

2011 ANNUAL DEBT STATEMENT

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

of the Town of Kearny, County of Hudson
 Prepared as of December 31, 2011

	Gross	Deduction	Net
1. (a) Total Bonds and Notes for School Purposes	\$ 13,210,000.00 (50011-00)		
(b) Less Applicable Deductions		\$ 13,210,000.00 (50012-00)	\$ 0.00 (50013-00)
(c) Net Debt for School Purposes			
2. (a) Total Bonds and Notes for Self-Liquidating Purposes	\$ 14,688,900.43 (50014-00)		
(b) Less Applicable Deductions		\$ 14,688,900.43 (50015-00)	\$ 0.00 (50016-00)
(c) Net Debt for Self-Liquidating Purposes			
3. (a) Total Other Bonds, Notes and Loans	\$ 72,171,366.06 (50017-00)		
(b) Less Applicable Deductions		\$ 44,924,230.56 (50018-00)	\$ 27,247,135.50 (50019-00)
(c) Net Debt for Other Purposes			
Total Gross Debt-	\$ 100,070,266.49 (50020-00)		
Total Deductions		\$ 72,823,130.99 (50021-00)	\$ 27,247,135.50 (50022-00)
4. TOTAL NET DEBT DECEMBER 31, 2011			

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) 2009 Equalized Valuation Real Property with Improvements plus assessed valuation of class II R.R. property
- (2) 2010 Equalized Valuation Real Property with Improvements plus assessed valuation of class II R.R. property
- (3) 2011 Equalized Valuation Real Property with Improvements plus assessed valuation of class II R.R. property

	\$ 3,875,773.024
	\$ 3,641,977.755
	\$ 3,389,278.275
	\$ 3,635,676.351

5. EQUALIZED VALUATION BASIS - Average of (1), (2), and (3).

6. PERCENTAGE OF NET DEBT OF EQUALIZED VALUATION BASIS

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

Zero and Seventy-Five Hundredths of One _____ per cent (0.75%)
 (50039-00)

AFFIDAVIT

STATE OF NEW JERSEY }
 County of _____ } ss.

Shuaib A. Firozvi, being duly sworn, deposes and says:

Deponent is the chief financial officer of the Town of Kearny County of Hudson 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 uncertain are estimated and are so marked.

this <u>30th</u> day of <u>January</u> <u>2012</u> <u>MARIA</u>	Name: <u>Shuaib A. Firozvi</u> Title: <u>Chief Financial Officer</u> Address: <u>402 Kearny Avenue</u> <u>Kearny, NJ 07032</u> Phone: <u>201-955-7897</u> Fax: <u>201-955-9221</u>
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Notary Public of New Jersey

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.

MARIA F. MARTINS
 Notary Public of New Jersey
 My Commission Expires June 12, 2016.

BONDS AND NOTES FOR SELF-LIQUIDATING PURPOSES

A. WATER SYSTEM

1. Term bonds		(503 1-00) \$ _____
2. Serial bonds		
(a) Issued	(503 2-00) \$ <u>6,693,000.00</u>	
(b) Authorized but not issued	(503 3-00) \$ _____	
3. Refunding Bonds (N.J.S.A. 40A:2-52)		
(a) Issued	(503 4-00) \$ <u>105,000.00</u>	
(b) Authorized but not issued	(503 5-00) \$ _____	
4. Bond Anticipation Notes		
(a) Issued	(503 6-00) \$ <u>5,300,000.00</u>	
(b) Authorized but not issued	(503 7-00) \$ <u>1,224,625.00</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 - NJEIT Loans		
(a) Issued	(503 10-00) \$ <u>1,366,275.43</u>	
(b) Authorized but not issued	(503 11-00) \$ _____	
7. Total		\$ <u>14,688,900.43</u> (503 0-00)

B. 0 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) \$ _____	
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		\$ _____ (503 0-00)

Page Total

\$ 14,688,900.43
(50409-00)

