

PRELIMINARY OFFICIAL STATEMENT DATED JUNE 29, 2011

NEW ISSUE
BOOK-ENTRY ONLY

RATINGS: Standard & Poors: Bonds: “ ”
See “RATINGS” herein.

In the opinion of McCarter & English, LLP, Bond Counsel to the Township (as defined herein), assuming compliance by the Township with certain tax covenants described herein, under existing law, interest on the Bonds (as defined herein) is excluded from gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and interest on the Bonds is not an item of tax preference under Section 57 of the Code for purposes of computing the alternative minimum tax. Based upon existing law, interest on the Bonds and net gains from the sale thereof are exempt from the tax imposed by the New Jersey Gross Income Tax Act. In the case of certain corporate holders of the Bonds, interest on the Bonds will be included in the calculation of the federal alternative minimum tax as a result of the inclusion of interest on the Bonds in “adjusted current earnings.” See “TAX MATTERS” herein.

**TOWNSHIP OF GREENWICH
IN THE COUNTY OF WARREN, NEW JERSEY
\$1,265,000 GENERAL IMPROVEMENT BONDS OF 2011**

Dated: Date of Delivery

Due: Bonds: July 15, as shown on the inside front cover

The Township of Greenwich, in the County of Warren, New Jersey (the “Township”) is offering \$1,265,000 of General Improvement Bonds of 2011 (the “Bonds”). The Bonds are general obligations of the Township and are secured by a pledge of the full faith and credit of the Township for the payment of the principal thereof and interest thereon. The Bonds are payable, if not paid from other sources, from ad valorem taxes that may be assessed upon all the taxable property within the Township without limitation as to rate or amount.

The Bonds will be issued in fully registered form in the form of one certificate for each maturity of the Bonds and, when issued, will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York (“DTC”), which will maintain a book-entry system for recording ownership interests of DTC Participants. Individual purchases of beneficial ownership interests in the Bonds may be made in book-entry form only on the records of DTC and its Participants and only in the principal amount of \$5,000 or any integral multiple of \$1,000 in excess thereof. Beneficial Owners of the Bonds will not receive certificates representing their interests in the Bonds. As long as Cede & Co. is the registered owner, as nominee of DTC, references in this Official Statement to the registered owners, other than under the caption “TAX MATTERS,” shall mean Cede & Co., and not the Beneficial Owners of the Bonds. See “DESCRIPTION OF THE BONDS – Book-Entry-Only System” herein.

Principal of the Bonds is payable on July 15 in each of the years set forth on the inside cover page hereof. Interest on the Bonds is payable on January 15, 2012 and semiannually thereafter on July 15 and January 15 in each year until maturity. As long as DTC or its nominee Cede & Co. is the registered owner of the Bonds, payment of the principal of and interest on the Bonds will be made by the Township directly to DTC or its nominee, Cede & Co. Interest on the Bonds will be credited to the participants of DTC as listed on the records of DTC as of each next preceding January 1 and July 1 (the “Record Dates” for the payment of interest on the Bonds).

The Bonds maturing on or after July 15, 2022 are subject to redemption prior to their stated maturities. See “DESCRIPTION OF THE BONDS – Redemption” herein.

**FOR MATURITY SCHEDULES,
SEE INSIDE COVER PAGE HEREOF**

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

The Bonds are offered when, as and if issued and delivered to the underwriter, subject to prior sale, to withdrawal or to modification of the offer without notice and to the approval of legality by the law firm of McCarter & English, LLP, Newark, New Jersey, and certain other conditions described herein. Certain legal matters will be passed upon for the Township by its counsel, J. Peter Jost, Clinton, New Jersey. The Bonds are expected to be available for delivery in definitive form at DTC in New York, New York on or about July 19, 2011.

ELECTRONIC OR SEALED PROPOSALS WILL BE RECEIVED FOR THE BONDS UNTIL 11:00 AM ON JULY 7, 2011.
ALL PROPOSALS MUST BE IN ACCORDANCE WITH THE NOTICE OF SALE.

Dated: July __, 2011

This is a Preliminary Official Statement, complete with the exception of the specific information permitted to be omitted by Rule 15c2-12 of the Securities and Exchange Commission. The Township has authorized distribution of this Preliminary Official Statement to prospective purchasers and others. In accordance with Rule 15c2-12, this Preliminary Official Statement is deemed final. Upon the sale of Bonds described herein, the Township will deliver a final Official Statement within the earlier of seven business days following such sale or in order to accompany the purchaser's confirmations that request payment for the Bonds.

\$1,265,000 GENERAL IMPROVEMENT BONDS OF 2011
AMOUNTS, MATURITIES, INTEREST RATES, YIELDS OR PRICES AND CUSIPS

Year (July 15)	Amount	Interest Rate	Yield/ Price	CUSIP*	Year (July 15)	Amount	Interest Rate	Yield/ Price	CUSIP*
2012	\$40,000				2021	\$80,000			
2013	45,000				2022	80,000			
2014	50,000				2023	80,000			
2015	55,000				2024	80,000			
2016	60,000				2025	80,000			
2017	65,000				2026	80,000			
2018	70,000				2027	80,000			
2019	80,000				2028	80,000			
2020	80,000				2029	80,000			

* No representation is made as to the correctness or accuracy of the CUSIP Numbers, either as printed on the Bonds or as contained in this Official Statement.

**TOWNSHIP OF GREENWICH,
IN THE COUNTY OF WARREN, NEW JERSEY**

MAYOR

Tanya Segal

COMMITTEE MEMBERS

**Joseph Gurneak, Deputy Mayor
M. Elaine Emiliani
Dan Perez
Bruce Williams**

TOWNSHIP ADMNISTRATOR

Kimberly Viscomi

TOWNSHIP CHIEF FINANCIAL OFFICER

Grace Brennan

TOWNSHIP CLERK

Kimberly Viscomi

TOWNSHIP ATTORNEY

J. Peter Jost

TOWNSHIP AUDITOR

Suplee, Clooney and Company

BOND COUNSEL

McCarter & English, LLP

No broker, dealer, salesperson or other person has been authorized by the Township to give any information or to make any representations with respect to the Bonds other than those contained in this Official Statement, and, if given or made, such information or representations must not be relied upon as having been authorized by the foregoing. The information contained herein has been provided by the Township and other sources deemed reliable; however, such information is not guaranteed as to accuracy or completeness, and is not to be construed as a representation of the Township. The information and the expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale hereunder under any circumstances shall create any implication that there has been no change in any of the information herein since the date hereof or since the date as of which such information is given, if earlier. The information in this Official Statement concerning DTC and DTC's book-entry system has been obtained from DTC, and the Township takes no responsibility for the accuracy thereof. Such information has not been independently verified by the Township, and the Township makes no representation as the accuracy and completeness of such information.

References in this Official Statement to laws, rules, regulations, resolutions, agreements, reports and documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein, and copies of which may be inspected at the offices of the Township during normal business hours.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds in any jurisdiction in which it is unlawful for any person to make such an offer, solicitation or sale. No dealer, broker, salesperson or other person has been authorized to give any information or to make any representations other than as contained in this Official Statement. If given or made, such other information or representations must not be relied upon as having been authorized by the Township.

The order and the placement of materials in this Official Statement, including the Appendices, are not deemed to be a determination of relevance, materiality or importance, and this Official Statement, including the Appendices, must be considered in its entirety.

The presentation of information in this Official Statement is intended to show recent historic information and, except as expressly stated otherwise, it is not intended to indicate future or continuing trends in the financial condition or other affairs of the Township. No representation is made that past experience, as is shown by the financial and other information, will necessarily continue or be repeated in the future.

This Official Statement is not to be construed as a contract or an agreement between the Township and the purchasers or holders of any of the Bonds. Any statements made in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended merely as opinions and not as representations of fact. The information, estimates and expressions of opinion herein are subject to change without notice. The delivery of this Official Statement or any sale of the Bonds made hereunder shall not under any circumstances, create any implication that there has been no change in the affairs of the Township since the date hereof. This Official Statement is submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITER MAY OFFER AND SELL THE BONDS TO CERTAIN DEALERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED ON THE INSIDE COVER PAGE HEREOF AND SAID PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE TOWNSHIP AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

McCarter & English, LLP has not verified the accuracy, completeness or fairness of the information contained herein, except under the heading "TAX MATTERS" and, accordingly, assumes no responsibility therefore and will express no opinion with respect thereto.

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OFFICIAL STATEMENT

Relating to

TOWNSHIP OF GREENWICH IN THE COUNTY OF WARREN, NEW JERSEY \$1,265,000 GENERAL IMPROVEMENT BONDS OF 2011

INTRODUCTION

The purpose of this Official Statement is to set forth certain information concerning the Township of Greenwich, in the County of Warren, New Jersey (the "Township") and the \$1,265,000 of General Obligation Bonds of 2011 (the "Bonds").

This Official Statement, including the cover page and the attached Appendices, contains specific information relating to the Bonds, including their general description, the purpose of the issue, a summary of borrowing procedures, certain matters affecting the financing, certain legal matters, historical financial information and other information pertinent to this issue. This Official Statement should be read in its entirety.

All financial and other information presented herein has been provided by the Township from its records, except for information expressly attributed to other sources. The presentation of information, including tables of receipts and disbursements, is intended to show recent historic information and is not indicative of future or continuing trends in the financial position or other affairs of the Township.

Prior to the issuance of the Bonds, the Township will execute an agreement for the benefit of the holders of the Bonds to comply with the secondary market disclosure requirements of the Securities and Exchange Commission's Rule 15c2-12 ("Rule 15c2-12") applicable to the Bonds. See "SECONDARY MARKET DISCLOSURE" and "APPENDIX D – FORM OF CONTINUING DISCLOSURE AGREEMENT" herein.

DESCRIPTION OF THE BONDS

General

The Bonds will be dated the date of delivery thereof, will mature on the dates and in the amounts and will bear interest payable semiannually as set forth on the inside cover page hereof to the registered owners of the Bonds as of each January 1 and July 1 (each a "Record Date") immediately preceding each January 15 and July 15 (each an "Interest Payment Date"), commencing January 15, 2012. So long as The Depository Trust Company, New York, New York ("DTC"), or its nominee, Cede & Co., is the registered owner of the Bonds, payments of the principal of and interest on the Bonds will be made by the Township directly to DTC or such nominee, which will in turn remit such payments to DTC participants, which will in turn remit such payments to the beneficial owners of the Bonds. The Bonds may be purchased in book-entry only form in the amount of \$5,000 or any integral multiple of \$1,000 in excess thereof through book entries made on the books and the records of DTC and its participants. See "DESCRIPTION OF THE BONDS – Book-Entry-Only System" herein.

The Bonds will be issued in fully registered book-entry form only in the form of one certificate for each maturity of the Bonds, and, when issued, will be registered in the name of Cede & Co., as nominee of DTC. DTC will be responsible for maintaining a book-entry system for recording the interests of its participants and transfers of the interests among its participants. The participants will be responsible for maintaining records regarding the beneficial ownership interests in the Bonds on behalf of the individual purchasers. Individual purchasers of the Bonds will not receive certificates representing their beneficial ownership interests in the Bonds, but each book-entry owner will receive a credit balance on the books of DTC's nominee, and this credit balance will be confirmed by an initial transaction statement stating the details of the Bonds purchased. See "DESCRIPTION OF THE BONDS – Book-Entry-Only System" below.

