlesex County Utilities Authority (MCUA). The Authority took over operation of the landfill from the investor owners as of January 1988. Prior to that time, it was operated by a private family.

The Township of East Brunswick has received Host Community Benefits in accordance with NJSA 13:1E-136 since 1985. East Brunswick will continue to receive Host Community Benefits for the next twenty years which is the life expectancy of the landfill. The current agreement with the MCUA continues through 2012 paying the minimum of \$4.5 million each year. We have a second Host Community Benefit Agreement based upon the sale of methane gas to energy. It will pay a small amount each year through 2012 but the plant is down this year to retool. As one can see from the following table, Host Community Benefits have served to be a very stable revenue for East Brunswick and will continue to be a major source of revenue in years to come.

### HOST COMMUNITY BENEFITS

<u>Year</u>	<u>Received Annually</u>	<u>Year</u>	<u>Received Annually</u>
2009	\$5,031,945.00	1997	4,600,000.00
2008	4,193,238.00	1996	4,600,000.00
2007	4,626,629.00	1995	4,600,000.00
2006	4,767,762.00	1994	4,600,000.00
2005	4,837,998.00	1993	4,600,000.00
2004	4,600,000.00	1992	4,600,000.00
2003	4,654,917.00	1991	4,600,000.00
2002	4,850,000.00	1990	3,560,000.00
2001	4,600,000.00	1989	3,150,000.00
2000	4,600,000.00	1988	2,300,000.00
1999	4,600,000.00	1987	1,094,302.00
1998	4,600,000.00	1986	3,063,000.00

### Subdivisions and Development

New Jersey Statute Annotated 40:55D-33 requires developers to post guarantees and sureties with the Township before final subdivision, plats or conditions may be approved. A number of communities throughout the State have found their form of guarantee has evaporated as a result of bankruptcy proceedings or unilateral action taken by the Resolution Trust Company (RTC). The Planning Board for the Township has granted subdivisions to various developers all of which are in various stages of completion. The performance guarantees posted with the Township are in the form of both cash and performance bonds provided in accordance with the engineer's estimates. The Township closely monitors these guarantees and is able to report that sufficient surety is available to meet all of the conditions as approved by the Planning Board. Therefore, the installation of water mains, culverts, storm sewers, sanitary sewers and other means of sewerage disposal, drainage structures, erosion control and sedimentation control devices, public improvements of open space and on site improvements and landscaping will be completed and posing no financial burden on the Township. Developments were approved in a staging fashion and there are no partially completed structures or abandoned structures within the Township.

## TOWNSHIP BUDGET

Pursuant to the "Local Budget Law" (N.J.S.A. 40A:4-1 et seq.), the Township is required within the provisions of the Local Budget Law, to have a balanced budget and debt service is included in full for each fiscal year.

The foundation of the New Jersey local finance system is based on a cash basis budget. The Township must adopt an operating budget in the form required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"). Items of revenue and appropriation are regulated by law and must be certified by the Director of the Division prior to final adoption of the budget. The Local Budget Law requires the Township appropriate sufficient funds for payment of current debt service and the Director of the Division is required to review the adequacy of such appropriations, among others, before certification.

The Local Budget Law limits anticipation of real property tax revenue to the same ratio as actual cash collections were in the previous year and requires a reserve amount to be factored into the budget to make up for the expected shortfall in actual collections. The School District and Middlesex County receive 100 percent of their tax levies, which are collected and paid to them by the Township. Anticipated non-property tax revenues are limited unless the Director of the State Division of local government services authorizes a higher figure.

The cash basis budgets of local units must be in balance, i.e., the total of anticipated revenues must equal the total of appropriations (N.J.S.A. 40A:4-22). If in any year a local unit's expenditures exceed its realized revenues for that year, then such excess must be raised in the succeeding year's budget.

The Local Budget Law (N.J.S.A. 40A:4-26) provides that no miscellaneous revenues from any source may be included as an anticipated revenue in the budget in an amount in excess of the amount actually realized in cash from the same source during the next preceding fiscal year, unless the Director determines that the facts clearly warrant the expectation that such excess amount will actually be realized in cash during the fiscal year and certifies that determination to the local unit.

No budget or budget amendment may be adopted unless the Director shall have previously certified his approval of such anticipated revenues except that categorical grants-in-aid contracts may be included for their face amount with an offsetting appropriation. The fiscal years for such grants rarely coincide with the municipality's calendar year. However, grant revenue is generally not realized until received in cash.

The same general principle that revenue cannot be anticipated in a budget in excess of that realized in the preceding year applies to property taxes. The maximum amount of delinquent taxes that may be anticipated is limited by a statutory formula, which allows the unit to anticipate collection at the same rate realized for the collection of delinquent taxes in the previous year. Also the local unit is required to make an appropriation for a "reserve for uncollected taxes" in accordance with a statutory formula to provide for a tax collection in an amount that does not exceed the percentage of taxes levied and payable in the preceding fiscal year that was received in cash by December 31 of that year. The budget also must provide for any cash deficits of the prior year.

Emergency appropriations (those made after the adoption of the budget and the determination of the tax rate) may be authorized by the governing body of a local unit. However, with minor exceptions, such appropriations must be included in full in the following year's budget.

The exceptions are certain enumerated quasi-capital projects ("special emergencies") such as ice, snow and flood damage to streets, roads and bridges, which may be amortized over three years, and tax map preparation, re-evaluation programs, revision and codification of ordinances, master plan preparation and drainage map preparation for flood control purposes which may be amortized over five years. Of course, emergency appropriations for capital projects may be financed through the adoption of a bond ordinance and amortized over the useful life of the project.

Budget transfers provide a degree of flexibility and afford a control mechanism. Transfers between major appropriation accounts are prohibited, except for: (i) during the first three (3) months of a current fiscal year, appropriation reserves may be transferred to the immediately preceding fiscal year's budget; and (ii) transfers between major appropriation accounts are permitted during the last two (2) months of a current fiscal year. Such transfers must be approved by two-thirds of the full membership of the governing body of a local governmental unit. Although sub-accounts within an appropriation account are not subject to the same year-end transfer restriction, they are subject to internal review and approval.

Municipal public utilities are supported by the revenues generated by the respective operations of the utilities in addition to the general taxing power upon real property. For each utility, there is established a separate budget. The anticipated revenues and appropriations for each utility are set forth in the separate budget. The budget is required to be balanced and to provide fully for debt service. The regulations regarding anticipation of revenues and deferral of charges apply equally to the budgets of the utilities. Deficits or anticipated deficits in utility operations which cannot be provided for from utility surplus, if any, are required to be raised in the "Current" or operating budget.

## **AMERICANS WITH DISABILITY ACT (ADA)**

The Americans with Disabilities Act (Public Law 101-336) was enacted on July 26, 1990. This Act provides comprehensive civil rights protection to individuals with disabilities in the areas of employment, public accommodation, state and local government services and programs plus telecommunications capabilities.

The Township of East Brunswick was required to adopt an ADA grievance procedure for prompt and equitable resolution of complaints alleging any prohibited by U.S. Department of Justice regulations implementing Title II of the Act. The Township is in compliance with the Federal Legislation and East Brunswick's has funded over \$1 million of improvements to provide access. There will be ongoing capital costs associated with compliance, but it will not be significant and said costs will be part of the annual capital budget. All of the Township's facilities are handicapped accessible or we are in the we process of converting same.

## **INSURANCE**

The governing body for East Brunswick provides for liability, property damage, workers compensation coverage in accordance with N.J.S. 40A:10-36. The Township joined the Central Jersey Joint Insurance Fund (CJJIF) which through State Law authorizes communities to form a joint pool for the purpose of insuring against liability, property damage and workers compensation. The concept of pooling arose during 1985 and 1986 when insurance premiums and deductibles rose drastically and the amount of coverage available became limited. This has enabled communities to use risk management techniques to insulate themselves from the cyclical nature of the conventional marketplace. The annual financial statement is on file with the rating agency and the New Jersey Department of Banking and Insurance and Department of Community Affairs..

There are statewide seventeen (17) Joint Insurance Funds like CJJIF which have pooled to provide excess liability through a Municipal Excess Liability Joint Insurance Fund (MEL) established in 1987. The MEL provides adequate levels of excess liability insurance at the lowest cost.

The Municipal Excess Liability Insurance fund (MEL) operates under the fleet concept of seventeen (17) affiliated local JIFs, consisting of 400 plus entities. As of July 2002, the CJJIF joined the MEL, prior to that each individual member of CJJIF was a member of the MEL. The MEL's annual financial statement is on file with the rating agencies and New Jersey Department of Banking and Insurance and Department of Community Affairs.

The coverage provided to East Brunswick through the CJJIF and MEL according to the following:

### **General Liability, Law Enforcement Professional Liability, Automobile Liability and Employee Benefits**

#### **Liability: Limit of Liability - annually**

\$7,000,000 per occurrence combined single limit.

#### **Self Insured Retention:**

\$ 100,000 self insured retention per occurrence is retained by the Township of East Brunswick.

**Workers' Compensation/Employers' Liability** - The CJJIF provides the statutory level of coverage.

**Public Official Liability**

Limit of Liability

\$2,000,000 each loss and annual aggregate.

