COPY

2011

ANNUAL DEBT STATEMENT

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

of the **BOROUGH** of **GARWOOD** County of **UNION**

Prepared as of December 31, 2011

	Gross	Deduction	Net
1. (a) Total Bonds and Notes for School Purposes	**$7,529,765.00** (50011-00)		
(b) Less Applicable Deductions		**$7,529,765.00** (50012-00)	
(c) Net Debt for School Purposes			**$0.00** (50013-00)
2. (a) Total Bonds and Notes for Self-Liquidating Purposes	**$0.00** (50014-00)		
(b) Less Applicable Deductions		**$0.00** (50015-00)	
(c) Net Debt for Self-Liquidating Purposes			**$0.00** (50016-00)
3. (a) Total Other Bonds and Notes	**$3,846,944.04** (50017-00)		
(b) Less Applicable Deductions		**$25,000.00** (50018-00)	
(c) Net Debt for Other Purposes			**$3,821,944.04** (50019-00)
Total Gross Debt	**$11,376,709.04** (50020-00)		
Total Deductions		**$7,554,765.00** (50021-00)	
4. TOTAL NET DEBT DECEMBER 31, 2011			**$3,821,944.04** (50022-00)

EQUALIZED VALUATION BASIS

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

(1) 2009 Equalized Valuation Real Property with Improvements plus assessed valuation of class II R.R. property	**$697,370,398.00**
(2) 2010 Equalized Valuation Real Property with Improvements plus assessed valuation of class II R.R. property	**$675,594,741.00**
(3) 2011 Equalized Valuation Real Property with Improvements plus assessed valuation of class II R.R. property	**$672,118,971.00**
5. EQUALIZED VALUATION BASIS - Average of (1), (2), and (3).	**$681,694,703.33**

6. PERCENTAGE OF NET DEBT OF EQUALIZED VALUATION BASIS

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

56/100 of One per cent **0.56%** (50039-00)

AFFIDAVIT

STATE OF NEW JERSEY}
County of **Union** } ss.

Sandra Bruns, being duly sworn, deposes and says:

Deponent is the chief financial officer of the **Borough of Garwood, County of Union** 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, 2011 and is computed as provided by the Local Bond Law of New Jersey (N.J.S.A.40A:2-1 et seq.). The amounts of such items as are indefinite or unascertainable are estimated and are so marked.

Subscribed and sworn to before me

this 17th day of January ,2012

Notary Public of New Jersey

KATHLEEN J. WIERZBINSKI
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires 2/24/2014

Name: Sandra Bruns
Title: **CHIEF FINANCIAL OFFICER**
Address: **BOROUGH HALL**
403 SOUTH AVENUE
GARWOOD N.J. 07027 - 1296
Phone: **908 - 789 - 0710**
Fax: **908 - 789 - 7978**

NOTE- One copy must be filed not later than January 31, 2012 with Division of Local Government Services, P.O.803, Trenton, N.J. 08625-0803. The code numbers in brackets ( ) are for Division of Local Government Services use only.

BONDS AND NOTES FOR SCHOOL PURPOSES

School District Other Than Regional School District

		Issued by : ~~(Municipality Type I)~~ {Type II School District }	Strike out one
1. TERM BONDS	(50111-00)		
2. SERIAL BONDS			
(a) Issued	(50112-00)	$7,529,765.00	
(b) Authorized but not issued	(50113-00)		
3. TEMPORARY BONDS AND NOTES			
(a) Issued	(50114-00)		
(b) Authorized but not issued	(50115-00)		
4. TOTAL OF ABOVE BONDS AND NOTES			$7,529,765.00 (50116-00)

Regional School District

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

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

COMPUTATION OF REGIONAL AND/OR CONSOLIDATED SCHOOL DISTRICT DEBT

% OF VALUATIONS APPORTIONED TO EACH MUNICIPALITY			APPORTIONMENT OF DEBT - Dec. 31, 2011		
Municipality	Average Equalized Valuations	%	Serial Bonds Issued	Temp. Bonds - Notes Issued	Authorized But not Issued
Totals	$0.00	0.00%	$0.00		

Page Total $7,529,765.00 (50122-00)

DEDUCTIONS APPLICABLE TO BONDS AND NOTES

FOR SCHOOL PURPOSES

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

1. Sinking funds in hand for bonds shown as Line 1, Page 2 of this statement but not in excess of such bonds.

   _____ (50211-00)

2. Funds in hand in those cases where such funds cannot be diverted to purposes other than the payment of bonds and notes included in Line 4, Page 2.

   _____ (50212-00)

3. Estimated proceeds of bonds and notes authorized but not issued where such proceeds will be used for the sole purpose of paying bonds and notes included in Line 4, Page 2

   _____ (50213-00)

4. 4% per centrum of equalized valuations (50221-00) as stated in Line 5, Page 1.