Redemption

The Bonds maturing prior to July 15, 2022 are not subject to redemption prior to their stated maturities. The Bonds maturing on or after July 15, 2022 are subject to redemption prior to maturity at the option of the Township, in whole or in part at any time, and if in part, in inverse order of their maturity and by lot within a maturity if less than all of the Bonds of such maturity are to be redeemed, on or after July 15, 2021. The Bonds subject to redemption shall be redeemed at the redemption price of 100% of the principal amount thereof plus accrued interest to the date fixed for redemption.

In the event of any redemption, notice thereof shall be mailed by first class mail, postage prepaid, to the registered owner of any Bonds to be redeemed at the address shown on the registration books of the Township not less than thirty (30) days nor more than sixty (60) days prior to the redemption date; provided, however, that failure to mail or receive such notice, or any defect therein, shall not affect the validity of the proceedings for redemption.

If notice of redemption has been given by mail, the Bonds or the portion thereof called for redemption shall be due and payable on the date fixed for redemption at the redemption price, together with accrued interest to the date fixed for redemption. Payment shall be made upon surrender of the Bonds redeemed.

Book-Entry-Only System

DTC, New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities 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 stated maturity of the Bonds in the aggregate principal amount of such maturity, 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, as amended. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments from over 100 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 is the holding company for DTC, National Securities Clearing Corporation, and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. 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 and www.dtc.org.

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, as applicable, 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.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

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 principal and interest 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 (as defined herein), on the 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 or the Township in its capacity as paying agent (herein the "Paying Agent") or as issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and principal and interest 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.

THE TOWNSHIP AND ANY PAYING AGENT CANNOT AND DO NOT GIVE ANY ASSURANCES THAT DTC WILL DISTRIBUTE TO THE DIRECT PARTICIPANTS OR THAT THE DIRECT PARTICIPANTS OR THE INDIRECT PARTICIPANTS WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE BONDS: (I) PAYMENTS OF PRINCIPAL, REDEMPTION PRICE OR INTEREST THEREON; (II) CERTIFICATES REPRESENTING AN OWNERSHIP INTEREST OR OTHER CONFIRMATION OF BENEFICIAL OWNERSHIP INTEREST IN THE BONDS; OR (III) REDEMPTION OR OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS NOMINEE, AS THE REGISTERED OWNER, OR THAT THEY WILL DO SO ON A TIMELY BASIS OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT.

NEITHER THE TOWNSHIP NOR ANY PAYING AGENT WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO ANY DIRECT PARTICIPANT, INDIRECT PARTICIPANT OR ANY PERSON CLAIMING A BENEFICIAL OWNERSHIP INTEREST IN THE BONDS UNDER OR THROUGH DTC OR ANY DIRECT PARTICIPANT, OR ANY OTHER PERSON WHO IS NOT SHOWN IN THE REGISTRATION BOOKS OF THE TOWNSHIP AS BEING A HOLDER OF THE BONDS. THE TOWNSHIP AND ANY PAYING AGENT SHALL HAVE NO RESPONSIBILITY WITH RESPECT TO: (I) ANY OWNERSHIP INTEREST IN THE BONDS; (II) THE PAYMENT BY DTC TO ANY DIRECT PARTICIPANT OR BY ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL, REDEMPTION PRICE OR INTEREST ON THE BONDS; (III) THE DELIVERY TO ANY DIRECT PARTICIPANT, INDIRECT PARTICIPANT OR ANY BENEFICIAL OWNER OF ANY REDEMPTION OR OTHER NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO HOLDERS OF THE BONDS; (IV) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE BONDS; OR (V) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC OR CEDE & CO. AS HOLDER OF THE BONDS.

For every transfer and exchange of Bonds, Owners requesting such transfer or exchange may be charged a sum sufficient to cover any tax, governmental charge or transfer fees that may be imposed in relation thereto, which charge may include transfer fees imposed by the Township, any Paying Agent, DTC or the Participant in connection with such transfers or exchanges.

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

THE TOWNSHIP 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 BENEFICIAL OWNERS.

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

Discontinuation of Book-Entry Only System

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.

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 of such termination, Bond certificates, as applicable, will be printed and delivered.

In the event that the book-entry only system for the Bonds is discontinued, the Township has provided that upon receipt of the 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.

AUTHORIZATION AND PURPOSE OF THE BONDS

The Bonds have been authorized and are to be issued pursuant to the laws of the State of New Jersey, N.J.S.A. 40A:2-1 et. seq., and various bond ordinances of the Township. The Bonds are being issued to permanently finance and/or refinance certain general improvements of the Township as described below:

<u>ORDINANCE NUMBER</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
1994-04	Various Improvements	\$ 22,648.00
2002-09	Purchase of Emergency Vehicles	95,210.00
2003-05	Acquisition of Real Property - Athletic Fields, Parks and Open Space	408,939.00
2003-09	Purchase of Road Dept. Vehicles and Equip	62,784.00
2005-12	Various Improvements	228,100.00
2006-19	Various Improvements	211,753.00
2007-23	Various Improvements	96,160.00
2008-18	Various Improvements	139,406.00
		<hr/>
		\$ 1,265,000.00

SECURITY

The Bonds are general obligations of the Township, and the Township has pledged its full faith and credit for the payment of the principal of and the interest on the Bonds. The Township is required by law to levy ad valorem taxes upon all the real property taxable within the Township for the payment of the principal of and the interest on the Bonds without limitation as to rate or amount. The enforceability of rights or remedies with respect to such Bonds may be limited by bankruptcy, insolvency or other laws affecting creditors' rights or remedies heretofore or hereafter enacted.

NO DEFAULT

The Township has never defaulted in the payment of any Bonds nor are any payments of principal or interest on the Township's indebtedness past due.

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.

The authorized bonded indebtedness of the Township is limited by statute, subject to the exceptions noted below, to an amount equal to 3.5% 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 is \$794,233,803.

Certain categories of debt are permitted by statute to be deducted for purposes of computing the statutory debt limit including school bonds that do not exceed the school bond borrowing margin and certain debt that may be deemed self-liquidating.

The Township has not exceeded its statutory debt limit. On December 31, 2010, the statutory net debt as a percentage of average equalized valuation was 0.16%. As noted above, the statutory limit is 3.5%.

The Township may exceed its debt limit with the approval of the Local Finance Board, in the Division of Local Government Services, New Jersey Department of Community Affairs (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 makes 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).

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 expenditures. A local unit's bond anticipation notes may be issued for periods not greater than one year and may be renewed from time to time for additional periods, none of which shall exceed one year; all such notes, including renewals, shall mature and be paid not later than the first day of the fifth month following the close of the tenth fiscal year next following the date of the original notes; and no such notes shall be renewed beyond the third anniversary date of the original notes unless an amount of such notes, at least equal to the first legally payable installment of the bonds in anticipation of which those notes are issued, is paid and retired on or before each subsequent anniversary date beyond which such notes are renewed from funds other than the proceeds of obligations.

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 valuation of taxable property in the district, 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.

The Local Budget Law (N.J.S.A. 40A:4-1 et seq.)

The foundation of the New Jersey local finance system is the annual cash basis budget. Every local unit must adopt an annual operating budget in the form required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"). Certain items of revenue and appropriation are regulated by law and the proposed operating budget must be certified by the Director of the Division (the "Director") prior to final adoption. The Local Budget Law requires each local unit to appropriate sufficient funds for payment of current debt service, and the Director is required to review the adequacy of such appropriations.

Tax anticipation notes are limited in amount by law and must be paid off within 120 days of the close of the fiscal year (six months in the case of counties).

The Director has no authority over individual operating appropriations, unless a specific amount is required by law, but the review functions, focusing on anticipated revenues, serve to protect the solvency of all local units.

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, including reserved appropriation balances, exceed its realized revenues for that year, then such excess must be raised in the succeeding year's budget.

The budget also must provide for any cash deficits of the prior year.

Limitations on Expenditures ("Cap Law")(N.J.S.A. 40A:4-45.1 et seq.)

A statute passed in 1976, as amended and supplemented (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. While the Cap Law restricts 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 the lesser of 2.5% or the Cost-of-Living Adjustment ("COLA"). Increases up to 3.5% are allowed by adoption of an ordinance whenever COLA is less than 2.5%. If COLA is greater than 2.5%, an increase in any amount above 2.5% will be permitted by adoption of an ordinance to 3.5% and beyond 3.5% upon passage of a referendum. COLA is the rate of annual percentage increase in the Implicit Price Deflator for State and Local Government purchases of goods and services computed by the U.S. Department of Commerce. Exceptions to the limitations imposed by the Cap Law also exist for other items including capital expenditures; extraordinary expenses approved by the Local Finance Board for implementation of an interlocal services agreement; expenditures mandated as a result of certain emergencies; and certain expenditures for services mandated by law. The Cap Law 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.

Additionally, the Legislature of the State of New Jersey has previously enacted P.L. 2007, c. 62 (the "Property Tax Act") effective April 3, 2007, which imposed a 4% cap on the tax levy of a municipality, county, fire district or solid waste collection district, with certain exceptions and subject to a number of adjustments. The Property Tax Act has now been amended by the provisions of P.L. 2010, c. 44 effective June 13, 2010 (the "Amendment") and applicable to the next budget year following enactment. The Amendment reduces the tax levy cap to 2% from 4%, limits exclusions only to capital expenditures, including debt service, certain increases in pension contributions and accrued liability for pension contributions in excess of 2%, certain healthcare cost increases in excess of 2% and extraordinary costs directly related to a declared emergency. Waivers from the Division or the Local Finance Board are no longer available under the Amendment.

For municipalities, the levy cap is in addition to the existing appropriation cap; both cap laws must be met. Neither cap law limits the obligation of the Township to levy *ad valorem* taxes upon all taxable real property within the Township to pay debt service.

Miscellaneous Revenues

The Local Budget Law (N.J.S.A. 40A:4-26) provides that: "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 preceding 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."

No budget or amendment thereof shall 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. Grant revenues are fully realized in the year in which they are budgeted by the establishment of accounts receivable and off setting reserves.

Real Estate Taxes

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. N.J.S.A. 40A:4-29 governs anticipation of delinquent tax collections: "The maximum which may be anticipated is the sum produced by 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 year."

N.J.S.A. 40A:4-41 provides with regard to current taxes that: "Receipts from the collection 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 the last day of the preceding fiscal year."

This provision and N.J.S.A. 40A:4-40 require that an additional amount (the "Reserve for Uncollected Taxes") 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 be equal to the tax levy required to balance the budget. The reserve requirement is calculated as follows: the levy required to balance the budget, divided by the prior year's percentage of current tax collections, equals the total taxes to be levied.