**Property Coverage**

Loss Limit

\$250,000,000 statewide limit

**Crime Coverage**

Limit of Liability

\$1,000,000 per loss

**Money and Securities Limit of Liability**

\$1,000,000 per loss

**Employment Practices Liability (EPL)** - \$5,000 deductible and then 20% of the first \$100,000 for a total of \$25,000

Each year East Brunswick employs an independent consultant to evaluate incurred losses and to estimate incurred but not reported claims. Based upon years of experience during which East Brunswick has managed its limited self insurance program, the Township has established reserves for general liability which are specifically identified and fully reserved. Also, based upon the independent analysis of the losses, the Township's rates for the forthcoming year are established and funded 100% in each annual budget. Further information on the Township's Risk Management Plan and statistical information on the amount reserved for future claims is available by contacting the Chief Finance Officer.

**Health Benefits**

The Township offers to its employees a comprehensive health benefit program which consists of medical, dental and prescription in accordance with various collective bargaining agreements. The collective bargaining agreements provides for continuation of medical coverage upon retirement if an employee has worked for the Township for a period of 25 years or the employee has worked for the Township for 15 years and has reached the age of 62 or older at time of retirement. Currently, the Township has 168 retired employees who receive continuation of medical benefits. The cost of providing this post retirement coverage has been estimated and funds are fully reserved as part of the Township's self-insurance program.

## **PROVISIONS FOR THE PROTECTION OF GENERAL OBLIGATION DEBT**

### **Local Bond Law (N.J.S.A. 40A:2-1 et seq.)**

The Local Bond Law governs the issuance of bonds and notes to finance certain general municipal and utility capital expenditures. Among its provisions are requirements that bonds must mature within the statutory period of usefulness of the projects bonded and that bonds be retired in serial installments. A 5% cash down payment is generally required toward the financing of expenditures for municipal purposes. All bonds and notes issued by the Township are general full faith and credit obligations.

### **Debt Limits**

The authorized bonded indebtedness of the Township is limited by statute, subject to the exceptions noted below, to an amount equal to 3-1/2% of its average equalized valuation basis. The average for the last three years, of the equalized value of all taxable real property and improvements and certain Class II railroad property within its boundaries, as annually determined by the State Director of Taxation.

Certain categories of debt are permitted by statute to be deducted for purposes of computing the statutory debt limit. The Township has not exceeded its statutory debt limit.

### **Exceptions to Debt Limits - Extensions of Credit**

The Township may exceed its debt limit with the approval of the Local Finance Board, a State regulatory agency, and as permitted by other statutory exceptions. If all or any part of a proposed debt authorization would exceed its debt limit, the Township may apply to the Local Finance Board for an extension of credit. If the Local Finance Board determines that a proposed debt authorization would not materially impair the credit of the Township or substantially reduce the ability of the Township to meet its obligations or to provide essential public improvements and services, or make certain other statutory determinations, approval is granted. In addition, debt in excess of the statutory limit may be issued by the Township to fund certain notes, to provide for self-liquidating purposes, and, in each fiscal year, to provide for purposes in an amount not exceeding 2/3 of the amount budgeted in such fiscal year for the retirement of outstanding obligations (exclusive of utility and assessment obligations).

### **Short Term Financing**

The Township may sell short term "bond anticipation notes" to temporarily finance a capital improvement or project in anticipation of the issuance of bonds, if the bond ordinance or subsequent resolution so provides. Bond anticipation notes for capital improvements may be issued in an aggregate amount not exceeding the amount specified in the ordinance, as may be amended and supplemented, creating such capital expenditure. A local unit's bond anticipation notes may be issued for periods not greater than one year. Generally, bond anticipation notes may not be outstanding for longer than ten years. An additional period may be available following the tenth anniversary date equal to the period from the notes' maturity to the end of the tenth fiscal year in which the notes mature plus 4 months (May 1) in the next following fiscal year from the date of original issuance. From the third year to and including the tenth year, the amount of notes that may be issued is decreased by the minimum amount required for the first year's principal payment for a bond issue.

### **School Debt Subject to Voter Approval**

State law permits the school district upon approval of the voters, to authorize school district debt, including debt in excess of its independent debt limit of 4% of the equalized evaluation basis, by using the available borrowing capacity of the Township. If such debt is in excess of the school district debt limit and the remaining borrowing capacity of the Township, the State Commissioner of Education and the Local Finance Board must approve the proposed debt authorization before it is submitted to the voters.

## **Appropriation "CAPS" / Property Tax Levy "CAP"**

A Statute passed in 1976, as amended (N.J.S.A. 40A:4-45.1 et seq.) commonly known as the "Cap Law", imposed limitations on increases in municipal appropriations subject to various exceptions. The Governor signed into law P.L. 2004, c. 74, which revised and made permanent the "Cap Law". While the revised "Cap Law" is restrictive on the ability of a municipality to increase its overall appropriations, the payment of debt service is an exception from this limitation. The Cap formula is somewhat complex, but basically, it permits a municipality to increase its overall appropriations by 2.5% or the CPI or whichever is lowest. The CPI is the rate of annual percentage increase computed by the U.S. Department of Commerce. Exceptions to the limitations imposed by the Cap Law also exist for other appropriations including capital expenditures; extraordinary expenses approved by the Local Finance Board for implementation of an interlocal service agreement; expenditures mandated as a result of certain emergencies; and certain expenditures for services mandated by State or Federal law.

The "Cap Law" and Tax Levy Cap does not limit the obligation of the Township to levy ad valorem taxes upon all taxable real property within the Township to pay debt service on the Bonds or Notes.

Public Laws 2007 Chapter 62 placed a 4% cap on tax rates applied to real property as of January 1, 2008. As noted above debt service is exempt from the property tax rate levy. The new law will apply to the operational budget of the Township. Schools and County Government are also covered by the 4% cap.

## **General Property Tax Language**

### **Tax Assessment and Collection Procedure**

Property valuations (assessments) are determined on true values as arrived at by a cost approach, market data approach and capitalization of net income where appropriate. Assessments are the results of a ratio for new assessments on a like basis with established comparable properties. This method assures equitable treatment to like property owners. It often results in a divergence of the assessment as a ratio to true value, because changes in property resale values and annual adjustments do not keep pace with the changing sales value. The last re-evaluation of all property in East Brunswick was last completed in 1983.

Upon the filing of certified adopted budgets by the East Brunswick's Local School District, Fire Districts and the County, the tax rate is struck by the County Board of Taxation based on the certified amounts in each of the taxing districts for collection to fund the budgets. The statutory provision for the assessment of property, levying of taxes and the collection thereof are set forth in N.J.S.A. 54:4-1 et seq. Special taxing districts are permitted in New Jersey for various special services rendered to the properties located within the special districts.

Tax bills should be mailed annually in June by the Tax Collector. Property tax payments are due August 1 and November 1 respectively, and are adjusted to reflect the current calendar year's total tax liability. The preliminary taxes due February 1 and May 1 of the succeeding year, are based upon one-half of the current year's total tax.

Tax installments not paid on or before the due date are subject to interest penalties of 8% per annum on the first \$1,500.00 of the delinquency and 18% per annum on any amount in excess of \$1,500.00. These interest and penalties are the highest permitted under New Jersey Statutes. Delinquent taxes open for one year or more are annually included in a tax sale in accordance with New Jersey Statutes.

## **MISCELLANEOUS REVENUES OTHER THAN PROPERTY TAX**

"No miscellaneous revenues from any source shall be included as an anticipated revenue in the budget in an amount in excess of the amount actually realized in cash from the same source during the next proceeding fiscal year, unless the director shall determine upon application by the governing body that the facts clearly warrant the expectation that such excess amount will actually be realized in cash during the fiscal year and shall certify such determination, in writing to the local unit." Section 40A:4-26, N.J.S.A.

"No budget or amendment thereof shall be adopted unless the Director shall have previously certified his

approval thereof." Section 40A:4-10, N.J.S.A.

The exception to miscellaneous revenues is the inclusion of categorical grants-in-aid contracts for their face amount with an offsetting budget appropriation. The fiscal years for such grants rarely coincide with the municipality's calendar fiscal year.

## **REAL ESTATE TAXES**

The same general principal is carried forward in regards to property taxes. Section 40A:4-29 delineates how one may anticipate delinquent tax collections as part of the annual budget.

The maximum which may be anticipated is the sum produced by the multiplication of the amount of delinquent taxes unpaid and owing to the local unit on the first day of the current fiscal year by the percentage of collection of delinquent taxes for the year immediately preceding the current fiscal years.

In regard to current taxes: "Receipts from the collections of taxes levied or to be levied in the municipality, or in the case of a county for general county purposes and payable in the fiscal year shall be anticipated in an amount which is not in excess of the percentage of taxes levied and payable during the next preceding fiscal year which was received in cash by December 31 of such preceding fiscal year." Section 40A:4-41, N.J.S.A.

## **RESERVE FOR UNCOLLECTED TAXES**

This provision requires that an additional amount be added to the tax levy required to balance the budget so that when the percentage of the prior year's tax collection is applied to the combined total, the product will at least equal the tax levy required to balance the budget. The Reserve requirement is calculated as follows:

Levy required to balance budget

Prior year's % of current tax collection = Total Taxes to be Levied  
(or lesser %)

## **SPECIAL FACTS OF INTEREST TO INVESTORS**

### **Deferral of Current Expenses**

Emergency appropriations (those made after the adoption of the budget and the determination of the property tax rate) may be authorized by 2/3's vote of the Township Council. However, with minor exceptions, such appropriations must be included in full in the following year's budget.

