

As of January 28, 2010

2009

ANNUAL DEBT STATEMENT

As Required by N.J.S.A. 40A:2-40

of the Borough of South River, County of Middlesex

Prepared as of December 31, 2009

	Gross	Deductions	Net
1. (a) Total Bonds and Notes for School Purposes	\$ 12,667,000.00		
(b) Less Applicable Deductions	(50011-00)	\$ 12,667,000.00	
(c) Net Debt for School Purposes		(50012-00)	\$ None
2. (a) Total Bonds and Notes for Self-Liquidating Purposes	\$ 16,605,548.37		
(b) Less Applicable Deductions	(50014-00)	\$ 16,605,548.37	
(c) Net Debt for Self-Liquidating Purposes		(50015-00)	\$ None
3. (a) Total Other Bonds, Notes and Loans	\$ 18,934,775.80		
(b) Less Applicable Deductions	(50017-00)	\$ None	
(c) Net Debt for Other Purposes		(50018-00)	\$ 18,934,775.80
Total Gross Debt	\$ 48,207,324.17		
Total Deductions	(50020-00)	\$ 29,272,548.37	
4. TOTAL NET DEBT DECEMBER 31, 2009		(50021-00)	\$ 18,934,775.80
		(50022-00)	(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) 2007 Equalized Valuation Real Property with Improvements plus assessed valuation of class II R.R. property \$ 1,710,243,276.00
 - (2) 2008 Equalized Valuation Real Property with Improvements plus assessed valuation of class II R.R. property \$ 1,674,565,593.00
 - (3) 2009 Equalized Valuation Real Property with Improvements plus assessed valuation of class II R.R. property \$ 1,616,767,248.00
5. EQUALIZED VALUATIONS BASIS - Average of (1), (2), and (3). \$ 1,667,192,039.00

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):

One and 136/1000 percent (1.136 %) (50039-00)

AFFIDAVIT

STATE OF NEW JERSEY
County of Middlesex Jss.

Joseph Zanga, being duly sworn, deposes and says:

Deposent is the chief financial officer of the Borough of South River, County of Middlesex 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, 2009 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 28th day of January, 2010
Patricia E. O'Connor
 Notary Public of New Jersey

Name: Patricia E. O'Connor
 Title: Temporary Chief Financial Officer
 Address: 48 Washington Street
South River, NJ 08882
 Phone: (732) 267-1476
 Fax: (732) 613-6111

NOTE - Two originals must be filed not later than January 31, 2010 with Division of Local Government Services, PO Box 803, Trenton, N.J. 08625-0803. The code numbers in brackets () are for Division of Local Government Services use only.

PATRICIA E. O'CONNOR
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Apr. 12, 2012

**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 centum of average of equalized valuations	
	(50221-00)		\$ _____
		as stated in Line 5, Page 1	66,687,681.56
			(50214-00)

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)		\$ _____

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

	(50220-00)	\$ _____
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6. Total

	(50215-00)	\$ _____	66,687,681.56
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7. School Debt as shown by Line 4, Page 2

	(50216-00)	\$ _____	12,667,000.00
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8. Deduction for School Debt Included in Line 4, Page 2 (smaller of Line 6 or 7).

	(50217-00)	\$ _____	12,667,000.00
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9. Regional School Debt as shown by Line 7, Page 2.

	(50218-00)	\$ _____
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	Page Total	\$ _____	12,667,000.00
		(50219-00)	

BONDS AND NOTES FOR SELF-LIQUIDATING PURPOSES

A. <u>Water</u> SYSTEM			
(Insert Applicable Utility)			
1. Term Bonds	(503 1-00)	\$	
2. Serial Bonds			
(a) Issued	(503 2-00)	\$	489,000.00
(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)	\$	2,857,000.00
(b) Authorized but not issued	(503 7-00)	\$	2,017,500.00
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 - NJEIT	(503 10-00)	\$	2,777,048.37
(b) Authorized but not issued	(503 11-00)	\$	
7. Total		\$	8,140,548.37
			(503 0-00)
B. <u>Electric</u> SYSTEM			
(Insert Applicable Utility)			
8. Term Bonds	(503 1-00)	\$	
9. Serial Bonds			
(a) Issued	(503 2-00)	\$	5,605,000.00
(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)	\$	2,460,000.00
(b) Authorized but not issued	(503 7-00)	\$	400,000.00
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		\$	8,465,000.00
			(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		\$	16,605,548.37
			(50409-00)