Deferral of Current Expenses

Emergency appropriations (those made after the adoption of the budget and the determination of the tax rate) may be authorized by the Township Committee. 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, revisions 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 major appropriation accounts are prohibited, except for: (i) during the first three (3) months of a current fiscal year, appropriation reserves may be transferred within 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 are subject to certain restrictions and 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.

Operation of Utilities

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.

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 six 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.

Tax Assessment and Collection Procedure

Property valuations are determined on true values as arrived at by a cost approach, market data approach and capitalization of net income, where appropriate. Current assessments are the results of new assessments on a like basis with established comparable properties for newly assessed or purchased properties. While this method assures equitable treatment to like property owners, it often results in a

divergence of the assessment ratio to true value. Because of the changes in property resale values, annual adjustments could not keep pace with the changing values.

Real property taxes are assessed locally, based upon an assessment at true value. The tax bill includes a levy for Township, County and School purposes. Tax bills are mailed annually in June. Taxes are payable in four quarterly installments on February 1, May 1, August 1 and November 1. If unpaid once a ten day grace period after the due date expires, the amount due becomes delinquent as of the due date and subject to interest at 8% per annum, or 18% on any delinquency amount in excess of \$1,500. An additional penalty of 6% is calculated at year end on any delinquent taxes in excess of \$10,000. The school levy is turned over to the Board of Education as expenditures are incurred, and the balance, if any, transferred as of June 30, of each fiscal year. County taxes are paid quarterly on February 15, May 15, August 15 and November 15 to the County by the Township. Annually, all properties with unpaid taxes for the previous year are placed in a tax sale in accordance with the New Jersey Statutes. Annual interim tax foreclosure proceedings are instituted to enforce the tax collection or acquisition of title to the property by the Township.

State Supervision

State law authorizes State officials to supervise fiscal administration in any municipality which is in default on its obligations; experiences severe tax collection problems for two (2) successive years; has a deficit greater than four percent (4%) of its tax levy for two (2) successive years; has failed to make payments due and owing to the State, county, school district or special district for two (2) consecutive years; has an appropriation in its annual budget for the liquidation of debt which exceeds twenty-five percent (25%) of its total operating appropriations (except dedicated revenue appropriations) for the previous budget year; or has been subject to a judicial determination of gross failure to comply with the Local Bond Law, the Local Budget Law, or the Local Fiscal Affairs Law, N.J.S.A. 40A:5-1 et seq., which substantially jeopardizes its fiscal integrity. State officials are authorized to continue such supervision for as long as any of the conditions exist and until the municipality operates for a fiscal year without incurring a cash deficit.

Tax Appeals

The New Jersey statutes provide a taxpayer with remedial procedures for appealing an assessment deemed excessive. Prior to February 1 in each year, the Township must mail to each property owner a notice of the current assessment and taxes on the property. The taxpayer has a right to petition the County Tax Board on or before the April 1 for review. The County Board of Taxation has the authority after a hearing to decrease or reject the appeal petition. These adjustments are usually concluded within the current tax year and reductions are shown as canceled or remitted taxes for that year. If the taxpayer feels his petition was unsatisfactorily reviewed by the County Board of Taxation, an appeal may be made to the Tax Court of New Jersey for further hearing. Some State Tax Court appeals may take several years prior to settlement and any losses in tax collections from prior years are charged directly to operations.

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

This law regulates the non-budgetary financial activities of local government. The chief financial officer of every local unit must file annually, with the Director, a verified statement of the financial condition of the local unit and all constituent boards, agencies or commissions.

An independent examination of the Township's accounts must be performed annually by a licensed registered municipal accountant. The audit, conforming to the Division of Local Government Services' "Requirements of Audit," which must be completed within six (6) months after the close of its fiscal year, includes recommendations for improvement of the local unit's financial procedures and must be filed with the report, together with all recommendations made, and must be published in a local

newspaper within 30 days of its submission. The entire annual audit report for the year ended December 31, 2010 is on file with the Township Clerk and is available for review during business hours.

LITIGATION

To the knowledge of the Township Attorney, J. Peter Jost, Clinton, New Jersey, there is no litigation of any nature now pending or threatened, restraining or enjoining the issuance or the delivery of the Bonds, or the levy or the collection of any taxes to pay the principal of or the interest on the Bonds, or in any manner questioning the authority or the proceedings for the issuance of the Bonds or for the levy or the collection of taxes, or contesting the corporate existence or the boundaries of the Township or the title of any of the present officers. Moreover, to the knowledge of the Township Attorney, no litigation is presently pending or threatened that, in the opinion of the Township Attorney, would have a material adverse impact on the financial condition of the Township if adversely decided. A certificate to such effect will be executed by the Township Attorney and delivered at the closing.

TAX MATTERS

Exclusion of Interest on the Bonds From Gross Income for Federal Tax Purposes

The Internal Revenue Code of 1986, as amended (the "Code"), imposes certain requirements that must be met on a continuing basis subsequent to the issuance of the Bonds in order to assure that interest on the Bonds will be excluded from gross income for federal income tax purposes under Section 103 of the Code. Failure of the Township to comply with the requirements of the Code may cause interest on the Bonds to lose the exclusion from gross income for federal income tax purposes, retroactive to the date of issuance of the Bonds. The Township will make certain representations in its Tax Certificate, which will be executed on the date of issuance of the Bonds, as to various tax requirements. The Township has covenanted to comply with the provisions of the Code applicable to the Bonds and has covenanted not to take any action or fail to take any action that would cause the interest on the Bonds to lose the exclusion from gross income under Section 103 of the Code or cause interest on the Bonds to be an item of tax preference under Section 57 of the Code.

McCarter & English, LLP, Bond Counsel to the Township, has relied upon the representations made in the Tax Certificate and has assumed continuing compliance by the Township with the above covenants in rendering its federal income tax opinions with respect to the exclusion of interest on the Bonds from gross income for federal income tax purposes and with respect to the treatment of interest on the Bonds for the purposes of alternative minimum tax.

McCarter & English, LLP is of the opinion that, under existing law, interest on the Bonds is excluded from gross income of the owners of the Bonds for federal income tax purposes pursuant to Section 103 of the Code, and interest on the Bonds is not an item of tax preference under Section 57 of the Code for purposes of computing alternative minimum tax.

Additional Federal Income Tax Consequences

In the case of certain corporate holders of the Bonds, interest on the Bonds will be included in the calculation of the alternative minimum tax as a result of the inclusion of interest on the Bonds in "adjusted current earnings" of certain corporations.

Prospective purchasers of the Bonds should be aware that ownership of, accrual or receipt of interest on or disposition of tax-exempt obligations, such as the Bonds, may have additional federal income tax consequences for certain taxpayers, including, without limitation, taxpayers eligible for the earned income credit, recipients of certain Social Security and certain Railroad Retirement benefits, taxpayers that may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, financial institutions, property and casualty companies, foreign corporations and certain S corporations. Prospective

purchasers of the Bonds may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid back up withholding.

Bond Counsel expresses no opinion regarding any federal tax consequences other than its opinion with regard to the exclusion of interest on the Bonds from gross income pursuant to Section 103 of the Code and interest on the Bonds not constituting an item of tax preference under Section 57 of the Code. Prospective purchasers of the Bonds should consult their tax advisors with respect to all other tax consequences (including, but not limited to, those listed above) of holding the Bonds.

State Taxation

Bond Counsel is of the opinion that, based upon existing law, interest on the Bonds and net gains from the sale thereof are exempt from the tax imposed by the New Jersey Gross Income Tax Act.

Miscellaneous

Federal, state or local legislation, administrative pronouncements or court decisions may affect the tax-exempt status of interest on the Bonds, gain from the sale or other disposition of the Bonds, the market value of the Bonds, or the marketability of the Bonds. The effect of any legislation, administrative pronouncements or other court decisions cannot be predicted. Prospective purchasers of the Bonds should consult their own tax advisers regarding such matters

RATING

Standard & Poor's Ratings Services (the "Rating Agency") has assigned its rating of " " to the Bonds. The rating reflects only the view of the Rating Agency, and an explanation of the significance of such rating may only be obtained from the Rating Agency. The Township furnished to the Rating Agency certain information and materials concerning the Bonds and the Township. There can be no assurance that the rating will be maintained for any given period of time or that the rating may not be raised, lowered or withdrawn entirely if, in the Rating Agency's judgment, circumstances so warrant. Any downward change in, or withdrawal of such rating, may have an adverse effect on the marketability or market price of the Bonds.

LEGALITY FOR INVESTMENT

The laws of the State provide that the State and all public officers, municipal corporations, political subdivisions and public bodies, all banks, bankers, trust companies, savings and loan associations, savings banks and institutions, building and loan associations, investment companies, and other persons carrying on a banking business, all insurance companies, all insurance associations and other persons carrying on an insurance business, and all executors, administrators, guardians, trustees, and other fiduciaries may legally invest any sinking funds, moneys or other funds belonging to them or within their control in any bonds or other obligations of the Township, including the Bonds, and such obligations are authorized security for all public deposits.

MUNICIPAL BANKRUPTCY

The undertakings of the Township should be considered with reference to Chapter 9 of the United States Bankruptcy Code (“Bankruptcy Code”), 11 U.S.C. Section 901 to 946. Under Chapter 9 of the Bankruptcy Code, a municipality, a political subdivision or public agency or instrumentality of the State that is insolvent or unable to meet its debts may file a petition in a United States Bankruptcy Court (“Bankruptcy Court”) to adjust its debts. Chapter 9 of the Bankruptcy Code does not permit such entity to liquidate its assets and distribute the proceeds of its assets to its creditors. Chapter 9 of the Bankruptcy Code permits a financially distressed public entity to seek protection from its creditors by staying the commencement or continuation of certain actions against such public entity while it formulates and negotiates a plan of adjustment of its debts which can be binding on a dissenting minority of creditors if it is acceptable to the majority of creditors. Should the Township file a petition in the Bankruptcy Court under Chapter 9 of the Bankruptcy Code prior to the payment in full of the principal of and interest on the Bonds, the holders of the Bonds would be considered creditors and would be bound by the public entity’s plan of adjustment of its debt.

Reference should also be made to N.J.S.A. 52:27-40 *et seq.* which provides that any “political subdivision” of the State as defined therein, which includes the Township, has the power to file a petition with the Bankruptcy Court under Chapter 9 of the Bankruptcy Code provided the “political subdivision” has obtained approval of the Municipal Finance Commission (the powers of the Municipal Finance Commission have been vested in the Local Finance Board). Section 903 of the Bankruptcy Code, 11 U.S.C. Section 903, specifically provides that Chapter 9 of the Bankruptcy Code does not limit or impair the power of a state to control, by legislation or otherwise, a municipality of or in such state in the exercise of the political or governmental powers of such municipality; provided, however, that a state law prescribing a method of composition of indebtedness of the municipality may not bind any creditor that does not consent to such composition and that a judgment entered under such state law may not bind a creditor that does not consent to such composition.