The exceptions are certain enumerated quasi-capital projects ("special emergencies") such as ice, snow, and flood damage to streets, roads and bridges, which may be amortized over three years, and tax map preparation, re-evaluation programs, revision, and codification of ordinances, master plan preparations, and drainage map preparation for flood control purposes which may be amortized over five years. Of course, emergency appropriations for capital projects may be financed through the adoption of a bond ordinance and amortized over the useful life of the project.

### **Budget Transfers**

Budget transfers provide a degree of flexibility and afford a control mechanism. Transfers between appropriation accounts may be made only during the last two months of the year. Appropriation reserves may also be transferred during the first three (3) months of the year, to the previous years' budget. Both types of transfers require a 2/3 vote of the full membership of the governing body, however, transfers cannot be made from either the down payment account or the capital improvement fund. Transfers may be made between sub-account line items within the same account at any time during the year. However, transfers may not be made between salary and other expense appropriations within an account, or between accounts unless approved by a 2/3 vote of the governing body.

## **Operation of Utilities**

Municipal public utilities are to be supported by the revenues generated by the respective operations of the utilities in addition to the general taxing power upon real property if they have a revenue shortfall.

For each utility, there is established a separate budget. The anticipated revenues and appropriations for each utility are set forth in the separate budget. The budget is required to be balanced and to provide fully for debt service. The regulations regarding anticipation of revenues and deferral of charges apply equally to the budgets of the utilities.

Deficits or anticipated deficits in utility operations which cannot be provided for from utility surplus, if any, are required to be raised in the "Current" or operating budget.

## **Capital Budget**

In accordance with the Local Budget Law, the Township must adopt and may from time to time amend rules and regulations for capital budgets, which rules and regulations must require a statement of capital undertakings underway or projected for a period not greater than over the next ensuing six years as a general improvement program. The capital budget, when adopted, does not constitute the approval or appropriation of funds, but sets forth a plan of the possible capital expenditures which the local unit may contemplate over the three years. Expenditures for capital purposes may be made either by ordinances adopted by the governing body setting forth the items and the method of financing or from the annual operating budget if the terms were detailed.

## **The Local Fiscal Affairs Law (N.J.S.A. 40A:5-1 et seq.)**

This law regulates the non-budgetary financial activities of the Township. An annual, independent audit of the Township's accounts for the previous year must be performed by a licensed Registered Municipal Accountant. The audit, conforming to the Division's "requirements of audit," includes recommendations for improvement of the Township's financial procedures and must be filed with the Director of the Division prior to June 1 of each year. A synopsis of the audit report, together with all recommendations made, must be published in a local newspaper within 30 days of its completion. The full audit is on file with the State Division of Local Government Services, Moody's Investment Service, Bond Counsel, the Public Library and at the Municipal Clerk's office.

The Chief Finance Officer of the Township must file annually with the Director of the Division a verified statement of the financial condition of the Township and all constituent boards, agencies or commissions as of February 10th following the close of the calendar year.

## **LITIGATION**

In the opinion of the Township Attorney, there is no litigation pending or threatened that would materially affect the financial stability of the Township. A listing of open cases can be obtained upon request to the Township Attorney care of the Township.

There is no Litigation pending or threatened, restraining or enjoining the issuance or delivery of the Debt Instrument or the levy or collection of any taxes to pay the interest on or principal of said Debt Instrument, or in any manner questioning the authority of proceedings for the issuance of said Debt Instrument or for the levy collection of said taxes or contesting the corporate existence on the boundaries of the Township or the title of any of the present officers.

## **PENSION INFORMATION**

Full time Township employees who are eligible for pension coverage are enrolled in one of two State of New Jersey pension systems. The pension systems are established by act of the State Legislature and benefits, contributions, means of funding and the manner of administration are determined by State Legislation. All levies are paid in full each year.

The State administered pension funds are: the Police and Firemen's Retirement System (PFRS) (N.J.S. 43:16A) and the Public Employees' Retirement System (PERS) (N.J.S. 43:15A). The Division of Pensions within the Treasury Department of the State of New Jersey is the administrator of the funds. This Division charges annually counties and other governmental units for their respective contributions which are to be paid as of April 1st each year. Full audited information is available through the State Division of Pensions.

State law regulates the administration of the Pension System. State law provides that all funds within the Pension System are subject to actuarial valuation every year and actuarial experience investigation every three years. Such valuations and investigations are designed to insure that the Pension System Components adequately recognize the additional costs resulting from experience or legislative changes in the benefits to be paid. As these Pension System Components are designed to be fully funded reserve programs, any amendment increasing liabilities is met by an increase in the normal (employer) contribution as well as the establishment of an accrued liability to be financed over a period of years. For the 2008 valuation year, Buck Consultants, Inc., served as consulting actuary for both PERS and PFRS.

The Division of Investment of the New Jersey Department of the Treasury, which is under the independent supervision of the State Investment Council, invests the assets of the Pension System. State law generally regulates the types of investments which are permitted.

The Township makes two types of contributions on an annual basis to fund the Township's obligations under the Pension System, consisting of a "normal" contribution to cover costs of members and an "unfunded accrued liability contribution" representing pension benefits earned in prior years which, pursuant to standard actuarial practices, are not yet fully funded. The local portion of PERS in 2009 will be funded at an 100% rate and payment is required April 1<sup>st</sup> each year. The PFRS will be funded at 100% and payment by the Township is due April 1, 2009.

## **MUNICIPAL BANKRUPTCY**

The undertakings of the Township should be considered with reference to Chapter IX of the Bankruptcy Act, 11 U.S.C. Section 401, et. seq., as amended by Public Law 94-260, approved April 8, 1976, and as further amended on November 6, 1978 by the Bankruptcy Reform Act of 1978, effective October 1, 1979, and other bankruptcy laws affecting creditor's rights and municipalities in general. The amendments of P.L. 94-260 replace former Chapter IX and permit the State or any political subdivision, public agency, or instrumentality that is insolvent or unable to meet its debts to file a petition in a court of bankruptcy for the purpose of effecting a plan to adjust its debts; directs such a petitioner to file with the court a list of petitioner's creditors; provides that a petition filed under this chapter shall operate as a stay of the commencement or continuation of any judicial or other proceeding against the petitioner; grants priority to debt owed for services or material actually provided within three months of the filing of the petition; directs a petitioner to file a plan for the adjustment of its debts; and provides that the plan must be accepted in writing by or on behalf of creditors holding at least two-thirds in amount and more than one-half in number of the listed creditors. The 1976 Amendments were incorporated into the Bankruptcy Reform Act of 1978 with only minor changes.

Reference should also be made to N.J.S.A. 52:27-40 et seq. which provides that a municipality has the power to file a petition in bankruptcy provided the approval of the Municipal Finance Commission has been obtained. The powers of the Municipal Finance Commission have been vested in the Local Finance Board. The Bankruptcy Act specifically provides that Chapter IX does not limit or impair the power of a state to control, by legislation or otherwise, the procedures that a municipality must follow in order to take advantage of the provisions of the Bankruptcy Act.

## **TAX EXEMPTION**

### **General**

The Township has covenanted to comply with any continuing requirements that may be necessary to preserve the exclusion from gross income for purposes of federal income taxation of interest on the Debt Instrument under the Internal Revenue Code of 1986, as amended ("Code"). Failure to comply with certain requirements of the Code could cause interest on the Debt Instrument to be includable in gross income for federal income tax purposes retroactive to the date of issuance of the Debt Instrument. In the opinion of Bond Counsel to the Township, to be delivered at the time of original issuance of the Debt Instrument, assuming continuing compliance by the Township with certain covenants described herein, under current law, interest on the Debt Instrument is not includable in gross income for federal income tax purposes and is not an item of tax preference under Section 57 of the Code for purposes of computing the federal

alternative minimum tax, and, pursuant to the American Recovery and Reinvestment Act of 2009, is not included in adjusted current earnings when calculating corporate alternative minimum taxable income. No opinion is expressed regarding other federal tax consequences or other federal taxes arising with respect to the Debt Instrument.

The Code imposes certain significant ongoing requirements that must be met after the issuance and delivery of the Debt Instrument in order to assure that the interest on the Debt Instrument will be and remain excludable from gross income for federal income tax purposes. These requirements include, but are not limited to, requirements relating to use and expenditure of proceeds, yield and other restrictions on investments of gross proceeds, and the arbitrage rebate requirement that certain excess earnings on investments of gross proceeds of the Debt Instrument be rebated to the federal government. Noncompliance with such requirements may cause interest on the Debt Instrument to become subject to federal income taxation retroactive to its date of issuance, regardless of the date on which such noncompliance occurs or is discovered. The Township has covenanted that it shall do and perform all acts permitted by law that are necessary or desirable to assure that interest on the Debt Instrument will be and will remain excluded from gross income for federal income tax purposes. The Township will deliver its Arbitrage and Tax Certificate concurrently with the issuance of the Debt Instrument, which will contain provisions relating to compliance with the requirements of the Code, including certain covenants in that regard by the Township. In rendering its opinion, Bond Counsel has relied on certain representations, certifications of fact, and statements of reasonable expectations made by the Township in connection with the Debt Instrument, and Bond Counsel has assumed compliance by the Township with certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the Debt Instrument from gross income under Section 103 of the Code.