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

<u>1.</u> <u>Water</u>	<u>SYSTEM</u>
(Insert Applicable Utility)	
(a) Gross <u>Water</u> System Debt	(504 1-00) \$ <u>8,140,548.37</u>
(b) Less: Deficit (Capitalized at 5%)	
(Line 9 or line 11, Page 11)	
\$ _____ times 20	(504 2-00) \$ _____
(c) Deduction	(504 3-00) \$ <u>8,140,548.37</u>
(d) Plus: Cash held to Pay Bonds and Notes included in 2(a) above	(504 4-00) \$ _____
(e) Total Deduction	\$ <u>8,140,548.37</u> (504 5-00)

<u>2.</u> <u>Electric</u>	<u>SYSTEM</u>
(Insert Applicable Utility)	
(a) Gross <u>Electric</u> System Debt	(504 1-00) \$ <u>8,465,000.00</u>
(b) Less: Deficit (Capitalized at 5%)	
(Line 20 or line 22, Page 11)	
\$ _____ times 20	(504 2-00) \$ _____
(c) Deduction	(504 3-00) \$ <u>8,465,000.00</u>
(d) Plus: Cash held to Pay Bonds and Notes included in 2(a) above	(504 4-00) \$ _____
(e) Total Deduction	\$ <u>8,465,000.00</u> (504 5-00)

<u>3. OTHER SELF-LIQUIDATING PURPOSES FROM WHICH MUNICIPALITY DERIVES REVENUE</u> (State separately as above)	
Total	\$ _____

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	\$ <u>16,605,548.37</u> (50499-00)
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OTHER BONDS, NOTES AND LOANS

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 - 2000	\$ _____	2,634,000.00
(2)	General Improvement Bonds - 2007	\$ _____	8,030,000.00
(3)	_____	\$ _____	
(4)	_____	\$ _____	
(5)	_____	\$ _____	
(6)	_____	\$ _____	
(7)	_____	\$ _____	
(8)	_____	\$ _____	
(9)	_____	\$ _____	
(10)	_____	\$ _____	
(11)	_____	\$ _____	
(12)	_____	\$ _____	
(13)	_____	\$ _____	
(14)	_____	\$ _____	
(15)	_____	\$ _____	
(16)	_____	\$ _____	
(17)	_____	\$ _____	

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>10,664,000.00</u>
(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	\$ <u>(50564.00)</u>
4. Total Serial Bonds Issued and Authorized but not issued	\$ <u>10,664,000.00</u>
	\$ <u>(50565.00)</u>

OTHER BONDS, NOTES AND LOANS

5. BOND ANTICIPATION NOTES (state purposes separately)
 (a) Issued

(1)	Road Improvements to Washington Street	05-41/09-29	\$ 39,750.00
(2)	Reconstruction of Burton Avenue - Section I	06-39/09-30	\$ 107,250.00
(3)	Streets and Roads - Milling and Paving	07-21/08-51	\$ 261,000.00
(4)	Drainage Improvements - Paul and Wilcox	07-22/08-49	\$ 304,000.00
(5)	Acquisition of Firefighting Equipment	07-23	\$ 95,000.00
(6)	Improvements to Burton Avenue - Section II	08-14	\$ 25,000.00
(7)	Planning, site acquisition and construction of Municipal facilities	08-19	\$ 300,000.00
(8)	Acquisition of various equipment, road and various other improvements	08-25/08-46	\$ 1,686,000.00
(9)	Acquisition of various equipment, road, drainage and various other improvements	08-50/09-39	\$ 400,000.00
(10)			\$
(11)			\$
(12)			\$
(13)			\$
(14)			\$
(15)			\$
(16)			\$
(17)			\$
(18)			\$
(19)			\$
(20)			\$
(21)			\$
(22)			\$
(23)			\$
(24)			\$
(25)			\$
(26)			\$
(27)			\$
(28)			\$
(29)			\$
(30)			\$
(31)			\$
(32)			\$
(33)			\$
(34)			\$

OTHER BONDS, NOTES AND LOANS

5. BOND ANTICIPATION NOTES (state purposes separately) (continued)
 (a) Issued (Continued)

(35)	_____	\$ _____
(36)	_____	\$ _____
(37)	_____	\$ _____
(38)	_____	\$ _____
Total Bond Anticipation Notes Issued		\$ 3,218,000.00 (50625-00)
(b) Authorized but not issued		
(1)	Improvements to Hillside Avenue - Section II	\$ 8,250.00
(2)	Reconstruction of Burton Avenue - Section I	\$ 133.49
(3)	Improvements to Burton Avenue - Section II Planning, Site Acquisition and Construction of Municipal Facilities	\$ 27,000.00
(4)	Acquisition of Various Equipment, Road and Various Other Improvements	\$ 3,975,000.00
(5)	Acquisition of Various Equipment, Road, Drainage and Various Other Improvements	\$ 52,000.00
(6)	_____	\$ 483,500.00
(7)	_____	\$ _____
(8)	_____	\$ _____
(9)	_____	\$ _____
(10)	_____	\$ _____
(11)	_____	\$ _____
(12)	_____	\$ _____
(13)	_____	\$ _____
(14)	_____	\$ _____
(15)	_____	\$ _____
(16)	_____	\$ _____
(17)	_____	\$ _____
(18)	_____	\$ _____
(19)	_____	\$ _____
(20)	_____	\$ _____
(21)	_____	\$ _____
(22)	_____	\$ _____
(23)	_____	\$ _____
(24)	_____	\$ _____
(25)	_____	\$ _____