THE ABOVE REFERENCES TO THE FEDERAL AND STATE BANKRUPTCY LAWS ARE NOT TO BE CONSTRUED AS AN INDICATION THAT THE TOWNSHIP EXPECTS TO RESORT TO THE PROVISIONS OF SUCH BANKRUPTCY LAWS OR THAT, IF IT DID, SUCH ACTION WOULD BE APPROVED BY THE LOCAL FINANCE BOARD, OR THAT ANY PROPOSED PLAN WOULD INCLUDE A DILUTION OF THE SOURCES OF PAYMENT OF AND SECURITY FOR THE BONDS.

APPROVAL OF LEGAL PROCEEDINGS

All legal matters incident to the authorization, the issuance, the sale and the delivery of the Bonds are subject to the approval of McCarter & English, LLP, Newark, New Jersey, Bond Counsel to the Township, whose approving legal opinion will be delivered with the Bonds substantially in the form set forth in Appendix C to this Official Statement. Certain legal matters will be passed on for the Township by its attorney, J. Peter Jost, Clinton, New Jersey.

The various legal opinions and/or certifications to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering a legal opinion and/or certification, the attorney does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or the future performance of parties to the transaction. Nor does the rendering of an opinion and/or certification guarantee the outcome of any legal dispute that may arise out of the transaction.

FINANCIAL STATEMENTS

The financial statements of the Township for the years ended December 31, 2010 and 2009, together with the notes to the Financial Statements, are presented in Appendix B to this Official Statement. The financial statements of the Township for the year ended December 31, 2010 and 2009 have been audited by Suplee, Clooney and Company, independent auditors, as stated in their Independent Auditors' Report appearing in Appendix B to this Official Statement.

SECONDARY MARKET DISCLOSURE

The Township will covenant for the benefit of the Bondholders and the Beneficial Owners in a Continuing Disclosure Certificate dated the date of closing (the "Certificate") to be executed and delivered by the Township simultaneously with the delivery of the Bonds, to provide certain information and operating data (the "Annual Report") and to provide notices of certain enumerated events. The specific nature of the secondary market disclosure is set forth in the Certificate which appears as Appendix D to this Official Statement. These covenants have been made by the Township to assist the purchasers of the Bonds in complying with the provisions of Rule 15c2-12(b)(5) (the "Rule") promulgated by the Securities and Exchange Commission.

The Township is currently not required to comply with Secondary Market Disclosure since it has no outstanding bonds prior to this offering.

UNDERWRITING

The Bonds have been purchased at public sale from the Township for resale by _____ (the "Underwriter"). The proceeds of the Bonds total \$_____.

The Underwriter has agreed, subject to certain conditions, to purchase all, but not less than, all of the Bonds. If all of the Bonds are sold at the public offering prices or yields set forth on the inside cover page of this Official Statement, the Underwriter anticipates total selling compensation of \$_____. The public offering prices or yields of the Bonds may be changed from time to time by the Underwriter.

PREPARATION OF OFFICIAL 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 purchaser of the Bonds, by certificate signed by the Township's Chief Financial Officer, that to her knowledge such descriptions and statements, as of the date of this Official 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.

Suplee, Clooney & Company has assisted in the preparation of information contained in this Official Statement and takes responsibility for the audited financial statements set forth in Appendix B to this Official Statement to the extent specified in their Independent Auditors' Report.

All other information has been obtained from sources that the Township considers reliable and the Township makes no warranty, guaranty or other representation with respect to the accuracy and completeness of such information.

McCarter & English, LLP has not verified the accuracy, completeness or fairness of the information contained herein, except under the heading "TAX MATTERS" and, accordingly, assumes no responsibility therefore and will express no opinion with respect thereto.

ADDITIONAL INFORMATION

Inquiries regarding this Official Statement, including information additional to that contained herein, may be directed to Grace Brennan, Chief Financial Officer (908) 859-0909.

MISCELLANEOUS

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

TOWNSHIP OF GREENWICH

Grace Brennan, Chief Financial Officer

Dated:

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APPENDIX A
INFORMATION CONCERNING
THE TOWNSHIP OF GREENWICH

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THE TOWNSHIP

The following economic and employment information may be relevant to evaluating the economic and financial condition of the Township. This information, which has been obtained from the sources indicated, does not purport to be definitive or present a complete picture of the economy of the Township. Furthermore, such information may require further economic analysis in order to assess the facts and figures presented. Such analysis is not included because it would be conjectural.

Early History

The 11.5 square miles of Greenwich, a township of approximately 5,712 citizens (U.S. Census Bureau, Census 2000), is bordered by the Townships of Franklin, Lopatcong, Pohatcong, Bethlehem, Harmony and Bloomsbury.

Government Structure

The government of the Township of Greenwich is run by a five member Township Committee. Each Committee member is elected by the residents to a three year term. The Township Committee then appoints a Mayor for each year. Each committee member oversees different areas of the community.

The Township Committee meets the third Thursday of every month. Regular meetings are open to the public in compliance with New Jersey's Sunshine Law (Open Public Meetings Act). At regular meetings citizens are given an opportunity to speak on proposed ordinances. There is also a time set aside on the meeting agenda so that any citizen may address the Township Committee on any matter of concern to him or her.

Before, during and after all meetings, the Mayor and committee are available to discuss citizens' complaints, to answer questions and to offer opinions and solutions to problems before they become issues that may require the attention of the Mayor and Township Committee. This service is provided for the benefit of those citizens who may not be able to come to the municipal building during daytime working hours.

The Mayor, who has the responsibility of implementing the policies of the Township Committee, exercises the executive power of the Township. The Township Administrator functions as liaison officer between the Township Committee, municipal personnel and citizens of the Township. She is also the chief personnel officer of the Township and directs and supervises personnel policies and procedures and reports to the Township Committee regarding same. The Township Administrator is responsible for the implementation of the administrative and legislative actions of the Mayor and the Township Committee and performs such other duties as may be directed.

GROWTH AND DEVELOPMENT POPULATION TRENDS

Population:

Year	Township	County
2010	5,712	108,692
2009	5,090	109,638
2008	5,114	109,876
2007	5,118	109,492
2006	5,150	109,265

Source: State of NJ, Data Center, Subcounty Population Estimates

TOWNSHIP OF GREENWICH SCHOOL DISTRICT ENROLLMENT

Fiscal Year Ended June 30	School District Population
2010	974
2009	999
2008	999
2007	986
2006	969

Source: Greenwich Board of Education

**ASSESSED VALUATION OF REAL PROPERTY
RATIO OF ASSESSED VALUATION TO TRUE VALUE**

Tax Year	Assessed Value Real Property	Assessed Value Personal Property	Total Assessed Value	Avg. Ratio	Equalized Valuation
				Assessed to True Value	
2010	\$595,769,600.00	\$1,746,284.00	\$597,515,884.00	74.50%	\$445,149,334
2009	\$593,893,400.00	\$1,764,241.00	\$595,657,641.00	71.35%	\$425,001,727
2008	\$591,351,690.00	\$1,743,049.00	\$593,094,739.00	71.63%	\$424,833,762
2007	\$591,363,390.00	\$1,624,174.00	\$592,987,564.00	73.24%	\$434,304,092
2006	\$577,371,990.00	\$1,637,372.00	\$579,009,362.00	75.82%	\$439,004,898

Source: Abstract of Ratables, Warren County Board of Taxation

TAX RATES AND NET ASSESSED VALUATIONS

Year	Assessed Valuation	Tax Rates Per \$100 Valuation				Municipal Open Space
		Total	School	County	Municipal	
2010	\$597,515,884	2.584	1.304	0.826	0.414	0.04
2009	595,657,641	2.543	1.282	0.836	0.385	0.04
2008	593,094,739	2.545	1.280	0.851	0.374	0.04
2007	592,987,564	2.511	1.281	0.834	0.356	0.04
2006	579,009,362	2.495	1.272	0.826	0.357	0.04

Source: Township of Greenwich

LARGEST TAXPAYERS

The following table sets forth ten of the largest taxpayers located in the Township of Greenwich and their assessed valuation for the year 2010:

Taxpayer	Assessed Valuation
Greenwich Station	\$19,485,500
Lowe's Home Centers, Inc.	14,295,500
Inland Western Pburg Greenwich, LLC	14,000,000
Medarex, Inc.	11,467,800
Target Corp.	10,000,000
Starwood, Ceruzzi Phillipsburg, LLC	7,202,600
Greenwich Commons, II, LLC	3,250,000
OM SAI, Inc.	2,388,900
Polaris Warren, LLC	2,130,400
Rellum Realty	1,987,800
Total	<u>\$86,208,500</u>
Percentage of Total 2010 Assessed Value	14.47%

Source: Township Tax Assessor

TAX COLLECTION DATA

Year	Tax Levy	Collection in Year of Levy	
		Amount	Percentage
2010	\$15,488,435.69	\$15,183,804.49	98.03%
2009	15,198,478.98	14,914,193.49	98.13%
2008	15,153,133.15	14,892,535.93	98.28%
2007	15,356,494.00	14,756,101.00	96.09%
2006	14,601,614.00	14,383,029.00	98.50%

Source: Audited Financial Statements

DELINQUENT TAXES AND TAX TITLE LIENS

Year	Amount of Tax Title Liens	Amount of Delinquent Taxes	Total Taxes	Percentage of Tax Levy
2010	\$23,598.82	\$304,286.59	\$327,885.41	2.12%
2009	22,234.47	303,597.25	325,831.72	2.14%
2008	20,891.77	269,074.67	289,966.44	1.91%
2007	19,548.00	596,830.00	616,378.00	4.01%
2006	18,217.00	199,620.00	217,837.00	1.49%

Source: Audited Financial Statements

PROPERTY ACQUIRED FOR TAXES

<u>At Close of Tax Year</u>	<u>Assessed Value</u>
2010	NONE
2009	NONE
2008	NONE
2007	NONE
2006	NONE

Source: Audited Financial Statements

TOWNSHIP HOUSING UNITS

The following summarizes certain housing and population information with respect to the Township:

Year	Total Units
2010	1,870
2000	1,421
1990	667
1980	603
1970	487

Source: Warren County Planning Board and U.S. Census

FIVE-YEAR TREND OF EMPLOYMENT AND UNEMPLOYMENT

CLASSIFICATIONS OF REAL PROPERTY Utilized in Determining Assessed Valuations

Year	2010	2009	2008	2007	2006
Vacant	\$1,539,200	\$2,631,200	\$4,047,000	\$3,406,900	\$3,244,500
Residential	475,227,800	473,284,390	470,971,990	468,353,590	464,024,890
Farm	13,875,900	13,818,700	13,780,500	13,564,700	13,669,000
Commercial	90,179,400	86,629,100	87,616,600	77,099,500	76,932,100
Industrial	14,947,300	14,947,300	14,947,300	14,947,300	14,698,000
Apartments	0	0	0	0	0
Total	\$595,769,600	\$591,310,690	\$591,363,390	\$577,371,990	\$572,568,490

Source: Township Tax Assessor

STATEMENT OF STATUTORY NET DEBT AS OF DECEMBER 31, 2010

	Gross	Deductions	Net
School Debt:			
School Bonds/Notes Issued and Outstanding	12,005,000	12,005,000	-0-
Total School Debt	12,005,000	12,005,000	-0-
Municipal Debt:			
Bond Anticipation Notes Payable	1,150,995		1,150,995
Authorized But Not Issued	124,680		124,680
Total General Capital Fund	1,275,855		1,275,855
Total Gross, Deduction and Net Debt	13,280,855	12,005,000	1,275,855

2008, 2009 and 2010 Average Equalized Value of Real Property
Including Improvements and Assessed Valuation of Class II

Net Debt Expressed as a Percentage of Such Equalized Valuation .16%

Source: Township of Greenwich Annual Debt Statement prepared as of December 31, 2010.