In the opinion of Bond Counsel, under current law interest on the Debt Instrument and any gain on the sale thereof are not includable as gross income under the New Jersey Gross Income Tax Act.

The opinions of Bond Counsel are limited to and based upon the laws and judicial decisions of the State and the federal laws and judicial decisions of the United States of America as of the date of the opinions, and are subject to any amendment, repeal or other modification of the applicable laws or judicial decisions that served as the basis for their opinions or to any laws or judicial decisions hereafter enacted or rendered. Bond Counsel assumes no obligation to update its opinions after the issue date to reflect any future action, fact or circumstance, or change in law or interpretation, or otherwise. Bond Counsel expresses no opinion on the effect of any action taken after the date of the opinions or not taken in reliance upon an opinion of other counsel on the exclusion from gross income for federal income tax purposes of interest on the Debt Instrument.

### **Alternative Minimum Tax**

Section 55 of the Code provides that an alternative minimum tax is imposed on corporations at a rate of 20 percent. For purposes of the corporate alternative minimum tax, the Code includes an increase adjustment for the computation of the alternative minimum tax consisting generally of seventy-five percent of the amount by which "adjusted current earnings" exceed alternative minimum taxable income (computed without regard to this adjustment and the alternative tax net operating loss deduction). Pursuant to the American Recovery and Reinvestment Act of 2009, interest on the Debt Instrument is not subject to the alternative minimum tax on the increase adjustment described above.

### **Bank Qualification**

The Debt Instrument will be not designated as qualified under Section 265 of the Code by the Township for an exemption from the denial of deduction for interest paid by financial institutions to purchase or to carry tax-exempt obligations.

### **Branch Profits Tax**

Section 884 of the Code imposes on foreign corporations a branch profits tax equal to 30 percent of the "dividend equivalent amount" for the taxable year, unless modified, reduced or eliminated by income tax treaty in certain instances. Interest on the Debt Instrument received or accrued by a foreign corporation subject to the branch profits tax may be included in computing the "dividend equivalent amount" of such corporation for purposes of the branch profits tax.

### **S Corporation Tax**

Section 1375 of the Code imposes a tax on the "excess net passive income" of certain S corporations with

passive investment income in excess of 25 percent of gross receipts for a taxable year. The U.S. Department of Treasury has issued regulations indicating that interest on tax-exempt bonds, such as the Debt Instrument, held by an S corporation would be included in the calculation of excess net passive income.

### **Other Federal Tax Consequences**

Owners of the Debt Instruments should be aware that the ownership of tax-exempt obligations may result in other collateral federal income tax consequences to certain taxpayers, including property and casualty insurance companies, individual recipients of Social Security and Railroad Retirement benefits, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or to carry tax-exempt obligations. Owners of the Debt Instrument should consult their own tax advisors as to the applicability and the effect on their federal income taxes of the alternative minimum tax, the branch profits tax and the tax on S corporations, as well as the applicability and the effect of any other federal income tax consequences.

### **Possible Government Action**

Legislation affecting municipal bonds is regularly under consideration by the United States Congress. In addition, the Internal Revenue Service ("IRS") has established an expanded audit program for tax-exempt bonds. There can be no assurance that legislation enacted or proposed or an audit initiated or concluded by the IRS after the issue date of the Debt Instrument involving either the Debt Instrument or other tax-exempt bonds will not have an adverse effect on the tax-exempt status or market price of the Debt Instrument.

ALL POTENTIAL PURCHASERS OF A DEBT INSTRUMENT SHOULD CONSULT WITH THEIR TAX ADVISORS IN ORDER TO UNDERSTAND THE IMPLICATIONS OF THE CODE.

## **SECONDARY MARKET DISCLOSURE**

The Securities and Exchange Commission ("SEC") mandated secondary market disclosure requirements which apply to brokers, dealers or municipal bond security dealers ("participating underwriters") which forbid Participating Underwriters from underwriting bonds unless they have determined that the issuer will agree in writing to provide ongoing disclosure. This requirement of the SEC was through Rule 15C 2-12 ("Rule") and became effective January 3, 1995.

The Township of East Brunswick has produced this Generic Official Statement to provide ongoing and continuous disclosure about the financial conditions of the Township of East Brunswick. We display consecutive years of audited information commencing with 2003 through 2008. Also contained in the statement is the budget as adopted for calendar 2009 and a comparison of revenues. We produce a Generic Official Statement which is filed with active Participating Underwriters. The Township agreed to provide notice of any material events which may occur after the date of the Generic Official Statement. A material event is described as any one of the following items:

1. Principal and interest delinquencies;
2. Non-payment related defaults;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions or events affecting the tax-exempt status of the security;
7. Modifications to rights of security holders;
8. Bond calls;
9. Defeasance;
10. Release, substitution, or sale of property securing repayment of the securities; and
11. Rating changes.

If all or any part of the Rule ceases to be in effect for any reason, then the information required to be provided herein, insofar as the provision of the Rule no longer in effect required the provision of such information, shall no longer be required to be provided.

The Chief Finance Officer of the Township shall determine, in consultation with Bond Counsel, the application of the Rule or the exemption from the Rule for each issue of obligations of the Township prior to their offering. Such officer is hereby authorized to enter into additional written contracts of undertakings to implement the Rule and is further authorized to amend such contracts or undertakings or the undertakings set forth herein, provided such amendment is, in the opinion of nationally recognized bond counsel, in compliance with the Rule.

In the event that the Township fails to comply with the Rule or the written contracts or undertakings specified herein, the Township shall not be liable for monetary damages, remedy being hereby specifically limited to specific performance of the Rule requirements or the written contracts or undertakings therefor.

### **APPROVAL OF LEGAL PROCEEDINGS**

All legal matters incident to the authorization, the issuance, the sale and the delivery of the Debt Instrument are subject to the approval of Bond Counsel to the Township, whose approving legal opinion will be delivered with the Debt Instrument. Certain legal matters will be passed on for the Township by its Counsel.

### **PREPARATION OF GENERIC STATEMENT**

The Township hereby states that the descriptions and statements herein, including financial statements, are true and correct in all material respects and it will confirm to the purchasers of the Debt Instrument, by certificates signed by the Chief Finance Officer that to his knowledge such descriptions and statements, as of the date of this Generic Statement are true and correct in all material respects and do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements herein, in light of the circumstances under which they were made, not misleading.

The Local Fiscal Affairs Law (NJS 40A:5-4) requires that every local government employ the services of an independent audit firm to cause an annual audit of its books, accounts and financial transactions to be made. Summation from the audited financial statements were extracted by the Chief Finance Officer. Full and complete audit statements are on file at the Division of Local Governmental Services, State Dept. of Community Affairs, Moody's Investors Service and the East Brunswick Municipal building. The selection of what material was to be extracted was made without the consent or approval of either of the independent audit firms.

A requirement of the Local Fiscal Affairs Law is that a synopsis of all audits together with recommendations made by the accounting firm must be published by the Municipal Clerk in the local newspaper and the Municipal Council must sign a statement and pass a resolution confirming they have read the recommendations. The Township has complied with these requirements and further information is available upon request.

All other information has been obtained from sources which the Township considers to be reliable and they make no warranty, guaranty or other representation which respect to the accuracy and completeness of such information.

DeCotiis, Fitzpatrick & Cole, LLP (Bond Counsel) and Wiss and Company (Auditor) have not participated in the preparation of the financial or statistical information contained in this Generic Statement nor have they verified the accuracy, completeness or fairness thereof and, accordingly, expresses no opinion with respect thereto.

### **ADDITIONAL INFORMATION**

Inquiries regarding this Generic Statement including information additional to that contained herein may be directed to the Chief Finance Officer, L. Mason Neely, or the Assistant Finance Director/Tax Collector, Michelle O'Hara, East Brunswick Township, P. O. Box 1081, East Brunswick, New Jersey 08816-1081, Telephone (732) 390-6860. Fax (732) 390-6995 or e-mail at Lneely@eastbrunswick.org.

### **MISCELLANEOUS**

So far as any statements made in this Generic Statement involve matters of opinion or estimates, whether or not expressly stated, they are set forth as such and not as representation of fact, and no representation is made that any of the statements will be realized. Neither this Generic Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the holders of the Bonds or Notes. All quotations from and

summaries and explanations of provisions of law as of the State of New Jersey herein do not purport to be complete.

This Generic Official Statement has been duly executed and delivered by the Chief Finance Officer of the Township of East Brunswick and is to replace all prior official statements with this up to date disclaimer.