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

	\$ 7,763,883.49
	(50662-00)
	\$ 4,545,883.49
	(50661-00)

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) NJ Environmental Infrastructure Trust	(50713-00)	\$ 506,892.31
(4) _____	(50714-00)	\$ _____
(5) _____	(50715-00)	\$ _____

Total 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 authorized by another Public Body Guaranteed by the Municipality	(50722-00)	\$ _____
(3) _____	(50723-00)	\$ _____
(4) _____	(50724-00)	\$ _____
(5) _____	(50725-00)	\$ _____

Total Miscellaneous Bonds and Notes Authorized but not Issued

\$ _____
(50726-00)

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

\$ 18,934,775.80
(50799-00)

DEDUCTIONS APPLICABLE TO OTHER BONDS AND NOTES

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

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

(1) _____ \$ _____
 (2) _____ \$ _____

\$ (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) _____ \$ _____

\$ (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) _____ \$ _____

\$ (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) _____ \$ _____
 (3) _____ \$ _____
 (4) _____ \$ _____
 (5) _____ \$ _____
 (6) _____ \$ _____
 (7) _____ \$ _____
 (8) _____ \$ _____

\$ (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)

\$ None
 (50849-00)

Page Total

(Set forth in the following form, the figures showing whether the self-liquidating utility(s) have supported themselves during fiscal year 2009)

	Water	UTILITY
	(Insert Applicable Utility)	UTILITY
1. Total Cash Receipts from Fees, Rents or Other Charges for Year		(509 1-00) \$ 3,049,956.25
2. Operating and Maintenance Cost		(509 2-00) \$ 2,450,134.00
3. Debt Service per Water Accounts		
(a) Interest	(509 3-00) \$	96,030.87
(b) Notes	(509 4-00) \$	_____
(c) Serial Bonds	(509 5-00) \$	170,000.00
(d) Sinking Fund Requirement	(509 6-00) \$	_____
(e) Loans	(509 6-00) \$	254,687.47
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) \$ 520,718.34
7. Total Deductions (Line 2 plus Line 6)		(510 1-00) \$ 2,970,852.34
8. Excess in Revenues (Line 1 minus Line 7)		(510 2-00) \$ 79,103.91
9. Deficit in Revenues (Line 7 minus Line 1)		(510 3-00) \$ _____
10. Total Debt Service (Line 6)		(510 4-00) \$ 520,718.34
11. Deficit (smaller of Line 9 or Line 10) to Page 5		(510 5-00) \$ _____
If Excess in Revenues (Line 8) all _____ Water _____ Utility Debt is Deductible		
Electric	UTILITY	
(Insert Applicable Utility)		
12. Total Cash Receipts from Fees, Rents or Other Charges for Year		(509 1-00) \$ 14,947,142.60
13. Operating and Maintenance Cost		(509 2-00) \$ 11,543,251.00
14. Debt Service		
(a) Interest	(509 3-00) \$	297,890.91
(b) Notes	(509 4-00) \$	240,000.00
(c) Serial Bonds	(509 5-00) \$	380,000.00
(d) Sinking Fund Requirement	(509 6-00) \$	_____
(e) Capital Lease	(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) \$ 917,890.91
18. Total Deductions (Line 13 plus Line 17)		(510 1-00) \$ 12,461,141.91
19. Excess in Revenues (Line 12 minus Line 18)		(510 2-00) \$ 2,486,000.69
20. Deficit in Revenues (Line 18 minus Line 12)		(510 3-00) \$ _____
21. Total Debt Service (Line 17)		(510 4-00) \$ 917,890.91
22. Deficit (smaller of Line 20 or Line 21) to Page 5		(510 5-00) \$ _____
If Excess in Revenues (Line 19) all _____ Electric _____ 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:2-7(f)**

1. Balance of debt incurring capacity as of December 31, 2008 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 2009 authorizations repealed during 2009

(51105-00) \$ _____

4. Net authorizations during 2009

\$ _____
(51106-00)

5. Balance of debt incurring capacity December 31, 2009 under N.J.S.A. 40:1-16(d)

\$ _____
(51107-00)

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

In Witness Whereof, I have hereunto set my hand as Director of the Division of Local Government Services of the Department of Community Affairs of the State of New Jersey this _____ day of _____, 20____.

Director