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APPENDIX B
FINANCIAL STATEMENTS OF THE TOWNSHIP OF GREENWICH

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FINANCIAL STATEMENTS



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300

Fax 908-789-8535

E-mail info@scnco.com

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the Township Committee
Township of Greenwich
County of Warren
Stewartsville, New Jersey 08886

We have audited the accompanying financial statements - statutory basis of the various individual funds and the account group of the Township of Greenwich, County of Warren, New Jersey as of and for the year ended December 31, 2010 and 2009 and for the year ended December 31, 2010, as listed as financial statements - statutory basis in the foregoing table of contents. These financial statements - statutory basis are the responsibility of the management of the Township of Greenwich, County of Warren. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial statements contained in Government Auditing Standards issued by the Comptroller General of the United States, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards and provisions require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, the Township of Greenwich, County of Warren, prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the modified accrual basis, with certain exceptions, and the budget laws of New Jersey, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

SUPLEE, CLOONEY & COMPANY

In our opinion, because the Township of Greenwich prepares its financial statements on the basis of accounting discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with U.S. generally accepted accounting principles, the financial position of the various individual funds of the Township of Greenwich as of December 31, 2010 and 2009 or the results of its operations and changes in fund balance for the year then ended or the revenues or expenditures for the year ended December 31, 2010.

However, in our opinion, the financial statements - statutory basis present fairly, in all material respects, the financial position - statutory basis of the various individual funds and the account group of the Township of Greenwich, County of Warren, as of December 31, 2010 and 2009, and the results of its operations and changes in fund balance - statutory basis for the year then ended and the revenues, expenditures and changes in fund balance - statutory basis for the year ended December 31, 2010, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated June 14, 2011, on our consideration of the Township of Greenwich's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

SUPLEE, CLOONEY & COMPANY
Certified Public Accountants

/s/ Robert B. Cagnassola
Robert B. Cagnassola, C.P.A., R.M.A.

June 14, 2011

TOWNSHIP OF GREENWICH
CURRENT FUND
BALANCE SHEETS - STATUTORY BASIS

<u>ASSETS</u>	BALANCE DECEMBER 31, 2010	BALANCE DECEMBER 31, 2009
Cash-Treasurer	\$ 2,905,529.11	\$ 3,065,232.20
Receivables and Other Assets With Full Reserves:		
Delinquent Property Taxes Receivable	\$ 304,286.59	\$ 303,597.25
Tax Title Liens Receivable	23,598.82	22,234.47
Revenue Accounts Receivable	16,816.17	9,434.93
Interfunds Receivable	18,647.54	12,620.57
	<u>\$ 363,349.12</u>	<u>\$ 347,887.22</u>
Deferred Charges:		
Special Emergency (40A:4-53)	\$ 72,000.00	\$ 96,000.00
Overexpenditure of Appropriation Reserves	1,294.15	
	<u>\$ 73,294.15</u>	<u>\$ 96,000.00</u>
	<u>\$ 3,342,172.38</u>	<u>\$ 3,509,119.42</u>
Grant Fund:		
Grants Receivable	\$ 281,676.02	\$ 376,444.36
Interfunds Receivable	370.84	
	<u>\$ 282,046.86</u>	<u>\$ 376,444.36</u>
	<u>\$ 3,624,219.24</u>	<u>\$ 3,885,563.78</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWNSHIP OF GREENWICH
CURRENT FUND
BALANCE SHEETS - STATUTORY BASIS

	BALANCE DECEMBER 31, 2010	BALANCE DECEMBER 31, 2009
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
Liabilities:		
Appropriation Reserves	\$ 89,301.20	\$ 202,655.31
Encumbrances Payable	69,165.76	30,814.64
Prepaid Taxes	79,161.69	78,327.69
Tax Overpayments	10,940.77	29,701.39
Due State of New Jersey-Chapter 20, PL 1971	2,989.03	2,739.03
Interfunds Payable	6,782.12	6,235.72
Grants Unappropriated		196.28
County Taxes-Payable	14,931.98	16,798.01
Local School Tax Payable	1,647,263.48	1,647,263.46
Miscellaneous Reserves	230,130.67	265,813.86
	\$ 2,150,666.70	\$ 2,280,545.39
Reserve for Receivables and Other Assets	363,349.12	347,887.22
Fund Balance	828,156.56	880,686.81
	\$ 3,342,172.38	\$ 3,509,119.42
Grant Fund:		
Interfunds Payable	\$ 45,000.00	\$ 11,593.35
Encumbrances Payable	9,988.95	
Reserve for Grants Appropriated	215,888.90	357,534.51
Reserve for Grants Unappropriated	11,169.01	7,316.50
	\$ 282,046.86	\$ 376,444.36
	\$ 3,624,219.24	\$ 3,885,563.78

The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWNSHIP OF GREENWICH

CURRENT FUND

STATEMENTS OF OPERATIONS
AND CHANGE IN FUND BALANCE - STATUTORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>YEAR 2010</u>	<u>YEAR 2009</u>
<u>REVENUE AND OTHER INCOME</u>		
Fund Balance Utilized	\$ 578,000.00	\$ 600,000.00
Miscellaneous Revenue Anticipated	833,913.60	1,513,375.49
Receipts From Delinquent Taxes	295,621.96	248,228.07
Receipts From Current Taxes	15,183,804.49	14,914,193.49
Non-Budget Revenue	92,974.73	124,703.10
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	145,767.06	2,908.12
Tax Overpayments Canceled	4,512.80	
Encumbrances Canceled		4,119.95
Interfunds Returned		97,038.05
<u>Total Income</u>	<u>\$ 17,134,594.64</u>	<u>\$ 17,504,566.27</u>
<u>EXPENDITURES</u>		
Budget Appropriations:		
Operations Within "CAPS":		
Operating	\$ 2,929,404.40	\$ 2,810,145.37
Deferred Charges and Statutory Expenditures	330,204.00	329,341.00
Operations Excluded From "CAPS":		
Operating	182,897.15	854,299.40
Capital Improvements	82,000.00	60,000.00
Municipal Debt Service	74,627.38	55,436.77
Deferred Charges	24,000.00	40,000.00
County Taxes	4,926,508.77	4,973,498.47
County Share of Added Taxes	14,931.98	16,798.01
Local District School Tax	7,795,053.00	7,642,213.00
Municipal Open Space Tax	239,728.93	239,069.92
Interfunds Advanced	6,026.97	
Refund of Prior Year Revenue	3,742.31	490.00
<u>Total Expenditures</u>	<u>\$ 16,609,124.89</u>	<u>\$ 17,021,291.94</u>
Excess in Revenue	\$ 525,469.75	\$ 483,274.33
<u>Fund Balance</u>		
Balance, January 1	880,686.81	997,412.48
	<u>\$ 1,406,156.56</u>	<u>\$ 1,480,686.81</u>
Decreased by:		
Utilization as Anticipated Revenue	<u>578,000.00</u>	<u>600,000.00</u>
Fund Balance, December 31	<u>\$ 828,156.56</u>	<u>\$ 880,686.81</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWNSHIP OF GREENWICH

CURRENT FUND

STATEMENT OF REVENUES - STATUTORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>ANTICIPATED</u>			
	<u>BUDGET</u>	<u>SPECIAL N.J.S. 40A:4-87</u>	<u>REALIZED</u>	<u>EXCESS OR (DEFICIT)</u>
Fund Balance Anticipated	\$ <u>578,000.00</u>	\$	\$ <u>578,000.00</u>	
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	\$ 7,000.00	\$	\$ 7,325.00	\$ 325.00
Fines:				
Municipal Court	277,000.00		198,949.47	(78,050.53)
Interest and Costs on Taxes	52,000.00		54,743.49	2,743.49
Interest on Investments	30,000.00		33,662.64	3,662.64
Consolidated Municipal Property Tax Relief Act	3,248.00		3,248.00	
Energy Receipts Tax	312,190.00		312,190.00	
Garden State Preservation	196.00		196.28	0.28
Utility Surplus	100,000.00		100,000.00	
Capital Fund Surplus	75,000.00		75,000.00	
Clean Communities Program	2,037.29		2,037.29	
Safe and Secure Communities	30,000.00		30,000.00	
Body Armor Replacement Fund	1,176.06	768.60	1,944.66	
Drunk Driving Enforcement Fund	3,113.62		3,113.62	
Cops in Shops		3,000.00	3,000.00	
Wal-Mart Grant	1,000.00		1,000.00	
Recycling Tonnage Grant	2,731.87		2,731.87	
Alcohol Education & Rehabilitation Fund	371.28		371.28	
Over the Limit, Under Arrest		4,400.00	4,400.00	
	\$ <u>897,064.12</u>	\$ <u>8,168.60</u>	\$ <u>833,913.60</u>	\$ <u>(71,319.12)</u>
Receipts From Delinquent Taxes	\$ <u>278,000.00</u>		\$ <u>295,621.96</u>	\$ <u>17,621.96</u>
Amount to be Raised by Taxation for Support of Municipal Budget:				
Local Tax for Municipal Purposes	\$ <u>2,476,931.44</u>		\$ <u>2,822,581.81</u>	\$ <u>345,650.37</u>
<u>Budget Totals</u>	\$ <u>4,229,995.56</u>	\$ <u>8,168.60</u>	\$ <u>4,530,117.37</u>	\$ <u>291,953.21</u>
Non-Budget Revenue			<u>92,974.73</u>	<u>92,974.73</u>
	\$ <u>4,229,995.56</u>	\$ <u>8,168.60</u>	\$ <u>4,623,092.10</u>	\$ <u>384,927.94</u>

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The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWNSHIP OF GREENWICH

CURRENT FUND

STATEMENT OF REVENUES - STATUTORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2010

Allocation of Current Tax Collections:	
Collections Realized on a Cash Basis	\$ 15,183,804.49
Allocated to:	
School, County and Special District Taxes	<u>12,976,222.68</u>
Balance for Support of Municipal Budget Appropriations	\$ 2,207,581.81
Add: Appropriation-"Reserve for Uncollected Taxes"	<u>615,000.00</u>
Amount for Support of Municipal Budget Appropriations	\$ <u><u>2,822,581.81</u></u>

Receipts from Delinquent Taxes:	
Delinquent Tax Collections	\$ <u>295,621.96</u>
	\$ <u><u>295,621.96</u></u>

Analysis of Non-Budget Revenues

Miscellaneous Revenue Not Anticipated:

Treasurer:	
Cable Television Franchise Fee	\$ 13,307.00
Clerk Fees	6,703.56
Restitution	200.00
P.I.L.O.T	1,123.86
Police Department Fees	1,225.50
DMV Inspection Fees	3,720.00
Various Fees and Permits	31,094.99
Hotel Fees	15,927.78
Miscellaneous Refunds	9,605.62
Miscellaneous	2,764.51
Police Overtime Administrative Fee	2,196.91
Administrative Fee - Senior Citizen and Veterans	<u>735.00</u>
Sale of Assets	<u>4,360.00</u>
	92,964.73
Tax Collector	<u>10.00</u>
	\$ <u><u>92,974.73</u></u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWNSHIP OF GREENWICH

CURRENT FUND

STATEMENT OF EXPENDITURES - STATUTORY BASIS
YEAR ENDED DECEMBER 31, 2010

	<u>APPROPRIATIONS</u>		<u>EXPENDED</u>		<u>CANCELED</u>
	<u>BUDGET</u>	<u>BUDGET AFTER MODIFICATION</u>	<u>PAID OR CHARGED</u>	<u>RESERVED</u>	
<u>OPERATIONS WITHIN "CAPS"</u>					
<u>GENERAL GOVERNMENT</u>					
General Administration:					
Salaries and Wages	\$ 20,000.00	\$ 20,000.00	\$ 17,094.85	\$ 2,905.15	\$
Other Expenses	40,000.00	41,600.00	36,964.89	4,635.11	
Mayor and Council:					
Salaries and Wages	24,335.00	24,335.00	24,334.92	0.08	
Municipal Clerk:					
Salaries and Wages	60,044.00	60,044.00	60,043.10	0.90	
Financial Administration:					
Salaries and Wages	45,000.00	45,000.00	45,000.00		
Other Expenses	10,000.00	9,000.00	6,345.34	2,654.66	
Audit Services	24,500.00	22,000.00	21,950.00	50.00	
Revenue Administration:					
Salaries and Wages	25,444.00	25,444.00	25,320.88	123.12	
Other Expenses	6,000.00	9,500.00	9,483.34	16.66	
Assessment of Taxes:					
Salaries and Wages	27,025.00	27,025.00	26,893.88	131.12	
Other Expenses	8,965.00	9,115.00	9,115.00		
Legal Services and Costs:					
Other Expenses	100,000.00	167,000.00	161,997.23	5,002.77	
Engineering Services and Costs:					
Other Expenses	50,000.00	40,000.00	31,608.76	8,391.24	
Historical Sites Office:					
Other Expenses	1,500.00	1,500.00	1,500.00		
<u>LAND USE ADMINISTRATION</u>					
Planning Board:					
Salaries and Wages	15,000.00	15,000.00	14,634.68	365.32	
Other Expenses	25,000.00	19,500.00	15,726.77	3,773.23	
Zoning Board of Adjustment:					
Salaries and Wages	10,210.00	10,210.00	10,210.00		
Other Expenses	15,000.00	10,000.00	8,800.67	1,199.33	

The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWNSHIP OF GREENWICH

CURRENT FUND

STATEMENT OF EXPENDITURES - STATUTORY BASIS
YEAR ENDED DECEMBER 31, 2010

	<u>APPROPRIATIONS</u>		<u>EXPENDED</u>		<u>CANCELED</u>
	<u>BUDGET</u>	<u>BUDGET AFTER MODIFICATION</u>	<u>PAID OR CHARGED</u>	<u>RESERVED</u>	
<u>CODE ENFORCEMENT AND ADMINISTRATION</u>					
Fire Inspector:					
Salaries and Wages	\$ 1,918.00	\$ 1,918.00	\$ 1,909.20	\$ 8.80	\$
<u>INSURANCE</u>					
General Liability	120,000.00	120,000.00	120,000.00		
Worker's Compensation Insurance	42,996.00	16,996.00	14,064.09	2,931.91	
Employee Group Health	297,872.00	297,872.00	291,945.25	5,926.75	
Unemployment Insurance	4,750.00	5,000.00	4,976.71	23.29	
Other Insurance-Medical Exams - Firefighters	4,000.00	4,000.00	4,000.00		
<u>PUBLIC SAFETY</u>					
Police:					
Salaries and Wages	894,627.40	902,127.40	896,564.10	5,563.30	
Other Expenses	96,382.00	96,382.00	95,548.70	833.30	
School Crossing Guards:					
Salaries and Wages	22,000.00	20,000.00	19,057.38	942.62	
Other Expenses	400.00	400.00	84.75	315.25	
Office of Emergency Management:					
Salaries and Wages	2,104.00	2,104.00	2,104.00		
Other Expenses	700.00	700.00	143.99	556.01	
Aid to Volunteer Fire Companies:					
Other Expenses:					
Miscellaneous	81,000.00	81,000.00	81,000.00		
Fire Hydrant Service	115,000.00	115,000.00	109,101.45	5,898.55	
Contribution to First Aid Organizations:					
Other Expenses	37,000.00	37,000.00	37,000.00		
Fire and Safety Code Enforcement:					
Salaries and Wages	2,646.00	2,646.00	2,633.40	12.60	
Other Expenses:					
Miscellaneous Other Expenses	3,000.00	1,000.00	72.03	927.97	
Uniform Fire Safety Act	4,500.00	4,500.00		4,500.00	
Municipal Prosecutor's Office:					
Salaries and Wages	27,657.00	27,657.00	27,656.28	0.72	

The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWNSHIP OF GREENWICH

CURRENT FUND

STATEMENT OF EXPENDITURES - STATUTORY BASIS
YEAR ENDED DECEMBER 31, 2010

	<u>APPROPRIATIONS</u>		<u>EXPENDED</u>		<u>CANCELED</u>
	<u>BUDGET</u>	<u>BUDGET AFTER MODIFICATION</u>	<u>PAID OR CHARGED</u>	<u>RESERVED</u>	
<u>PUBLIC WORKS</u>					
Streets and Road Maintenance:					
Salaries and Wages	\$ 210,000.00	\$ 193,000.00	\$ 192,833.33	\$ 166.67	\$
Other Expenses	75,000.00	75,000.00	67,497.01	7,502.99	
Solid Waste Collection:					
Salaries and Wages	2,050.00	2,050.00	2,040.24	9.76	
Other Expenses	4,000.00	2,000.00	33.25	1,966.75	
Public Buildings and Grounds:					
Other Expenses	45,000.00	48,000.00	47,512.69	487.31	
<u>HEALTH AND WELFARE</u>					
Public Health Services (Board of Health):					
Other Expenses	200.00	200.00		200.00	
Environmental Health Services:					
Other Expenses	1,000.00	1,000.00	250.00	750.00	
Animal Control:					
Salaries and Wages	4,179.00	4,179.00	4,158.72	20.28	
COAH Officer:					
Salaries and Wages	2,000.00	2,000.00	2,000.00		
Contributions to Social Service Agencies:					
Contribution to Senior Citizen Center	1,000.00	1,000.00	1,000.00		
<u>PARK AND RECREATION</u>					
Recreation:					
Other Expenses	28,400.00	28,400.00	28,211.38	188.62	
Maintenance of Parks:					
Other Expenses	10,000.00	5,000.00	2,360.06	2,639.94	
<u>MUNICIPAL COURT</u>					
Salaries and Wages	125,000.00	120,000.00	119,009.00	991.00	
Other Expenses	14,500.00	14,500.00	9,456.74	5,043.26	

The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWNSHIP OF GREENWICH

CURRENT FUND

STATEMENT OF EXPENDITURES - STATUTORY BASIS
YEAR ENDED DECEMBER 31, 2010

	APPROPRIATIONS		EXPENDED		CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
<u>UNCLASSIFIED</u>					
Celebration of Public Events:					
Anniversary or Holiday:					
Other Expenses	\$ 4,000.00	\$ 4,000.00	\$ 3,930.83	\$ 69.17	\$
Utilities:					
Electricity	50,000.00	50,000.00	50,000.00		
Street Lighting	26,000.00	21,000.00	15,169.55	5,830.45	
Telephone	20,000.00	20,000.00	18,706.80	1,293.20	
Water	500.00	500.00	500.00		
Gasoline and Diesel Fuel	45,000.00	45,000.00	45,000.00		
<u>TOTAL OPERATIONS WITHIN "CAPS"</u>	<u>\$ 2,934,404.40</u>	<u>\$ 2,929,404.40</u>	<u>\$ 2,844,555.24</u>	<u>\$ 84,849.16</u>	<u>\$</u>
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES -MUNICIPAL WITHIN "CAPS"</u>					
<u>STATUTORY EXPENDITURES:</u>					
Contribution to Public Employees' Retirement System	\$ 46,212.00	\$ 46,212.00	\$ 46,212.00	\$	\$
Contribution to Police and Firemen's Retirement System	153,992.00	153,992.00	153,992.00		
Social Security System (O.A.S.I.)	125,000.00	130,000.00	128,551.20	1,448.80	
<u>TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL-WITHIN "CAPS"</u>	<u>\$ 325,204.00</u>	<u>\$ 330,204.00</u>	<u>\$ 328,755.20</u>	<u>\$ 1,448.80</u>	<u>\$</u>
<u>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"</u>	<u>\$ 3,259,608.40</u>	<u>\$ 3,259,608.40</u>	<u>\$ 3,173,310.44</u>	<u>\$ 86,297.96</u>	<u>\$</u>
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>					
Police Dispatch/911:					
Salaries and Wages	\$ 2,160.00	\$ 2,160.00	\$ 2,156.76	\$ 3.24	\$
Other Expenses	2,500.00	2,500.00		2,500.00	
Police:					
Salaries and Wages	73,161.43	73,161.43	73,161.43		

The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWNSHIP OF GREENWICH

CURRENT FUND

STATEMENT OF EXPENDITURES - STATUTORY BASIS
YEAR ENDED DECEMBER 31, 2010

	APPROPRIATIONS		EXPENDED		
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	CANCELED
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>					
Interlocal Service Agreements:	\$	\$	\$	\$	\$
Other Expenses	500.00	500.00		500.00	
Insurance:					
Employee Group Health	37,128.00	37,128.00	37,128.00		
Police & Firemen's Retirement Sys. Of NJ	6,849.00	6,849.00	6,849.00		
<u>PUBLICS AND PRIVATE PROGRAMS</u>					
<u>OFF-SET BY REVENUES</u>					
Clean Communities Program:					
Other Expenses	2,037.29	2,037.29	2,037.29		
Safe and Secure Communities Program:					
State Match	30,000.00	30,000.00	30,000.00		
Local Match	12,000.00	12,000.00	12,000.00		
Recycling Tonnage Grant	2,731.87	2,731.87	2,731.87		
Alcohol Education & Rehabilitation Fund	371.28	371.28	371.28		
Drunk Driving Enforcement Fund	3,113.62	3,113.62	3,113.62		
Cops & Shops Program (N.J.S. 40A:4-87 + \$3,000.00)		3,000.00	3,000.00		
Body Armor Fund (N.J.S. 40A:4-87 + \$768.60)	1,176.06	1,944.66	1,944.66		
Walmart Grant	1,000.00	1,000.00	1,000.00		
Over the Limit, Under Arrest (N.J.S. 40A:4-87 +\$4,000.00)		4,400.00	4,400.00		
<u>TOTAL OPERATIONS EXCLUDED FROM "CAPS"</u>	\$ 174,728.55	\$ 182,897.15	\$ 179,893.91	\$ 3,003.24	\$
<u>CAPITAL IMPROVEMENTS EXCLUDED FROM "CAPS"</u>					
Capital Improvement Fund	\$ 82,000.00	\$ 82,000.00	\$ 82,000.00		\$
<u>TOTAL CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</u>	\$ 82,000.00	\$ 82,000.00	\$ 82,000.00		\$
<u>MUNICIPAL DEBT SERVICE-EXCLUDED FROM "CAPS"</u>					
Payment of Bond Anticipation Notes and Capital Notes	\$ 55,198.00	\$ 55,198.00	\$ 55,198.00		\$
Interest on Notes	19,460.61	19,460.61	19,429.38		31.23
<u>TOTAL MUNICIPAL DEBT SERVICE- EXCLUDED FROM "CAPS"</u>	\$ 74,658.61	\$ 74,658.61	\$ 74,627.38		\$ 31.23