TOWNSHIP OF EAST BRUNSWICK  
/s/ L. Mason Neely  
Chief Finance Officer

## CURRENT FUND – COMPARATIVE BALANCE SHEET

	Balance Dec. 31, 2008	Balance Dec. 31, 2007	Balance Dec. 31, 2006	Balance Dec. 31, 2005	Balance Dec. 31, 2004	Balance Dec. 31, 2003
<b>ASSETS AND DEFERRED CHARGES:</b>						
Cash - Treasurer						
Cash - payroll						
Cash - investments				25,400.00		
Cash and Cash Equivalents	11,436,529.63	12,149,521.32	12,456,529.85	12,290,567.56	11,263,014.22	11,290,336.00
Change funds	2,000.00	2,000.00	2,000.00	2,000.00	2,350.00	2,350.00
Accounts receivable - grants						
Deferred Charges						
Exemp. due from St.of NJ	<u>6,000.00</u>	<u>10,250.00</u>	<u>5,250.00</u>	<u>161,250.00</u>	<u>4,008,289.73</u>	<u>19,285.00</u>
	<u>11,444,529.63</u>	<u>12,161,771.32</u>	<u>12,463,779.85</u>	<u>12,479,217.56</u>	<u>15,273,653.95</u>	<u>11,311,971.00</u>
Receivables with Full Reserves:						
Delinquent property taxes	2,129,388.84	2,003,575.78	1,577,319.92	1,498,624.39	1,369,073.57	1,729,192.00
Tax title liens	83,707.52	78,175.94	72,928.70	68,197.05	63,483.57	59,212.00
Property acquired for taxes					58,559.28	84,961.00
Revenue accounts receivable	98,686.84	76,666.53	78,934.66	92,460.25		
Health liens						
Escrow Liens/other liens						
Interfunds receivable -grant fund						309,687.00
Other Municipal Charges	9,299.06	165.00	4,429.62	5,269.00	7,800.00	
Interfunds - trust	<u>287,945.64</u>	<u>528,509.50</u>	<u>80,000.00</u>	<u>108,232.85</u>		
	2,609,027.90	2,687,092.75	1,813,610.90	1,772,783.54	1,498,916.42	2,183,052.00
<b>TOTAL ASSETS</b>	<u>14,053,557.53</u>	<u>14,848,864.07</u>	<u>14,277,390.75</u>	<u>14,252,001.10</u>	<u>16,772,570.37</u>	<u>13,495,023.00</u>
<b>Federal &amp;State Grant Fund</b>						
Cash	138,342.48	129,838.69	112,402.62			
Fed &St Grant Fund receivable	140,116.98	331,694.60	343,918.56	306,670.86	454,827.36	177,941.00
Interfund receivable - Current Fnd	<u>170,906.01</u>	<u>24,054.37</u>	<u>106,474.37</u>	<u>285,174.86</u>	<u>171,936.02</u>	<u>305,990.00</u>
	<u>449,365.47</u>	<u>485,587.66</u>	<u>562,795.55</u>	<u>591,845.72</u>	<u>626,763.38</u>	<u>483,931.00</u>
<b>LIABILITIES, RESERVES AND FUND BALANCE:</b>						
Expenditure Reserves:						
Encumbrances	1,130,224.56	1,929,945.09	2,567,028.94	2,639,585.79	1,637,625.06	1,513,829.00
Appropriation reserves	4,457,876.99	3,110,411.48	2,188,010.20	1,633,172.57	1,967,251.81	2,026,969.00
Reserve for dedicated exp.	372,225.79	2,909,132.53	2,155,978.76	2,150,767.09	1,745,125.56	1,428,564.00
Accounts Payable	8,637.96	8,637.96	2,995.01	188,047.18	69,328.07	10,103.00
Payables:						
Fees due to St. of New Jersey	14,807.73	12,115.06	9,237.53	12,065.60	9,410.74	19,729.00
Payroll deductions payable						
Tax anticipation notes						
Tax overpayments	4,115.35	3,144.73	53,329.59	1,951.02	3,326.29	36,081.00
Reserve for tax appeals	761,692.29	500,000.00	635,677.91	280,678.18	349,268.53	492,171.00
County taxes payable	52,520.64	88,328.78	177,887.48	85,510.64	139,713.16	342,566.00
School taxes payable						
Due to Trust - Other Fund						
Prepaid taxes	579,596.60	419,588.94	506,219.33	577,168.87	562,062.18	656,750.00
Energy grant appeal						
Due to outside lien holder						
Def. crg due to Gen Cap Fnd						
Interfunds	<u>1,303,370.03</u>	<u>24,054.37</u>	<u>131,349.28</u>	<u>470,099.84</u>	<u>4,207,636.39</u>	<u>306,047.00</u>
	8,685,067.94	9,005,358.94	8,427,714.23	8,039,046.78	10,690,747.79	6,832,809.00
Reserve for Receivables	2,609,027.90	2,687,092.75	1,813,610.90	1,772,783.54	1,498,916.42	2,183,052.00
<b>FUND BALANCE</b>	<u>2,759,461.69</u>	<u>3,156,412.38</u>	<u>4,036,065.62</u>	<u>4,440,170.78</u>	<u>4,582,906.16</u>	<u>4,479,162.00</u>
<b>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</b>						
<b>AND FUND BALANCE</b>	<u>14,053,557.53</u>	<u>14,848,864.07</u>	<u>14,277,390.75</u>	<u>14,252,001.10</u>	<u>16,772,570.37</u>	<u>13,495,023.00</u>
<b>Federal &amp;State Grant Fund</b>						
Interfund payable - Current Fund						
Reserve for encumbrances						
Unappropriated Reserves	202,013.14	185,219.43	167,411.21		489,072.46	405,799.00
Appropriation Reserves	<u>247,352.33</u>	<u>300,368.23</u>	<u>395,384.34</u>		<u>137,690.92</u>	<u>78,132.00</u>
	<u>449,365.47</u>	<u>485,587.66</u>	<u>562,795.55</u>		<u>626,763.38</u>	<u>483,931.00</u>

Audited information extracted from annual audit filed in accordance with N.J.S.A. 40A:5-4.

**CURRENT FUND – COMPARATIVE STATEMENT  
OF OPERATIONS & CHANGES IN FUND BALANCE**

	<b>Year 2008</b>	<b>Year 2007</b>	<b>Year 2006</b>	<b>Year 2005</b>	<b>Year 2004</b>	<b>Year 2003</b>
<b>Revenue and Other Income:</b>						
Fund balance utilized	2,920,200.00	4,000,000.00	4,000,000.00	4,000,000.00	4,000,000.00	3,500,000.00
Misc. revenue anticipated	29,30,675.32	30,576,553.05	30,954,315.53	31,793,976.42	25,456,832.92	22,936,407.00
Receipts from delinquent taxes	2,030,783.00	1,578,358.23	1,794,912.02	1,364,913.65	1,784,372.17	2,438,760.00
Receipts from current taxes	168,660,748.89	160,764,886.38	150,299,437.48	142,671,552.16	134,816,610.89	127,500,284.00
Non budget revenue	283,286.99	180,031.39	196,651.56	226,232.14	206,172.91	216,105.00
Other credits to Income:						
Appropriation reserve lapsed						
Tax Overpayments Cancelled						
Health liens, Escrow liens						
Unexpended bal. of						
appr.resrve	656,967.79	1,281,426.65	692,859.05	269,907.30	546,648.06	262,837.00
Transfers from reserve for						
dedicated expenditures						
Canceled reserve for tax						
appeal						
Interfunds returned	528,509.50	80,000.00	28,405.83		309,687.00	232,775.00
Misc./Acct. Payable Cancelled				55,531.24		
Other	<u>8,276.36</u>	<u>19,303.25</u>	<u>112,798.80</u>	<u>13,823.11</u>	<u>0.00</u>	<u>54,099.00</u>
	<u>204,469,447.85</u>	<u>198,480,533.95</u>	<u>188,079,380.27</u>	<u>180,395,936.02</u>	<u>167,120,323.95</u>	<u>157,141,267.00</u>
<b>Expenditures</b>						
Budget & Emergency						
Appropriations						
Operations:						
Salaries and Wages/OE	60,824,360.69	60,336,250.00	57,862,312.85	56,771,438.90	50,126,649.00	47,155,594.00
Other Expenses						
Capital Improvements						
Municipal Debt Service						
Statutory expenditures						
Judgments						
Deferred charges						
Budget Expenditures						
Increase reserve for interfunds						
Tax overpayments added						
Local district school tax	113,892,963.50	108,989,388.00	102,008,646.00	96,096,754.00	89,886,147.00	83,642,952.00
County taxes	23,087,410.44	22,065,796.72	21,348,080.14	20,310,878.94	19,894,902.72	18,905,382.00
Fire district tax	3,423,139.00	3,109,631.00	2,853,576.00	2,845,551.00	2,685,849.00	2,670,505.00
Municipal Open Space Reserve	405,201.41	403,092.00	407,973.74	405,815.71	410,651.73	408,120.00
Interfunds	287,945.64			108,232.85		309,687.00
Grant Receivable Cancelled		18,316.25.00				
Due from State of New Jersey						
Other		7,110.58	2,916.70		595.34	
Sr Cit/Vets Accts Rec						
Adjustment	25,177.86				11,785.00	
(Credit)/Reserve for tax						
appeals						<u>150,000.00</u>
	201,946,198.54	195,360,207.19	184,483,485.43	176,538,671.40	163,016,579.79	153,242,240.00
<b>STATUTORY EXCESS TO</b>						
<b>FUND BALANCE</b>						
Fund Balance, January 1	3,156,412.38	4,036,065.62	4,440,170.78	4,582,906.16	4,479,162.00	4,080,135.00
Restatement						
	5,679,661.69	7,156,412.38	8,036,065.62	8,440,170.78	8,582,906.16	7,979,162.00
Decreased by:						
Utilized as anticipated revenue	<u>2,920,200.00</u>	<u>4,000,000.00</u>	<u>4,000,000.00</u>	<u>4,000,000.00</u>	<u>4,000,000.00</u>	<u>3,500,000.00</u>
<b>FUND BALANCE,December 31</b>	<u>2,759,461.69</u>	<u>3,156,412.38</u>	<u>4,036,065.62</u>	<u>4,440,170.78</u>	<u>4,582,906.16</u>	<u>4,479,162.00</u>

Audited information extracted from annual audit filed in accordance with N.J.S.A. 40A:5-4.