   $27,267,788.13 (50214-00)

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

   _____ % _____
   (50222-00)

5. Additional State School Building Aid Bonds (N.J.S.A. 18A:58-33.4(d)) (50220-00) _____

6. Total (50215-00) $27,267,788.13

7. School Debt as shown by Line 4, Page 2. (50216-00) $7,529,765.00

8. Deduction for School Debt included in Line 4, Page 2 (smaller of Line 6 or 7). (50217-00) $7,529,765.00

9. Regional School Debt as shown by Line 7, Page 2. (50218-00) _____

Page Total $7,529,765.00 (50219-00)

BONDS AND NOTES FOR SELF- LIQUIDATING PURPOSES

A. _____ **SYSTEM**
(insert Applicable Utility)

1. Terms Bonds (503 1-00) _____

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

3. Refunding Bonds (N.J.S.A. 40A:2-52)
   (a) Issued (503 4-00) _____
   (b) Authorized but not issued (503 5-00) _____

4. Bond anticipation notes
   (a) Issued (503 6-00) _____
   (b) Authorized but not issued (503 7-00) _____

5. Capital Notes (N.J.S.A. 40A:2-8)
   (a) Issued (503 8-00) _____
   (b) Authorized but not issued (503 9-00) _____

6. Total _____
(503 0-00)

B. _____ **SYSTEM**
(insert Applicable Utility)

7. Terms Bonds (503 1-00) _____

8. Serial bonds
   (a) Issued (503 2-00) _____
   (b) Authorized but not issued (503 3-00) _____

9. Refunding Bonds (N.J.S.A. 40A:2-52)
   (a) Issued (503 4-00) _____
   (b) Authorized but not issued (503 5-00) _____

10. Bond anticipation notes
   (a) Issued (503 6-00) _____
   (b) Authorized but not issued (503 7-00) _____

11. Capital Notes (N.J.S.A. 40A:2-8)
   (a) Issued (503 8-00) _____
   (b) Authorized but not issued (503 9-00) _____

12. Total _____
(503 0-00)

C. OTHER SELF-LIQUIDATING PURPOSES FROM WHICH MUNICIPALITY DERIVES REVENUE (state on a separate sheet in the manner stated above)

Total _____

Page Total _____
(50409-00)

DEDUCTIONS APPLICABLE TO BONDS AND NOTES

FOR SELF-LIQUIDATING PURPOSES

1. _____ **SYSTEM**
(Insert Applicable Utility)

(a) Gross _____ System Debt (504 1-00) _____

(b) Less: Deficit (Capitalized at 5%)

(Line 9 0r Line 11, Page 11)
$ _____ times 20 (504 2-00) _____

(c) Deduction (504 3-00) _____

(d) Plus: Cash held to Pay Bonds and Notes included in 2(a) above (504 4-00) _____

(e) Total Deduction

_____
(504 5-00)

2. _____ **SYSTEM**
(Insert Applicable Utility)

(a) Gross _____ System Debt (504 1-00) _____

(b) Less: Deficit (Capitalized at 5%)

(Line 20 0r Line 22, Page 11)
$ _____ times 20 (504 2-00) _____

(c) Deduction (504 3-00) _____

(d) Plus: Cash held to Pay Bonds and Notes included in 2(a) above (504 4-00) _____

(e) Total Deduction

_____
(504 5-00)

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

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

Page Total

_____
(50499-00)

OTHER BONDS AND NOTES

1. TERM BONDS (state purposes separately)

(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		

2. Total Term Bonds

(50509-00)

3. SERIAL BONDS (state purposes separately)

(a) Issued

(1)	General Improvement Bonds - 2003	$475,000.00
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
(11)		
(12)		
(13)		
(14)		
(15)		
(16)		
(17)		

OTHER BONDS AND NOTES

3. SERIAL BONDS (Continued)

(a) Issued

(18)		
(19)		
(20)		
(21)		
(22)		
(23)		
(24)		
(25)		
(26)		
(27)		
(28)		
(29)		
(30)		
(31)		
Total Serial Bonds Issued		$475,000.00 (50547-00)

(b) Authorized but not issued

(1)	#94-20 Resurfacing Improvements	$47,000.00
(2)	#94-26 Acq. of Equipment	50.00
(3)	#95-05 Drainage	39,722.05
(4)	#97-16 Acquisitions	99,799.36
(5)	#99-02 Resurfacing of Maple Ave	32,000.75
(6)	#01-09 Various Road Improvements	104,000.00
(7)	#02-08 Road Reconstruction	4,253.15
(8)	#03-05/04-12 Road Improvements	17,000.00
(9)	#07-24 Construction of Athletic Field Complex	562,054.73
(10)	#07-30 Acquisition of Senior Citizens Bus	2,300.00
(11)	#10-11 Road Improvement Project	75,000.00
(12)	#11-11 Road Improvement Project	240,000.00
(13)		
(14)		
Total Serial Bonds Authorized but not Issued		$1,223,180.04 (50564-00)
4. Total Serial Bonds Issued and Authorized but not Issued		$1,698,180.04 (50565-00)