The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWNSHIP OF GREENWICH

CURRENT FUND

STATEMENT OF EXPENDITURES - STATUTORY BASIS
YEAR ENDED DECEMBER 31, 2010

	APPROPRIATIONS		EXPENDED		
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	CANCELED
<u>DEFERRED CHARGES EXCLUDED FROM "CAPS"</u>					
Special Emergency Authorizations	\$ 24,000.00	\$ 24,000.00	\$ 24,000.00		
<u>TOTAL DEFERRED CHARGES - EXCLUDED FROM "CAPS"</u>	\$ 24,000.00	\$ 24,000.00	\$ 24,000.00		
<u>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"</u>	\$ 355,387.16	\$ 363,555.76	\$ 360,521.29	\$ 3,003.24	\$ 31.23
Sub-Total General Appropriations	\$ 3,614,995.56	\$ 3,623,164.16	\$ 3,533,831.73	\$ 89,301.20	\$ 31.23
Reserve for Uncollected Taxes	615,000.00	615,000.00	615,000.00		
<u>TOTAL GENERAL APPROPRIATIONS</u>	<u>\$ 4,229,995.56</u>	<u>\$ 4,238,164.16</u>	<u>\$ 4,148,831.73</u>	<u>\$ 89,301.20</u>	<u>\$ 31.23</u>
Budget		\$ 4,229,995.56			
Appropriation by 40A: 4-87		8,168.60			
		<u>\$ 4,238,164.16</u>			
Reserve for Uncollected Taxes			\$ 615,000.00		
Cash Disbursements			3,427,953.52		
Deferred Charges			24,000.00		
Reserve for Grants - Appropriated			60,598.72		
Reserve for Encumbrances Payable			60,020.20		
			<u>4,187,572.44</u>		
Less: Refunds			<u>38,740.71</u>		
			<u>\$ 4,148,831.73</u>		

The accompanying Notes to the Financial Statements are an integral part of this statement.

"B"

TOWNSHIP OF GREENWICH

TRUST FUND

BALANCE SHEETS - STATUTORY BASIS

	BALANCE DECEMBER <u>31, 2010</u>	BALANCE DECEMBER <u>31, 2009</u>
<u>ASSETS</u>		
Animal Control Trust Fund:		
Cash	\$ <u>1,670.49</u>	\$ <u>6,170.39</u>
	\$ <u>1,670.49</u>	\$ <u>6,170.39</u>
Other Funds:		
Cash	\$ 3,477,463.34	\$ 3,483,665.74
Due Current Fund	<u>77,861.28</u>	<u>77,685.72</u>
	\$ <u>3,555,324.62</u>	\$ <u>3,561,351.46</u>
	\$ <u><u>3,556,995.11</u></u>	\$ <u><u>3,567,521.85</u></u>
<u>LIABILITIES, RESERVES AND FUND BALANCES</u>		
Animal Control Trust Fund:		
Interfunds Payable	\$ 175.97	\$ 130.95
Encumbrances Payable		5,009.73
Prepaid Licenses	204.00	
Due to State of New Jersey	72.20	71.00
Reserve for:		
Animal Control Trust Fund Expenditures	<u>1,218.32</u>	<u>958.71</u>
	\$ <u>1,670.49</u>	\$ <u>6,170.39</u>
Other Funds:		
Encumbrances Payable	\$ 12,256.07	\$ 237.69
Reserve For:		
Various Reserves and Deposits	<u>3,543,068.55</u>	<u>3,561,113.77</u>
	\$ <u>3,555,324.62</u>	\$ <u>3,561,351.46</u>
	\$ <u><u>3,556,995.11</u></u>	\$ <u><u>3,567,521.85</u></u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

"C"

TOWNSHIP OF GREENWICH

GENERAL CAPITAL FUND

BALANCE SHEETS - STATUTORY BASIS

	BALANCE DECEMBER <u>31, 2010</u>	BALANCE DECEMBER <u>31, 2009</u>
<u>ASSETS</u>		
Cash	\$ 117,833.34	\$ 206,338.53
Deferred Charges to Future Taxation - Unfunded	1,275,855.00	1,331,053.00
Interfunds Receivable	45,000.00	
Grants Receivable	<u>15,000.00</u>	<u>150,000.00</u>
	\$ <u>1,453,688.34</u>	\$ <u>1,687,391.53</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
Bond Anticipation Notes	\$ 1,150,995.00	\$ 1,066,787.00
Interfunds Payable	72,396.00	72,346.27
Improvement Authorizations:		
Funded	83,511.62	155,076.71
Unfunded	133,139.72	231,285.55
Reserve for:		
Recreational Facilities Improvements	5,283.00	5,283.00
Capital Improvement Fund	8,099.00	81,349.00
Fund Balance	<u>264.00</u>	<u>75,264.00</u>
	\$ <u>1,453,688.34</u>	\$ <u>1,687,391.53</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWNSHIP OF GREENWICH
GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE - STATUTORY BASIS

Balance, December 31, 2009	\$ 75,264.00
Decreased by:	
Payment to Current Fund as Anticipated Revenue	<u>75,000.00</u>
Balance, December 31, 2010	<u>\$ 264.00</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWNSHIP OF GREENWICH

SEWER UTILITY FUND

BALANCE SHEETS - STATUTORY BASIS

<u>ASSETS</u>	BALANCE DECEMBER <u>31, 2010</u>	BALANCE DECEMBER <u>31, 2009</u>
Operating Fund:		
Cash - Treasurer	\$ 1,075,851.74	\$ 1,109,847.04
Interfunds Receivable	<u>3,900.69</u>	<u></u>
	\$ <u>1,079,752.43</u>	\$ <u>1,109,847.04</u>
Receivables and Inventories With Full Reserves:		
Consumer Accounts Receivable	\$ <u>137,313.46</u>	\$ <u>155,697.34</u>
<u>Total Operating Fund</u>	\$ <u>1,217,065.89</u>	\$ <u>1,265,544.38</u>
Capital Fund:		
Cash	\$ 268,900.69	\$ 188,432.69
Interfunds Receivable	<u></u>	<u>36,567.31</u>
<u>Total Capital Fund</u>	\$ <u>268,900.69</u>	\$ <u>225,000.00</u>
	\$ <u><u>1,485,966.58</u></u>	\$ <u><u>1,490,544.38</u></u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWNSHIP OF GREENWICH
SEWER UTILITY FUND
BALANCE SHEETS - STATUTORY BASIS

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	BALANCE DECEMBER 31, 2010	BALANCE DECEMBER 31, 2009
Operating Fund:		
Liabilities:		
Appropriation Reserves	\$ 80,410.36	\$ 34,935.13
Encumbrances Payable	1,235.38	
Interfunds Payable	17,525.57	36,567.31
Prepaid Sewer Use Charges	19,227.18	12,331.37
Overpayments of Sewer Charges	6,046.75	4,131.44
	\$ 124,445.24	\$ 87,965.25
Reserve for Receivables	137,313.46	155,697.34
Fund Balance	955,307.19	1,021,881.79
<u>Total Operating Fund</u>	\$ 1,217,065.89	\$ 1,265,544.38
Capital Fund:		
Capital Improvement Fund	\$ 265,000.00	\$ 225,000.00
Interfunds Payable	3,900.69	
<u>Total Capital Fund</u>	\$ 268,900.69	\$ 225,000.00
	\$ 1,485,966.58	\$ 1,490,544.38

The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWNSHIP OF GREENWICH

SEWER UTILITY FUND

STATEMENTS OF OPERATIONS
AND CHANGE IN FUND BALANCE - STATUTORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>YEAR 2010</u>	<u>YEAR 2009</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>		
Fund Balance Utilized	\$ 55,200.00	\$ 46,404.00
Sewer Service Charges	597,232.30	596,093.42
Miscellaneous	12,693.46	19,535.47
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	<u>28,699.64</u>	<u>23,663.14</u>
<u>TOTAL INCOME</u>	\$ <u>693,825.40</u>	\$ <u>685,696.03</u>
<u>EXPENDITURES</u>		
Operating	\$ 565,200.00	\$ 556,404.00
Capital Improvements	<u>40,000.00</u>	<u>40,000.00</u>
<u>TOTAL EXPENDITURES</u>	\$ <u>605,200.00</u>	\$ <u>596,404.00</u>
Excess in Revenue	\$ 88,625.40	\$ 89,292.03
<u>Fund Balance</u>		
Balance, January 1	<u>1,021,881.79</u>	<u>1,178,993.76</u>
	\$ <u>1,110,507.19</u>	\$ <u>1,268,285.79</u>
Decreased by:		
Utilization by Sewer Operating Budget	55,200.00	46,404.00
Utility Operating Surplus to Current Fund	<u>100,000.00</u>	<u>200,000.00</u>
	155,200.00	246,404.00
Balance, December 31	\$ <u><u>955,307.19</u></u>	\$ <u><u>1,021,881.79</u></u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWNSHIP OF GREENWICH

SEWER UTILITY OPERATING FUND

STATEMENT OF REVENUES - STATUTORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>ANTICIPATED</u>	<u>REALIZED</u>	<u>EXCESS OR (DEFICIT)</u>
Fund Balance Anticipated	\$ 55,200.00	\$ 55,200.00	\$
Sewer Charges	550,000.00	597,232.30	47,232.30
Miscellaneous		12,693.46	12,693.46
	<u>\$ 605,200.00</u>	<u>\$ 665,125.76</u>	<u>\$ 59,925.76</u>

ANALYSIS OF REALIZED REVENUE

Sewer Charges:	
Collections	\$ 584,900.93
Prepaid Applied	<u>12,331.37</u>
	<u>\$ 597,232.30</u>
Miscellaneous:	
Miscellaneous	\$ 2,630.71
Interest on Delinquent Charges	7,327.01
Interest on Investments	<u>2,735.74</u>
	<u>\$ 12,693.46</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWNSHIP OF GREENWICH

SEWER UTILITY OPERATING FUND

STATEMENT OF EXPENDITURES - STATUTORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2010

	APPROPRIATIONS		EXPENDED	
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED
Operating:				
Salaries and Wages	\$ 27,500.00	\$ 27,500.00	\$ 27,500.00	\$
Other Expenses	125,000.00	130,000.00	122,217.80	7,782.20
Other Expenses Contractual Town of Phillipsburg	412,700.00	407,700.00	335,071.84	72,628.16
<u>Total Operating</u>	<u>\$ 565,200.00</u>	<u>\$ 565,200.00</u>	<u>\$ 484,789.64</u>	<u>\$ 80,410.36</u>
Capital Improvements:				
Capital Improvement Fund	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$
<u>Total Capital Improvements</u>	<u>\$ 40,000.00</u>	<u>\$ 40,000.00</u>	<u>\$ 40,000.00</u>	<u>\$</u>
	<u>\$ 605,200.00</u>	<u>\$ 605,200.00</u>	<u>\$ 524,789.64</u>	<u>\$ 80,410.36</u>
Cash Disbursements			\$ 523,554.26	
Encumbrances Payable			<u>1,235.38</u>	
			<u>\$ 524,789.64</u>	

The accompanying Notes to the Financial Statements are an integral part of this statement.