## WATER UTILITY – COMPARATIVE BALANCE SHEET

	Balance Dec. 31, 2008	Balance Dec. 31, 2007	Balance Dec. 31, 2006	Balance Dec. 31, 2005	Balance Dec. 31, 2004	Balance Dec. 31, 2003
<b>ASSETS:</b>						
Operating Fund:						
Cash - Treasurer	3,502,924.89	3,566,332.82	2,348,884.90	2,583,402.93	2,354,183	2,949,983
Cash - Investments		0.00	0.00	0.00	0	0
		3,566,332.82	2,348,884.90	2,583,402.93	2,354,183	2,949,983
Change Funds	150.00	150.00	150.00	150.00	150	150
Due from Current Fund						
Interfunds receivable/Due from Water						
Cap	64.29	0.00	0.00	0.00	0	0
	3,503,139.18	3,566,482.82	2,349,034.90	2,583,552.93	2,354,333	2,950,133
Receivables with Full Reserves:						
Consumer Accts. Receivable	591,962.74	386,006.26	505,067.38	349,426.52	598,916	652,681
Wtr. Rent Liens Receivable	3,224.52	2,597.70	2,465.68	2,068.91	1,981	1,639
Due from Capital						
Due from Trust						
Deferred Charges						
	<u>595,187.26</u>	<u>388,603.96</u>	<u>507,533.06</u>	<u>351,495.43</u>	<u>600,896</u>	<u>654,320</u>
Capital Fund:						
Cash - Treasurer	353,894.04	396,334.11	345,570.91	340,515.68	1,083,472	2,766,312
anticipated revenue		396,334.11	345,570.91	340,515.68	1,083,472	2,766,312
Interfunds receivable						
Fixed capital	23,299,641.40	23,299,641.40	23,299,641.40	23,299,641.40	23,299,641	23,299,641
Fixed capital authorized and						
uncompleted	9,300,000.00	9,330,000.00	9,330,000.00	9,330,000.00	9,330,000	9,330,000
	32,983,535.44	33,025,975.51	32,975,212.31	32,970,157.08	33,713,113	35,395,953
<b>TOTAL ASSETS</b>	<u>37,081,861.88</u>	<u>36,981,062.29</u>	<u>35,831,780.27</u>	<u>35,905,205.44</u>	<u>36,668,341</u>	<u>39,000,406</u>
<b>LIABILITIES, RESERVES AND FUND BALANCE:</b>						
Operating Fund - Cash Liabilities:						
Accounts Payable	12,498.77	12,498.77	12,498.77	12,498.77	21,255	
Various Reserves	217,334.16	229,594.16	227,188.38	238,917.06	208,739	328,553
Encumbrances	91,878.92	366,177.74	1,134,087.28	500,545.41	446,455	572,374
Appropriation Reserves	711,781.55	830,272.65	0.00	239,508.82	618,818	386,833
Accrued interest	25,025.00	49,689.58	88,215.28	102,690.00	102,690	86,800
Water rent overpayments	82,344.61	69,333.79	87,463.80	83,094.39	90,416	104,831
Reserve for Payment BAN's						
Interfunds payable		<u>172,485.67</u>	<u>0.00</u>	<u>0.00</u>	<u>0</u>	<u>0</u>
	1,140,863.01	1,730,052.36	1,549,453.51	1,177,254.45	1,488,373	1,479,391
Reserve for receivables	595,187.26	388,603.96	507,533.06	351,495.43	600,896	654,320
Fund balance (deficit)	<u>2,362,276.17</u>	<u>1,836,430.46</u>	<u>799,581.39</u>	<u>1,406,298.48</u>	<u>865,960</u>	<u>1,470,742</u>
	4,098,326.44	3,955,086.78	2,856,567.96	2,935,048.36	2,955,229	3,604,453
<b>Capital Funds:</b>						
Reserve for refunded assessments						
Capital Fund:						
Interfunds payable		200,000.00				
Serial bonds payable		0.00	0.00	0.00	475,000	975,000
Bond anticipation notes	1,300,000.00	2,300,000.00	3,300,000.00	4,800,000.00	5,871,000	6,871,000
Due to Operating					0	0
Reserve for Note Principal	13,037.48	13,037.48	13,037.48	13,037.48	13,037	13,037
Imprv. Authorizations - Funded				0.00		
Unfunded	672,633.35	629,133.09	639,064.89	711,843.16	1,499,859	3,261,222
Capital improvement fund	207,374.03	107,374.03	57,374.03	7,374.03	7,374	7,374
Reserve for amortization	29,005,641.40	28,005,641.40	27,005,641.40	25,433,876.40	23,887,876	22,387,876
Def. Res. for amortization	1,645,000.00	1,645,000.00	1,645,000.00	1,645,000.00	1,645,000	1,645,000
Res. for payment of notes						
Fund balance	<u>139,849.18</u>	<u>125,789.51</u>	<u>315,094.51</u>	<u>359,026.01</u>	<u>313,966</u>	<u>235,444</u>
	32,983,535.44	33,025,975.51	32,975,212.31	32,970,157.08	33,713,112	35,395,953
<b>TOTAL LIABILITIES, RESERVES</b>						
<b>AND FUND BALANCE</b>	<u>37,081,861.88</u>	<u>36,981,062.29</u>	<u>35,831,780.27</u>	<u>35,905,205.44</u>	<u>36,668,341</u>	<u>39,000,406</u>
Bonds and Notes Authorized but						
Not Issued			679,000.00	679,000.00		

Audited information extracted from annual audit filed in accordance with N.J.S.A. 40A:5-4.

## WATER UTILITY – COMPARATIVE STATEMENT OF OPERATIONS & CHANGES IN FUND BALANCE

	Year 2008	Year 2007	Year 2006	Year 2005	Year 2004	Year 2003
<b>Revenue and Other Income:</b>						
Fund balance utilized	1,157,590.00	560,182.00	999,408.00	850,000.00	1,303,610.00	1,413,368.00
Rents	7,129,616.93	7,654,730.05	6,334,555.31	7,337,957.71	6,319,194.43	6,299,079.00
Connection fees	119,105.41	278,505.00	381,982.00	256,174.00	200,864.00	125,000.00
Misc. revenue anticipation						
Interest on investments	50,000.00	70,901.10	58,105.65	57,004.90	79,095.30	41,778.00
Non budget revenue	61,146.72	60,558.25	141,405.92	89,053.00	79,955.13	93,588.00
Escrow Trustee						
Other credits to Income:						
Appropriation reserves lapsed	448,902.07	222,644.16	106,517.31	209,460.67	101,847.61	93,742.00
Overpayments cancelled						
Accounts Payable Cancelled						
Net Interfund returned						
Accrued interest on notes lapse	<u>0.00</u>	<u>0.00</u>	<u>15,124.72</u>	<u>0.00</u>	<u>0.00</u>	<u>16,755.00</u>
	<u>8,966,361.13</u>	<u>8,847,520.56</u>	<u>8,037,098.91</u>	<u>8,799,650.28</u>	<u>8,084,566.47</u>	<u>8,083,310.00</u>
<b>Expenditures:</b>						
Budget and Emergency Appropriations:						
Operations:						
Salaries and Wages	1,295,013.00	1,292,512.00	1,204,433.00	1,290,713.00	1,276,724.00	1,230,422.00
Other expenses	4,643,827.00	4,607,675.00	4,579,975.00	4,208,541.00	4,066,474.50	3,876,530.00
Capital Improvements	100,000.00	90,000.00	50,000.00	50,000.00	200,000.00	200,000.00
Municipal debt service	1,073,085.42	1,107,974.30	1,667,000.00	1,721,157.78	1,699,750.00	1,716,152.00
anticipated revenue						
Statutory expenditures	171,000.00	152,000.00	143,000.00	138,900.00	126,900.00	124,000.00
Reserve for Payment of BAN's						
Refund of assessments						
Paid to Trust Fund						
Accrued Interest					15,890.00	
Other						645.00
Overpayments	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	7,282,925.42	7,250,161.30	7,644,408.00	7,409,311.78	7,385,738.50	7,147,749.00
<b>EXCESS (DEFICIT) IN REVENUE</b>	1,683,435.71	1,597,359.26	392,690.91	1,390,338.50	698,827.97	935,561.00
Fund Balance, January 1	1,836,430.46	799,253.20	1,406,298.48	865,959.98	1,470,742.00	1,948,549.00
Deferred charges - Emergency appr.						
Deferred charge to future budget						
charge to future budget	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	3,519,866.17	2,396,612.46	1,798,989.39	2,256,298.48	2,169,569.97	2,884,110.00
Decreased by:						
Utilized above as	<u>1,157,590.00</u>	<u>560,182.00</u>	<u>999,408.00</u>	<u>850,000.00</u>	<u>1,303,610.00</u>	<u>1,413,368.00</u>
anticipated revenue						
<b>FUND BALANCE (DEFICIT), Dec. 31</b>	<u>2,362,276.17</u>	<u>1,836,430.46</u>	<u>799,581.39</u>	<u>1,406,298.48</u>	<u>865,959.97</u>	<u>1,470,742.00</u>

Audited information extracted from annual audit filed in accordance with N.J.S.A. 40A:5-4.