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

A. WATER _____ **SYSTEM**

(a) Gross	WATER	System Debt			
		(504 1-00)	\$	<u>14,688,900.43</u>	
(b) Less: Deficit (Capitalized at 5%)					
	(Line 9 or line 11, Page 11)				
\$	<u>0</u>	times 20			
		(504 2-00)	\$		
(c) Deduction		(504 3-00)	\$	<u>14,688,900.43</u>	
(d) Plus: Cash held to Pay Bonds and Notes included in 2 (a) above					
		(504 4-00)	\$		
(e) Total Deduction			\$	<u>14,688,900.43</u>	
				<u>(504 5-00)</u>	

B 0 _____ **SYSTEM**

(a) Gross	0	System Debt			
		(504 1-00)	\$		
(b) Less: Deficit (Capitalized at 5%)					
	(Line 20 or line 22, Page 11)				
\$	<u>0</u>	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			\$	<u></u>	
				<u>(504 5-00)</u>	

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

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)	<u>2003 General Improvements</u>	\$ <u>1,700,000.00</u>
(2)	<u>2003 Refunding Bonds (Series A)</u>	\$ <u>1,305,000.00</u>
(3)	<u>2003 Refunding Bonds (Series B)</u>	\$ <u>6,035,000.00</u>
(4)	<u>2006 Refunding Bonds (Series A)</u>	\$ <u>5,220,000.00</u>
(5)	<u>2006 Refunding Bonds (Series B)</u>	\$ <u>4,480,000.00</u>
(6)	<u>2008 General Improvements</u>	\$ <u>10,200,000.00</u>
(7)	<u>2011 Refunding Bonds</u>	\$ <u>8,995,000.00</u>
(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		\$ _____
		\$ 37,935,000.00
		(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		\$ _____
		\$ 0.00
		(50564-00)
4. Total Serial Bonds Issued and Authorized but not Issued		\$ _____
		\$ 37,935,000.00
		(50565-00)

OTHER BONDS, NOTES AND LOANS

5. BOND ANTICIPATION NOTES (state purposes separately)

(a) Issued

(1)	<u>08-34: Various Roads and Sewer Improvements</u>	\$ <u>1,500,000.00</u>
(2)	<u>08-35: Various Capital Improvements</u>	\$ <u>950,000.00</u>
(3)	<u>08-36: Multi-Park Improvements</u>	\$ <u>500,000.00</u>
(4)	<u>09-12: Various Capital Improvements (2008-51)</u>	\$ <u>475,000.00</u>
(5)	<u>10-06: Various Capital Improvements</u>	\$ <u>950,000.00</u>
(6)	<u>11-13: Various Roads and Sewer Improvements</u>	\$ <u>950,000.00</u>
(7)	_____	\$ _____
(8)	_____	\$ _____
(9)	_____	\$ _____
(10)	_____	\$ _____
(11)	_____	\$ _____
(12)	_____	\$ _____
(13)	_____	\$ _____
(14)	_____	\$ _____

Bond Anticipation Notes Issued

\$ 5,325,000.00
(50625-00)

(b) Authorized but not issued

(1)	<u>98-26: Sewer Separation Project</u>	\$ <u>9,310.00</u>
(2)	<u>04-25: CSO Solids/Floatables Control Facilities</u>	\$ <u>1,768,167.00</u>
(3)	<u>09-42: Harvey Field Soccer Improvements</u>	\$ <u>435,000.00</u>
(4)	<u>10-40: Magullian Property Acquisition</u>	\$ <u>191,500.00</u>
(5)	_____	\$ _____
(6)	_____	\$ _____
(7)	_____	\$ _____
(8)	_____	\$ _____
(9)	_____	\$ _____
(10)	_____	\$ _____

Bond Anticipation Notes Authorized but not Issued

\$ 2,403,977.00
(50661-00)