OTHER BONDS AND NOTES

5. BOND ANTICIPATION NOTES (state purposes separately)

(a) Issued

(1)	#04-10 Road Improvements	85,893.00
(2)	#04-15/05-09 Acq. Of Various Vehicles	464,137.00
(3)	#05-10 Road Improvements	84,208.00
(4)	#06-04 Improvement of Second Avenue	122,104.00
(5)	#06-05/06-21 Repairs to Gabion Walls	97,478.00
(6)	#07-23 Various Public Improvements	237,584.00
(7)	#07-24 Construction of Athletic Field Complex	482,758.00
(8)	#07-30 Acquisition of Senior Citizens Bus	62,222.00
(9)	#08-19 Road & Drainage Improvements	207,000.00
(10)	#08-20 Installation of Curbing	12,380.00
(11)	#09-11 Various Road & Drainage Projects	50,000.00
(12)	#09-16 Acquisition of New Garbage Truck	168,000.00
(13)	#10-11 Road Improvements	75,000.00
(14)		

Bond Anticipation Notes Issued $2,148,764.00
(50625-00)

(b) Authorized but not issued

(1)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
(11)		

Bond Anticipation Notes Authorized but not Issued
(50661-00)

6. Total Bond Anticipation Notes Issued and Authorized but not Issued $2,148,764.00
(50662-00)

OTHER BONDS AND NOTES

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

(a) Issued

(1)	Capital Notes (N.J.S.A. 40A:2-8)	(50711-00)	
(2)	Bonds issued by another Public Body Guaranteed by the Municipality	(50712-00)	
(3)		(50713-00)	
(4)		(50714-00)	
(5)		(50715-00)	

Miscellaneous Bonds and Notes Issued

(b) Authorized but not issued

(1)	Capital Notes (N.J.S.A. 40A:2-8)	(50721-00)	
(2)	Bonds authorized by another Public Body Guaranteed by the Municipality	(50722-00)	
(3)		(50723-00)	
(4)		(50724-00)	
(5)		(50725-00)	

Miscellaneous Bonds and Notes Authorized but not Issued

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

(50726-00)

Total of Pages 6, 7, 8 and 9

$3,846,944.04

(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) _____ _____

_____
(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) Cash on Hand to Pay Notes $25,000.00

(2) _____ _____

(3) _____ _____

$25,000.00
(50824-00)

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

(1) _____ _____

(2) _____ _____

(3) _____ _____

_____
(50834-00)

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

(1) _____ _____

(2) _____ _____

_____
(50843-00)

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

_____
(50844-00)

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

_____
(50848-00)

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

_____
(50851-00)

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

(1) _____ _____

(2) _____ _____

_____
(50860-00)

Page Total $25,000.00
(50849-00)

(Set forth in the following form, the figures showing whether the self-liquidating utility(s) have supported themselves during fiscal year 2010)

_____ Utility
(Insert Applicable Utility)

1. Total Cash Receipts from Fees, Rents or other Charges for Year		(509 1-00) _____
2. Operating and Maintenance Cost	(509 2-00) _____	
3. Debt Service per Water Accounts		
(a) Interest	(509 3-00) _____	
(b) Notes	(509 4-00) _____	
(c) Serial Bonds	(509 5-00) _____	
(d) Sinking Fund Requirement	(509 6-00) _____	
4. Debt Service per Current Budget (N.J.S.A. 40A:2-52) (a) Interest on _____		
Refunding Bonds	(509 7-00) _____	
(b) _____ Refunding Bonds	(509 8-00) _____	
5. Anticipated Deficit in Dedicated _____ Assessment Budget	(509 9-00) _____	
6. Total Debt Service	(510 0-00) _____	
7. Total Deductions(Line 2 plus Line 6)		(510 1-00) _____
8. Excess in Revenues(Line 1 minus Line 7)		(510 2-00) _____
9. Deficit in Revenues (Line 7 minus Line 1)		(510 3-00) _____
10. Total Debt Service (Line 6)		(510 4-00) _____
11. Deficit(smaller of Line 9 or Line 10) to Page 5		(510 5-00) _____

If Excess in Revenues (Line 8)all _____ Utility Debt is Deductible

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_____ Utility
(Insert Applicable Utility)

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

If Excess in Revenues (Line 19)all _____ Utility Debt is Deductible

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

SPECIAL DEBT STATEMENT

BORROWING POWER AVAILABLE UNDER N.J.S.A. 40A:2-7f)

1. Balance of debt incurring capacity as of December 31, 2011 under N.J.S.A. 40:1-16(d) _____ (51100-00)

2. Obligations heretofore authorized during 2010 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 2011 authorizations repealed during 2011 (51105-00) _____

4. Net authorizations during 2011 _____ (51106-00)

5. Balance of debt incurring capacity December 31, 2011 under N.J.S.A. 40:1-16(d) _____ (51107-00)

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

In witness whereof, I have hereunto set my hand as Director of Local Government Services of the Department of Community Affairs of the State of New Jersey this _____ day of _____, 2012.

_____
Director