

# 2010 ANNUAL DEBT STATEMENT

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

of the Township of Pequannock, County of Morris  
Prepared as of December 31, 2010

	Gross	Deduction		Net
1. (a) Total Bonds and Notes for School Purposes	\$ <u>14,530,000.00</u> (50011-00)			
(b) Less Applicable Deductions		\$ <u>14,530,000.00</u> (50012-00)		
(c) Net Debt for School Purposes			\$ <u>0</u> (50013-00)	
2. (a) Total Bonds and Notes for Self-Liquidating Purposes	\$ <u>24,093,311.00</u> (50014-00)			
(b) Less Applicable Deductions		\$ <u>20,899,426.20</u> (50015-00)		
(c) Net Debt for Self-Liquidating Purposes			\$ <u>3,193,884.80</u> (50016-00)	
3. (a) Total Other Bonds, Notes and Loans	\$ <u>6,429,500.00</u> (50017-00)			
(b) Less Applicable Deductions		\$ <u>-</u> (50018-00)		
(c) Net Debt for Other Purposes			\$ <u>6,429,500.00</u> (50019-00)	
Total Gross Debt-	\$ <u>45,052,811.00</u> (50020-00)			
Total Deductions		\$ <u>35,429,426.20</u> (50021-00)		
<b>4. TOTAL NET DEBT DECEMBER 31, 2010</b>			\$ <u>9,623,384.80</u> (50022-00)	

### EQUALIZED VALUATION BASIS

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

(1) 2008 Equalized Valuation Real Property with Improvements plus assessed valuation of class II R.R. property	\$ <u>2,849,443,203.00</u>
(2) 2009 Equalized Valuation Real Property with Improvements plus assessed valuation of class II R.R. property	\$ <u>2,849,014,992.00</u>
(3) 2010 Equalized Valuation Real Property with Improvements plus assessed valuation of class II R.R. property	\$ <u>2,746,144,458.00</u>
<b>5. EQUALIZED VALUATION BASIS - Average of (1), (2), and (3).</b>	\$ <u>2,814,867,551.00</u>
<b>6. PERCENTAGE OF NET DEBT OF EQUALIZED VALUATION BASIS</b>	
The percentage that the net debt (Line 4 above) bears to the equalized valuation basis (Line 5 above):	
<u>Thirty Four Hundredths of One</u>	per cent ( <u>0.34%</u> ) (50039-00)

### AFFIDAVIT

STATE OF NEW JERSEY }  
County of Morris ) ss.

David W. Hollberg, being duly sworn, deposes and says:

Deponent is the chief financial officer of the Township of Pequannock County of Morris here and in the statement hereinafter mentioned called "the municipality" or "the county." The Annual Debt Statement annexed hereto and hereby made a part hereof is a true statement of the debt condition of the municipality or county as of December 31, 2010 and is computed as provided by the Local Bond Law of New Jersey (N.J.S.A. 40A:2-1 et. seq.). The amounts of such items as are indefinite or unascertainable are estimated and are so marked.

Subscribed and sworn to me before  
this 17th day of February 2011  
Diane K. Rizzi  
Notary Public of New Jersey

Name: David W. Hollberg  
Title: Township Manager / CFO  
Address: 530 Newark Pompton Turnpike  
Pompton Plains, NJ 07444  
Phone: (973) 835-5700 x133  
Fax: (973) 835-1152

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

DIANE K. RIZZI  
NOTARY PUBLIC OF NEW JERSEY  
My Commission Expires Nov. 8, 2011



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

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

- |   |  |
|---|--|
| <p>1. Sinking funds in hand for bonds shown as Line 1,<br/>Page 2 of this statement but not in excess of such bonds.</p>  | <p>\$ _____<br/>(50211-00)</p>                 |
| <p>2. Funds in hand in those cases where such funds cannot<br/>be diverted to purposes other than the payment of bonds<br/>and notes included in Line 4, Page 2.</p>                              | <p>\$ _____<br/>(50212-00)</p>                 |
| <p>3. Estimated proceeds of bonds and notes authorized but<br/>not issued where such proceeds will be used for the sole<br/>purpose of paying bonds and notes included in Line 4,<br/>Page 2.</p> | <p>\$ _____<br/>(50213-00)</p>                 |
| <p>4. _____ 4% per centum of average of equalized valuations<br/>(50221-00)<br/>as stated in Line 5, Page 1</p>   | <p>\$ <u>112,594,702.04</u><br/>(50214-00)</p> |

Instruction re: Line 4.