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

\$ 7,728,977.00
(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) \$	<u>17,619,671.00</u>
(3) Green Trust Loans	(50713-00) \$	681,941.70
(4) Infrastructure Trust	(50714-00) \$	<u>8,205,776.36</u>
(5) _____	(50715-00) \$	_____
Miscellaneous Bonds, Notes and Loans Issued		\$ _____
		<u>26,507,389.06</u>
		(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		\$ <u>26,507,389.06</u>
		(50726-00)

Total of Pages 6, 7, 8, and 9

\$ _____

72,171,366.06

(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) Reserve for Payment of Debt \$ 1,269,559.56
 (2) _____ \$ _____
 (3) _____ \$ _____
 _____ \$ 1,269,559.56
 _____ (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)
 _____ \$ 17,619,671.00
 _____ (50844-00)

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

_____ \$ _____
 _____ (50848-00)
 _____ \$ _____
 _____ (50851-00)

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)]

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)

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

(1) Refunding Bonds 2003 (A & B) \$ 7,340,000.00
 (2) Refunding Bonds 2006 (A & B) \$ 9,700,000.00
 (3) Refunding Bonds 2011 _____ \$ 8,995,000.00
 _____ \$ 26,035,000.00
 _____ (50860-00)

Self-Liquidating Utility Calculation

Fiscal Year Ending 2011

A. WATER _____ **UTILITY** _____

1. Total Cash Receipts from Fees, _____ (509 1-00) \$ _____ 5,978,387.59
 Rents or Other Charges for Year _____
2. Operating and Maintenance Cost _____ (509 2-00) \$ _____ 5,194,011.59
3. Debt Service per Water Accounts
 (a) Interest _____ (509 3-00) \$ _____ 407,626.00
 (b) Notes _____ (509 4-00) \$ _____ 96,750.00
 (c) Serial Bonds _____ (509 5-00) \$ _____ 280,000.00
 (d) Sinking Fund Requirements _____ (509 6-00) \$ _____
4. Debt Service per Current Budget _____
 (N.J.S.A. 40A:2-52)
5. Anticipated Deficit in Dedicated
 WATER _____ Assessment Budget _____ (509 9-00) \$ _____
 _____ (510 0-00) \$ _____ 784,376.00
6. Total Debt Service _____ (510 1-00) \$ _____ 5,978,387.59
7. Total Deductions (Line 2 plus Line 6) _____ (510 2-00) \$ _____ 0.00
8. Excess in Revenues (Line 1 minus Line 7) _____ (510 3-00) \$ _____
9. Deficit in Revenues (Line 7 minus Line 1) _____ (510 4-00) \$ _____ 784,376.00
10. Total Debt Service (Line 6) _____ (510 5-00) \$ _____
11. Deficit (smaller of Line 9 or Line 10) to Page 5 _____
 If Excess in Revenues (Line 8) all **WATER** _____ Utility Debt is Deductible _____

B. 0 _____ **UTILITY** _____

12. Total Cash Receipts from Fees, _____ (509 2-00) \$ _____
 Rents or Other Charges for Year _____
13. Operating and Maintenance Cost _____
14. Debt Service
 (a) Interest _____ (509 3-00) \$ _____
 (b) Notes _____ (509 4-00) \$ _____
 (c) Serial Bonds _____ (509 5-00) \$ _____
 (d) Sinking Fund Requirements _____ (509 6-00) \$ _____
15. Debt Service per Current Budget (N.J.S.A. 40A:2-52)
 (a) Interest on **0** _____ (509 7-00) \$ _____
 Refunding Bonds _____ (509 8-00) \$ _____
 (b) **0** _____ Refunding Bonds _____
16. Anticipated Deficit in Dedicated
 0 _____ Assessment Budget _____ (509 9-00) \$ _____
 _____ (510 0-00) \$ _____
17. Total Debt Service _____ (510 1-00) \$ _____
18. Total Deductions (Line 13 plus Line 17) _____
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 **0** _____ 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, 2010 under N.J.S.A. 40:1-16(d) \$ _____
_____ (51100-00)
2. Obligations heretofore authorized during 2011 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, **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 _____, 2012.

Director