## PARKING UTILITY – COMPARATIVE BALANCE SHEET

	Balance Dec. 31, 2008	Balance Dec. 31, 2007	Balance Dec. 31, 2006	Balance Dec. 31, 2005	Balance Dec. 31, 2004	Balance Dec. 31, 2003
<b>ASSETS:</b>						
Operating Fund:						
Cash & Investments - Treasurer	1,067,087.29	1,767,161.02	1,596,643.82	1,714,935.53	1,538,252.27	1,202,720.00
Deferred Charge	299.17	625,979.17				
Deficit in Operations	470,076.27					
Cash - change fund	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>
	1,494,562.73	2,393,240.19	1,596,743.82	1,715,035.53	1,538,352.27	1,202,820.00
Capital Fund:						
Cash & Investments - Treasurer	4,944,460.02	27,956,067.16	2,000,712.53	277,847.06	459,104.97	952,214.00
Due from parking operating					0.00	0.00
Due from General Capital Fund					0.00	107,833.00
Fixed capital authorized & uncompleted	25,000,000.00	33,150,000.00	33,150,000.00	1,150,000.00	1,150,000.00	1,150,000.00
Fixed capital completed	<u>49,453,717.24</u>	<u>16,303,717.24</u>	<u>16,233,398.45</u>	<u>16,200,000.00</u>	<u>16,200,000.00</u>	<u>16,200,000.00</u>
	<u>79,398,177.26</u>	<u>77,409,784.40</u>	<u>51,374,110.98</u>	<u>17,627,847.06</u>	<u>17,809,104.97</u>	<u>18,410,047.00</u>
<b>TOTAL ASSETS</b>	<u>80,892,739.99</u>	<u>79,803,024.59</u>	<u>52,970,854.80</u>	<u>19,342,882.59</u>	<u>19,347,457.24</u>	<u>19,612,867.00</u>
<b>LIABILITIES, RESERVES AND FUND BALANCE</b>						
Operating Fund:						
Appropriation Reserves	55,795.71	219,131.79	280,422.51	113,485.23	121,577.18	138,420.00
Accounts Payable			156,306.77	156,306.77	156,306.77	19,529.00
Accrued Interest	627,600.00	717,854.17	97,241.25	88,664.00	88,664.00	86,298.00
Encumbrances	10,195.63	23,218.60	29,919.89	15,545.61	163,191.05	232,122.00
Sales Tax Payment			10,598.11			
Due Current Fund		19,980.49				
Prepaid parking permits		83.75			0.00	0.00
<b>Fund Balance</b>	<u>800,971.39</u>	<u>1,412,971.39</u>	<u>1,022,255.29</u>	<u>1,341,033.92</u>	<u>1,008,613.27</u>	<u>726,451.00</u>
	<u>1,494,562.73</u>	<u>2,393,240.19</u>	<u>1,596,743.82</u>	<u>1,715,035.53</u>	<u>1,538,352.27</u>	<u>1,202,820.00</u>
Capital Fund:						
Serial bonds payable	3,525,000.00	4,290,000.00	5,085,000.00	5,890,000.00	6,783,000.00	7,663,000.00
Bond anticipation notes	35,000,000.00	31,000,000.00	2,000,000.00	500,000.00	500,000.00	500,000.00
Improvement Authorizations:						
Capital improvement fund	858,683.51	898,313.51	725,087.96	725,087.96	725,088.00	725,088.00
Funded			0.00	0.00	0.00	0.00
Unfunded	25,282,433.73	27,849,272.20	31,711,294.22	828.75	265,166.66	872,668.00
Reserve for Future Debt Service Costs	78,000.00	78,000.00	78,000.00	78,000.00		
Reserve for amortization	14,278,717.24	13,013,717.24	11,638,398.45	10,138,000.00	9,245,000.00	8,365,000.00
Fund Balance	375,342.78	280,481.45	136,330.35	<u>295,930.35</u>	<u>290,850.35</u>	<u>284,291.00</u>
	<u>79,398,177.26</u>	<u>77,409,784.40</u>	<u>51,374,110.98</u>	<u>17,627,847.06</u>	<u>17,809,105.01</u>	<u>18,410,047.00</u>
<b>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</b>	<u>80,892,739.99</u>	<u>79,803,024.59</u>	<u>52,970,854.80</u>	<u>19,342,882.59</u>	<u>19,347,457.28</u>	<u>19,612,867.00</u>

Audited information extracted from annual audit filed in accordance with N.J.S.A. 40A:5-4.

**PARKING UTILITY – COMPARATIVE STATEMENT  
OF OPERATIONS & CHANGES IN FUND BALANCE**

	Year 2008	Year 2007	Year 2006	Year 2005	Year 2004	Year 2003
<b>Revenue and Other Income:</b>						
Fund balance utilized	612,000.00	713,485.00	683,560.00	337,628.00	273,933.00	408,111.00
Parking fees	1,439,233.08	1,298,409.44	1,275,022.56	1,262,582.48	1,117,480.60	750,000.00
Rental park and ride			0.00	540,000.00	491,492.04	491,492.00
Rental income - other	552,000.00	551,000.00	540,000.00	450,534.37	484,166.67	320,000.00
Escrow Trustee						
Non budget revenue	10,190.00	172.00	120.05	178.19	2,581.80	0.00
Rental Income- other						
Bus service rental income						
Interest on Investments	431,560.31	718,286.52	125,330.14	53,897.01	33,394.04	25,000.00
Other credits to Income:						
Appropriation reserves lapsed	164,810.54	64,657.62	92,885.62	107,439.60	117,076.12	0.00
Cancellation on outstanding checks		156,306.77				
Parking Utility Grant						
Accrued interest on notes lapsed						
Collection of reserve interfunds						
Capital Fund Surplus	280,000.00					
	<u>3,489,793.93</u>	<u>3,502,317.35</u>	<u>2,716,918.37</u>	<u>2,752,259.65</u>	<u>2,520,124.27</u>	<u>1,994,603.00</u>
<b>Expenditures:</b>						
Budget & Emergency Appropriations						
Operations:						
Salaries and Wages	307,000.00	287,000.00	282,276.00	282,276.00	297,601.00	297,601.00
Other Expenses	227,200.00	297,200.00	275,450.00	262,200.00	258,450.00	262,200.00
Capital Improvements		200,000.00	200,000.00	200,000.00	200,000.00	200,000.00
Municipal Debt Service	2,669,620.83	2,208,845.42	1,556,833.75	1,313,235.00	1,182,112.00	1,211,702.00
Accrued interest adjustment			8,577.25		2,366.00	
Refund of Prior Year Expenditures	6,319.37					
Statutory Expenditures	<u>656,730.00</u>	<u>31,050.00</u>	<u>29,000.00</u>	<u>24,500.00</u>	<u>23,500.00</u>	<u>23,100.00</u>
	<u>3,916,870.20</u>	<u>3,024,095.42</u>	<u>2,352,137.00</u>	<u>2,082,211.00</u>	<u>1,964,029.00</u>	<u>1,994,603.00</u>
<b>EXCESS IN REVENUE</b>	(427,076.27)	478,221.93	364,781.37	670,048.65	556,095.27	
Fund Balance, January 1	<u>1,412,971.39</u>	<u>1,022,255.29</u>	<u>1,341,033.92</u>	<u>1,008,613.27</u>	<u>726,451.00</u>	<u>643,285.00</u>
	1,412,971.39	2,126,456.39	1,705,815.29	1,678,661.92	1,282,546.27	643,285.00
Decreased by:						
Utilized as anticipated revenue	<u>612,000.00</u>	<u>713,485.00</u>	<u>683,560.00</u>	<u>337,628.00</u>	<u>273,933.00</u>	<u>408,111.00</u>
<b>FUND BALANCE, December 31</b>	<u>800,971.39</u>	<u>1,412,971.39</u>	<u>1,022,255.29</u>	<u>1,341,033.92</u>	<u>1,008,613.27</u>	<u>235,174.00</u>

Audited information extracted from annual audit filed in accordance with N.J.S.A. 40A:5-4.