Use applicable per centum as follows:

2 1/2% Kindergarten or Grade 1 through Grade 6

3% Kindergarten or Grade 1 through Grade 8

3 1/2% Kindergarten or Grade 1 through Grade 9

4% Kindergarten or Grade 1 through Grade 12

Other (insert applicable description)

\_\_\_\_\_ %  
(50222-00)

- |   |  |
|---|--|
| <p>5. Additional State School Building Aid Bonds<br/>(N.J.S.A. 18A:58-33.4(d)). (50220-00) \$ _____</p>                         |  |
| <p>6. Total (50215-00) \$ <u>112,594,702.04</u></p>   |  |
| <p>7. School Debt as shown by<br/>Line 4, Page 2. (50216-00) \$ <u>14,530,000.00</u></p>  |  |
| <p>8. Deduction for School Debt included in Line 4, Page 2<br/>(smaller of Line 6 or 7). (50217-00) \$ <u>14,530,000.00</u></p> |  |
| <p>9. Regional School Debt as shown by Line 7, Page 2. (50218-00) \$ _____</p>  |  |

Page Total

\$ \_\_\_\_\_  
(50219-00)

## BONDS AND NOTES FOR SELF-LIQUIDATING PURPOSES

### A. Water SYSTEM

1. Term bonds	(503 1-00) \$ _____	
2. Serial bonds		
(a) Issued	(503 2-00) \$ _____	
(b) Authorized but not issued	(503 3-00) \$ _____	
3. Refunding Bonds (N.J.S.A. 40A:2-52)		
(a) Issued	(503 4-00) \$ _____	
(b) Authorized but not issued	(503 5-00) \$ _____	
4. Bond Anticipation Notes		
(a) Issued	(503 6-00) \$ <u>1,300,000.00</u>	
(b) Authorized but not issued	(503 7-00) \$ <u>1,847,311.00</u>	
5. Capital Notes (N.J.S.A. 40A:2-8)		
(a) Issued	(503 8-00) \$ _____	
(b) Authorized but not issued	(503 9-00) \$ _____	
6. Other		
(a) Issued	(503 10-00) \$ _____	
(b) Authorized but not issued	(503 11-00) \$ _____	
7. Total		\$ <u>3,147,311.00</u> (503 0-00)

### B. Sewer SYSTEM

8. Term bonds	(503 1-00) \$ _____	
9. Serial bonds		
(a) Issued	(503 2-00) \$ <u>7,708,000.00</u>	
(b) Authorized but not issued	(503 3-00) \$ _____	
10. Refunding Bonds (N.J.S.A. 40A:2-52)		
(a) Issued	(503 4-00) \$ _____	
(b) Authorized but not issued	(503 5-00) \$ _____	
11. Bond Anticipation Notes		
(a) Issued	(503 6-00) \$ <u>753,000.00</u>	
(b) Authorized but not issued	(503 7-00) \$ <u>12,375,000.00</u>	
12. Capital Notes (N.J.S.A. 40A:2-8)		
(a) Issued	(503 8-00) \$ _____	
(b) Authorized but not issued	(503 9-00) \$ _____	
13. Other		
(a) Issued	(503 10-00) \$ _____	
(b) Authorized but not issued	(503 11-00) \$ _____	
14. Total		\$ <u>20,836,000.00</u> (503 0-00)

Page Total	\$ <u>23,983,311.00</u> (50409-00)
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## BONDS AND NOTES FOR SELF-LIQUIDATING PURPOSES

### C. Solid Waste SYSTEM

1.	Term bonds	(503 1-00)	\$	_____
2.	Serial bonds			
	(a) Issued	(503 2-00)	\$	_____
	(b) Authorized but not issued	(503 3-00)	\$	_____
3.	Refunding Bonds (N.J.S.A. 40A:2-52)			
	(a) Issued	(503 4-00)	\$	_____
	(b) Authorized but not issued	(503 5-00)	\$	_____
4.	Bond Anticipation Notes			
	(a) Issued	(503 6-00)	\$	_____ -
	(b) Authorized but not issued	(503 7-00)	\$	_____ -
5.	Capital Notes (N.J.S.A. 40A:2-8)			
	(a) Issued	(503 8-00)	\$	_____
	(b) Authorized but not issued	(503 9-00)	\$	_____
6.	Other			
	(a) Issued	(503 10-00)	\$	_____
	(b) Authorized but not issued	(503 11-00)	\$	_____
7.	Total		\$	<u>None</u> (503 0-00)

### D. Recreation SYSTEM

8.	Term bonds	(503 1-00)	\$	_____
9.	Serial bonds			
	(a) Issued	(503 2-00)	\$	_____
	(b) Authorized but not issued	(503 3-00)	\$	_____
10.	Refunding Bonds (N.J.S.A. 40A:2-52)			
	(a) Issued	(503 4-00)	\$	_____
	(b) Authorized but not issued	(503 5-00)	\$	_____
11.	Bond Anticipation Notes			
	(a) Issued	(503 6-00)	\$	_____
	(b) Authorized but not issued	(503 7-00)	\$	110,000.00
12.	Capital Notes (N.J.S.A. 40A:2-8)			
	(a) Issued	(503 8-00)	\$	_____
	(b) Authorized but not issued	(503 9-00)	\$	_____
13.	Other			
	(a) Issued	(503 10-00)	\$	_____
	(b) Authorized but not issued	(503 11-00)	\$	_____
14.	Total		\$	<u>110,000.00</u> (503 0-00)

### E. OTHER SELF-LIQUIDATING PURPOSES FROM WHICH MUNICIPALITY DERIVES REVENUE

(state on a separate sheet in the manner stated above)

Page Total \$ 110,000.00

Grand Total \$ 24,093,311.00  
(50409-00)

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

**A. Water SYSTEM**

(a) Gross <u>Water</u> System Debt	(504 1-00)	\$ <u>3,147,311.00</u>
(b) Less: Deficit (Capitalized at 5%)		
(Line 9 or line 11, Page 11)		
\$ <u>0</u> times 20	(504 2-00)	\$ <u>0</u>
(c) Deduction	(504 3-00)	\$ <u>3,147,311.00</u>
(d) Plus: Cash held to Pay Bonds and Notes included in 2 (a) above	(504 4-00)	\$ <u>0</u>
(e) Total Deduction		\$ <u>3,147,311.00</u> (504 5-00)

**B. Sewer SYSTEM**

(a) Gross <u>Sewer</u> System Debt	(504 1-00)	\$ <u>20,836,000.00</u>
(b) Less: Deficit (Capitalized at 5%)		
(Line 20 or line 22, Page 11)		
\$ <u>159694.24</u> times 20	(504 2-00)	\$ <u>3,193,884.80</u>
(c) Deduction	(504 3-00)	\$ <u>17,642,115.20</u>
(d) Plus: Cash held to Pay Bonds and Notes included in 2 (a) above	(504 4-00)	\$ <u>0</u>
(e) Total Deduction		\$ <u>17,642,115.20</u> (504 5-00)

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

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

**C. Solid Waste \_\_\_\_\_ SYSTEM**

(a) Gross <u>Solid Waste</u> System Debt	(504 1-00)	\$	<u>0</u>
(b) Less: Deficit (Capitalized at 5%)			
(Line 9 or line 11, Page 11)			
\$ <u>0</u> times 20	(504 2-00)	\$	<u>0</u>
(c) Deduction	(504 3-00)	\$	<u>0</u>
(d) Plus: Cash held to Pay Bonds and Notes included in 2 (a) above	(504 4-00)	\$	<u>0</u>
(e) Total Deduction		\$	<u>0</u> (504 5-00)

**D. Recreation \_\_\_\_\_ SYSTEM**

(a) Gross <u>Recreation</u> System Debt	(504 1-00)	\$	<u>110,000.00</u>
(b) Less: Deficit (Capitalized at 5%)			
(Line 20 or line 22, Page 11)			
\$ _____ - times 20	(504 2-00)	\$	<u>-</u>
(c) Deduction	(504 3-00)	\$	<u>110,000</u>
(d) Plus: Cash held to Pay Bonds and Notes included in 2 (a) above	(504 4-00)	\$	<u>          </u>
(e) Total Deduction		\$	<u>110,000</u> (504 5-00)

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

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





## OTHER BONDS, NOTES AND LOANS

### 3. SERIAL BONDS (Continued)

(a) Issued

(18)		\$	
(19)		\$	
(20)		\$	
(21)		\$	
(22)		\$	
(23)		\$	
(24)		\$	
(25)		\$	
(26)		\$	
(27)		\$	
(28)		\$	
(29)		\$	
(30)		\$	
(31)		\$	
(32)		\$	
(33)		\$	
(34)		\$	
(35)		\$	
(36)		\$	

Total Serial Bonds Issued		\$ <u>200,000</u>
		(50547-00)

(b) Authorized but not Issued

(1)		\$	
(2)		\$	
(3)		\$	
(4)		\$	
(5)		\$	
(6)		\$	
(7)		\$	
(8)		\$	
(9)		\$	
(10)		\$	
(11)		\$	
(12)		\$	
(13)		\$	

Total Serial Bonds Authorized but not Issued		\$ _____
		(50564-00)