## POOL UTILITY– COMPARATIVE BALANCE SHEET

	Balance Dec. 31, 2008	Balance Dec. 31, 2007	Balance Dec. 31, 2006	Balance Dec. 31, 2005	Balance Dec. 31, 2004	Balance Dec. 31, 2003
<b>ASSETS:</b>						
Operating Fund:						
Cash - Treasurer	254,365.85	340,286.14	281,061.14	227,264.14	139,561.91	235,631.00
Deferred Charges - Deficit in Operations						
Due from Current Fund	16,081.00					
Investments	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	270,446.85	340,286.14	281,061.14	227,264.14	139,561.91	235,631.00
Capital Fund:						
Cash	78,156.28	80,437.64	79,075.89	76,016.89	72,979.39	58,108.00
Fixed Capital - Completed	2,747,332.16	2,717,476.16	2,667,662.71	2,624,786.72	2,624,786.72	2,624,787.72
Fixed Capital - Authorized and uncompleted						
Due from Pool Capital						
Operating Fund	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>TOTAL ASSETS:</b>	<u><u>2,825,488.44</u></u>	<u><u>2,797,913.80</u></u>	<u><u>2,746,738.60</u></u>	<u><u>2,928,067.75</u></u>	<u><u>2,837,328.02</u></u>	<u><u>2,918,526.72</u></u>
<b>LIABILITIES, RESERVES AND FUND BALANCE</b>						
Operating Fund:						
Encumbrances	34,569.19	32,030.76	33,598.26	9,844.60	6,869.15	10,086.00
Appropriation Reserves	16,459.68	14,193.75		29,028.61	1,139.86	7,595.00
Due Current Fund		19,608.03				
Accounts payable			11,258.43	11,258.43	11,258.43	8,558.00
Accrued Int. on Notes	15,891.47	27,808.33	34,671.74			
Reserve for Note Principal	29,550.00	29,550.00	29,550.00	55,950.00	55,950.00	52,388.00
Reserve for equipment, sponsors, adv. Reg.						
Due from Pool Utility Capital Fund						
Fund balance	<u>173,976.51</u>	<u>217,095.27</u>	<u>183,241.14</u>	<u>121,182.50</u>	<u>64,344.47</u>	<u>157,004.00</u>
	270,446.85	340,286.14	281,061.14	227,264.14	139,561.91	235,631.00
<b>Capital Fund:</b>						
Bond anticipation notes	225,000.00	325,000.00	350,000.00	375,000.00	1,080,000.00	1,305,000.00
Serial Bonds	280,000.00	380,000.00	480,000.00	580,000.00		
Improve Auth - Unfunded						
Reserve for amortization	2,245,306.15	2,015,450.15	1,840,636.70	1,672,760.71	1,547,760.71	1,322,761.00
Pool Equipment Financing						
Reserve for Pool Equip Exp - slides						
Fund balance	<u>75,182.29</u>	<u>77,463.65</u>	<u>76,101.90</u>	<u>73,042.90</u>	<u>70,005.40</u>	<u>55,134.00</u>
<b>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</b>	<u><u>2,825,488.44</u></u>	<u><u>2,797,913.80</u></u>	<u><u>2,764,738.60</u></u>	<u><u>2,700,803.61</u></u>	<u><u>2,697,766.11</u></u>	<u><u>2,682,895.00</u></u>
	<u><u>3,095,935.29</u></u>	<u><u>3,188,199.94</u></u>	<u><u>3,027,797.74</u></u>	<u><u>2,928,067.75</u></u>	<u><u>2,837,328.02</u></u>	<u><u>2,918,526.00</u></u>

Audited information extracted from annual audit filed in accordance with N.J.S.A. 40A:5-4.

**POOL UTILITY – COMPARATIVE STATEMENT OF  
OPERATIONS & CHANGES IN FUND BALANCE**

	Year 2009	Year 2008	Year 2007	Year 2006	Year 2005	Year 2004
<b>Revenue and Other Income:</b>						
Fund balance utilized	93,365.00	136,093.00	64,653.00	22,199.00	50,000.00	129,874.00
Pool Fees	604,630.00	692,627.00	683,532.50	673,637.00	689,208.00	587,546.00
Food stand revenue	10,500.00	9,500.00	9,500.00	9,500.00	11,250.00	8,000.00
Locker Rental						
Sponsorship						
Interest on Investments	500.00	6,000.00	16,232.40	11,112.29	2,066.09	3,534.51
Non Budget Revenue	750.00	3,610.00	2,709.00	3,375.00	2,865.00	2,348.00
Sandpiper Grant						
Other Credits to Income:						
Accounts payable canceled					17.94	10,786.46
Accrued Interest Canceled						
Appropriation reserves lapsed	<u>5,732.00</u>	<u>23,283.00</u>	<u>25,544.82</u>	<u>18,615.41</u>		
	<u>715,477.00</u>	<u>871,114.28</u>	<u>802,171.72</u>	<u>738,438.70</u>	<u>755,407.03</u>	<u>742,088.97</u>
<b>Expenditures:</b>						
Budget and Emergency Appropriations:						
Operations:						
Salaries and Wages	325,515.00	287,118.00	264,638.00	250,424.00	273,649.00	239,440.00
Other Expenses	176,675.00	211,775.00	210,775.00	194,425.00	165,295.00	137,321.50
Capital Outlay	50,000.00	35,000.00	50,000.00	35,000.00	35,000.00	42,250.00
Municipal Debt Service	164,675.00	216,247.04	153,411.59	153,618.75	151,925.00	265,000.00
Sponsorships						
Additional accrued interest				8,230.41		
Utilized in General Capital Fund						
Other						
Deficit in operations prior year						
Statutory expenditures	<u>28,500.00</u>	<u>28,000.00</u>	<u>24,840.00</u>	<u>23,700.00</u>	<u>22,700.00</u>	<u>20,863.00</u>
	745,365.00	778,140.04	703,664.59	665,398.16	648,569.00	704,874.50
<b>DEFICIT IN REVENUE</b>	(29,888.00)					
<b>EXCESS IN REVENUE</b>		92,974.24	98,507.13	73,040.54	106,838.03	37,214.47
<b>FUND BALANCE, January 1</b>	<u>173,976.00</u>	<u>217,095.00</u>	<u>183,241.14</u>	<u>121,182.50</u>	<u>64,344.47</u>	<u>157,004.00</u>
	144,088.00	310,069.51	281,748.27	194,223.04	171,182.50	194,218.47
Decreased by:						
Utilized as anticipated revenue	93,365.00	136,093.00	64,653.00	22,199.00	50,000.00	129,874.00
<b>FUND BALANCE, Dec. 31</b>	<u>50,723.00</u>	<u>173,976.51</u>	<u>217,095.27</u>	<u>172,024.04</u>	<u>121,182.50</u>	<u>64,344.47</u>

Audited information extracted from annual audit filed in accordance with N.J.S.A. 40A:5-4

## POLICE TRAINING UTILITY – COMPARATIVE BALANCE SHEET

	Balance Dec. 31, 2008	Balance Dec. 31, 2007	Balance Dec. 31, 2006	Balance Dec. 31, 2005	Balance Dec. 31, 2004	Balance Dec. 31, 2003
<b>ASSETS:</b>						
Operating Fund:						
Cash - Treasurer	240,490.74	205,989.87	136,368.85	86,748.05	54,693.96	39,303.00
Cash - Investments						
<b>TOTAL ASSETS</b>	<u>240,490.74</u>	<u>205,989.87</u>	<u>136,368.85</u>	<u>86,748.05</u>	<u>54,693.96</u>	<u>39,303.00</u>
<b>Liabilities, Reserves and Fund Balance:</b>						
Reserve for Encumbrances	14,585.75	63,822.30	40,130.74	7,479.02	127.85	497.00
Appropriation Reserves	73,858.47			22,812.01	165.66	2,460.00
Fund Balance	153,043.04	142,167.57	96,238.11	56,457.02	54,400.45	36,346.00
<b>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</b>	<u>240,490.74</u>	<u>205,989.87</u>	<u>136,368.85</u>	<u>86,748.05</u>	<u>54,693.96</u>	<u>39,303.00</u>

Audited information extracted from annual audit filed in accordance with N.J.S.A. 40A:5-4.

**POLICE TRAINING UTILITY – COMPARATIVE  
STATEMENT OF OPERATIONS & CHANGES IN  
FUND BALANCE**

	<b>Year 2008</b>	<b>Year 2007</b>	<b>Year 2006</b>	<b>Year 2005</b>	<b>Year 2004</b>	<b>Year 2003</b>
<b>Revenue and Other Income:</b>						
Fund Balance	43,000.00	14,000.00				
Shooting Qualifications	127,394.00	138,155.00	128,435.00	103,026.00	112,012.00	78,860.00
Prism Training	845.00			3,220.00	2,365.00	
Interest on Investments		6,583.92				
Non budgeted revenue	3,824.00	8,889.00	12,490.37	1,644.91	1,165.93	5,735.00
Other Credits to Income:						
Cancellation of prior year encumbrances	<u>48,812.85</u>	<u>33,301.54</u>	<u>18,855.72</u>	<u>165.66</u>	<u>2,511.52</u>	<u>7,737.00</u>
	223,875.85	200,929.46	159,781.09	108,056.57	118,054.45	92,332.00
<b>Expenditures:</b>						
Salaries and wages	40,000.00	30,886.00	31,168.00	34,000.00		
Other Expenses	<u>130,000.00</u>	<u>110,114.00</u>	<u>88,832.00</u>	<u>72,000.00</u>	<u>100,000.00</u>	<u>75,000.00</u>
Excess in Revenue	53,875.85	59,929.46	39,781.09	2,056.57	18,054.45	17,332.00
Fund Balance, January 1	142,167.57	96,238.11	56,457.02	54,400.45	36,346.00	19,014.00
Fund Balance, December 31	<u>153,043.42</u>	<u>156,167.57</u>	<u>96,238.11</u>	<u>56,457.02</u>	<u>54,400.45</u>	<u>36,346.00</u>

Audited information extracted from annual audit filed in accordance with N.J.S.A. 40A:5-4.