4. Total Serial Bonds Issued and Authorized but not Issued		\$ <u>200,000</u>
		(50565-00)

## OTHER BONDS, NOTES AND LOANS

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

(a) Issued

(1) <u>1999-10 Various Improvements / Roadways</u>	\$	<u>54,000.00</u>
(2) <u>2000-12 Various Improvements / Foothills Park</u>	\$	<u>90,000.00</u>
(3) <u>2001-09 Various Improvements / Roadways</u>	\$	<u>133,000.00</u>
(4) <u>2003-16 Various Improvements / Streetscape</u>	\$	<u>270,000.00</u>
(5) <u>2004-16 (28) Various / Fire Engine, Streetscape</u>	\$	<u>511,000.00</u>
(6) <u>2005-05 (16) Various Imp / Streetscape</u>	\$	<u>524,000.00</u>
(7) <u>2007-08 Various Improvements / Streetscape</u>	\$	<u>580,000.00</u>
(8) <u>2008-25 Greenview Park Improvements</u>	\$	<u>500,000.00</u>
(9) <u>2008-28 Replace Fire Rescue Vehicle 1-2</u>	\$	<u>280,000.00</u>
(10) <u>2009-12 Various Improvements / Sweeper</u>	\$	<u>600,000.00</u>
(11) _____	\$	_____
(12) _____	\$	_____
(13) _____	\$	_____
(14) _____	\$	_____
Bond Anticipation Notes Issued	\$	<u>3,542,000.00</u> (50625-00)

(b) Authorized but not issued

(1) <u>2001-09 Various Improvements / Roadways</u>	\$	<u>155,000.00</u>
(2) <u>2002-06 (08) Roads &amp; Drainage Improvements</u>	\$	<u>692,000.00</u>
(3) <u>2003-12 Refunding Ordinance</u>	\$	<u>27,000.00</u>
(4) <u>2004-16 (28) Various / Fire Engine, Streetscape</u>	\$	<u>3,000.00</u>
(5) <u>2006-11 Various Improvements / Sidewalks</u>	\$	<u>610,000.00</u>
(6) <u>2008-25 Greenview Park Improvements</u>	\$	<u>513,000.00</u>
(7) <u>2008-26 Sidewalk Improvements</u>	\$	<u>76,000.00</u>
(8) <u>2008-35 Sanitary Sewer - Road Completion</u>	\$	<u>1,500.00</u>
(9) <u>2010-20 Improve West Franklin Ave &amp; Parks</u>	\$	<u>610,000.00</u>
(10) _____	\$	_____
Bond Anticipation Notes Authorized but not Issued	\$	<u>2,687,500.00</u> (50661-00)

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

\$ 6,229,500.00  
(50662-00)

## OTHER BONDS, NOTES AND LOANS

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

(a) Issued

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

(b) Authorized but not issued

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

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

Total of Pages 6, 7, 8, and 9 \$ \_\_\_\_\_  
6,429,500.00  
(50799-00)

## DEDUCTIONS APPLICABLE TO OTHER BONDS AND NOTES

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

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

(1) _____	\$ _____	
		\$ <u>          -</u>
		(50814-00)

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

(1) _____	\$ _____	
(2) _____	\$ _____	
(3) _____	\$ _____	
		\$ <u>          -</u>
		(50824-00)

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

(1) _____	\$ _____	
(2) _____	\$ _____	
(3) _____	\$ _____	
		\$ <u>          -</u>
		(50834-00)

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

(1) _____	\$ _____	
(2) _____	\$ _____	
		\$ <u>          -</u>
		(50843-00)

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

	\$ _____
	(50844-00)

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

	\$ _____
	(50848-00)

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

	\$ _____
	(50851-00)

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

(1) _____	\$ _____	
(2) _____	\$ _____	
		\$ <u>          -</u>
		(50860-00)

Page Total

	\$ <u>          0</u>
	(50849-00)





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

1. Balance of debt incurring capacity as of December 31, 2009 under N.J.S.A. 40:1-16(d)	\$ _____ (51100-00)
2. Obligations heretofore authorized during 2009 in excess of debt limitation and pursuant to:	
(a) N.J.S.A. 40A:2-7, paragraph (d)	(51101-00) \$ _____
(b) N.J.S.A. 40A:2-7, paragraph (f)	(51102-00) \$ _____
(c) N.J.S.A. 40A:2-7, paragraph (g)	(51103-00) \$ _____
Total	(51104-00) \$ _____
3. Less 2010 authorizations repealed during 2010	(51105-00) \$ _____
4. Net authorizations during 2010	\$ _____ (51106-00)
5. Balance of debt incurring capacity December 31, 2010 under N.J.S.A. 40:1-16(d)	\$ _____ (51107-00)

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

In Witness Whereof, I have hereunto set my hand as Director of the Division of Local Government Services of the Department of Community Affairs of the State of New Jersey this \_\_\_\_\_ day of \_\_\_\_\_, 2011.

\_\_\_\_\_  
Director