"F"

TOWNSHIP OF GREENWICH
GENERAL FIXED ASSETS ACCOUNT GROUP
BALANCE SHEETS - STATUTORY BASIS

	DECEMBER <u>31, 2010</u>	DECEMBER <u>31, 2009</u>
General Fixed Assets:		
Land	\$ 868,787.00	\$ 868,787.00
Buildings	531,378.00	531,378.00
Building Improvements	540,218.00	540,218.00
Machinery and Equipment	<u>1,746,055.00</u>	<u>1,746,055.00</u>
<u>TOTAL GENERAL FIXED ASSETS</u>	<u>\$ 3,686,438.00</u>	<u>\$ 3,686,438.00</u>
Investment in General Fixed Assets	<u>\$ 3,686,438.00</u>	<u>\$ 3,686,438.00</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWNSHIP OF GREENWICH

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010 AND 2009

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Township of Greenwich is an instrumentality of the State of New Jersey, established to function as a municipality. The Township Committee consists of elected officials and is responsible for the fiscal control of the Township.

Except as noted below, the financial statements of the Township of Greenwich include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township of Greenwich, as required by N.J.S.A. 40A:5-5. Accordingly, the financial statements of the Township of Greenwich do not include the operations of the volunteer first aid squad or the local school district, inasmuch as their activities are administered by separate boards.

B. Description of Funds

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB codification establishes three fund types and two account groups to be used by general purpose governmental units when reporting financial position and results of operations in accordance with U.S. Generally Accepted Accounting Principles (GAAP).

The accounting policies of the Township of Greenwich conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the financial transactions and accounts of the Township of Greenwich are organized on the basis of funds and an account group which is different from the fund structure required by GAAP. A fund or account group is an accounting entity with a separate set of self-balancing accounts established to record the financial position and results of operation of a specific government activity. As required by the Division of Local Government Services, the Township accounts for its financial transactions through the following individual funds and account group:

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Description of Funds (Continued)

Current Fund - resources and expenditures for governmental operations of a general nature, including federal and state grant funds.

Trust Fund - receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

General Capital Fund - receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund.

Sewer Utility Operating and Capital Funds - account for the operations and acquisition of capital facilities of the municipally owned Sewer Utility.

General Fixed Assets Account Group - utilized to account for property, land, buildings and equipment that have been acquired by other governmental funds.

C. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the State of New Jersey differ in certain respects from U.S. generally accepted accounting principles applicable to local government units. The more significant accounting policies and differences in the State of New Jersey are as follows:

A modified accrual basis of accounting is followed with minor exceptions.

Revenues - are recorded when received in cash except for certain amounts which are due from other governmental units. Federal and state grants are realized as revenues when anticipated in the Township's budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Township's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Township, which are susceptible to accrual, are also recorded as receivables with offsetting reserves and recorded as revenues when received. GAAP requires revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Expenditures - are recorded on the "budgetary" basis of accounting. Generally expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances at December 31st are reported as a cash liability in the financial statements and constitute part of the Township's statutory Appropriation Reserve balance.

Appropriation reserves covering unexpended appropriation balances are automatically created at December 31st of each year and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis, interest on general capital indebtedness is on the cash basis, whereas interest on utility indebtedness is on the accrual basis.

Encumbrances - Contractual orders at December 31 are reported as expenditures through the establishment of encumbrances payable. Under GAAP, encumbrances outstanding at year end are reported as reservations of fund balance because they do not constitute expenditures or liabilities.

Foreclosed Property - Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. GAAP requires such property to be recorded in the General Fixed Assets Account Group at its market value.

Sale of Municipal Assets - The proceeds from the sale of municipal assets can be held in a reserve until anticipated as revenue in a future budget. GAAP requires such proceeds to be recorded as revenue in the year of sale.

Interfunds - Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves. GAAP does not require the establishment of an offsetting reserve.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

General Fixed Assets – N.J.A.C. 5:30-5.6, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles, requires the inclusion of a statement of general fixed assets of the Township as part of its basic financial statements. General fixed assets are defined as nonexpendable personal and real property having a physical existence, a useful life of more than one year and an acquisition cost of \$300.00 or more per unit. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

General Fixed Assets that have been acquired and are utilized in a governmental fund operation are accounted for in the General Fixed Asset Account Group rather than in a governmental fund. No depreciation has been provided on General Fixed Assets or reported in the financial statements.

The Township has developed a fixed assets accounting and reporting system based on an inspection and valuation prepared by an independent appraisal firm. Fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Buildings and land are stated at the assessed value contained in the Township's most recent property revaluation.

Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation.

Fixed assets acquired through grants in aid or contributed capital has not been accounted for separately.

Inventories of Supplies - the cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories is not included on the various balance sheets. GAAP requires the cost of inventories to be reported as a current asset and equally offset by a fund balance reserve.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Fixed Capital - Sewer Utility

Accounting for utility fund "fixed capital" remains unchanged under the requirements of N.J.A.C. 5:30-5.6.

Property and equipment purchased by the Sewer Utility Fund are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent reproduction costs or current value. The fixed capital reported is as taken from the municipal records and does not necessarily reflect the true condition of such fixed capital. Contributions in aid of construction are not capitalized. The balances in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the utility capital fund represent charges to operations for the cost of acquisition of property, equipment and improvements. The utility does not record depreciation on fixed assets.

D. Basic Financial Statements

The GASB codification also defines the financial statements of a governmental unit to be presented in the general purpose financial statements to be held in accordance with GAAP. The Township presents the financial statements listed in the table of contents of the "Requirements of Audit and Accounting Revision of 1987" as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which differ from the financial statements required by GAAP.

NOTE 2: CASH AND CASH EQUIVALENTS

The Township considers cash in banks, deposits in the New Jersey Cash Management Fund and certificates of deposit as cash and cash equivalents.

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

A. Deposits

New Jersey statutes permit the deposit of public funds in institutions which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA) or the State of New Jersey Cash Management Fund. GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. All collateral must be deposited with the Federal Reserve Bank or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.00.

The Township of Greenwich has the following cash and cash equivalents at December 31, 2010:

<u>FUND</u>	<u>CASH IN BANK</u>	<u>CASH MANAGEMENT</u>	<u>TOTAL</u>
Current Fund	\$2,905,529.11		\$2,905,529.11
Animal Control Trust Fund	1,670.49		1,670.49
Other Trust Fund	3,150,634.18	\$326,829.16	3,477,463.34
General Capital Fund	117,253.26	580.08	117,833.34
Sewer Utility Operating Fund	1,075,851.74		1,075,851.74
Sewer Utility Capital Fund	<u>268,900.69</u>	<u></u>	<u>268,900.69</u>
<u>TOTAL DECEMBER 31, 2010</u>	<u>\$7,519,839.47</u>	<u>\$327,409.24</u>	<u>\$7,847,248.71</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The Township does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of December 31, 2010, based upon the coverage provided by FDIC and NJGUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on balance in the bank, \$500,000.00 was covered by Federal Depository Insurance and \$7,019,839.47 was covered under the provisions of NJGUDPA.

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments

The purchase of investments by the Township is strictly limited by the express authority of the New Jersey Local Fiscal Affairs Law, N.J.S.A. 40A:5-15.1. Permitted investments include any of the following type of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a-1 et seq., and operated in accordance with 17 C.F.R. § 270.2a-7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. These funds are also required to be rated by a nationally recognized statistical rating organization;
3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located;
5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Investment of the Department of Treasury for investment by Local Units;
6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization;

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments (Continued)

7. Deposits with the State of New Jersey Cash Management Fund established pursuant to Section 1 of P.L. 1977, c. 281 (C. 52:18A-90.4); or
8. Agreements for the repurchase of fully collateralized securities if:
 - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
 - b. the custody of collateral is transferred to a third party;
 - c. the maturity of the agreement is not more than 30 days;
 - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C. 17:19-41); and
 - e. a master repurchase agreement providing for the custody and security of collateral is executed.

As of December 31, 2010 the Township has \$327,409.24 on deposit with the New Jersey Cash Management Fund. Based upon the limitations set forth by New Jersey Statutes 40A:5-15.1 and existing investment practices of the Investment Council of the New Jersey Cash Management Fund, the Township is generally not exposed to credit risks and interest rate risks for its investments, nor is it exposed to foreign currency risk for its deposits and investments.

NOTE 3: MUNICIPAL DEBT

The Local Bond Law, Chapter 40A:2, governs the issuance of bonds to finance general municipal capital expenditures. All bonds are retired in annual installments within the statutory period of usefulness. All bonds issued by the Township are general obligation bonds, based by the full faith and credit of the Township. Bond Anticipation Notes, which are issued to temporarily finance capital projects, shall mature and be paid off within ten years if financed by the issuance of bonds.

NOTE 3: MUNICIPAL DEBT (CONTINUED)

SUMMARY OF MUNICIPAL DEBT

	<u>YEAR 2010</u>	<u>YEAR 2009</u>	<u>YEAR 2008</u>
Issued:			
General:			
Notes	\$ <u>1,150,995.00</u>	\$ <u>1,066,787.00</u>	\$ <u>1,089,653.00</u>
<u>Net Debt Issued</u>	\$ <u>1,150,995.00</u>	\$ <u>1,066,787.00</u>	\$ <u>1,089,653.00</u>
Authorized But Not Issued:			
General:			
Bonds and Notes	\$ <u>124,860.00</u>	\$ <u>264,266.00</u>	\$ <u>264,266.00</u>
<u>Total Authorized But Not Issued</u>	\$ <u>124,860.00</u>	\$ <u>264,266.00</u>	\$ <u>264,266.00</u>
 NET BONDS AND NOTES ISSUED AND AUTHORIZED BUT NOT ISSUED	 \$ <u>1,275,855.00</u>	 \$ <u>1,331,053.00</u>	 \$ <u>1,353,919.00</u>

SUMMARY OF STATUTORY DEBT CONDITION
(ANNUAL DEBT STATEMENT)

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of .16%.

	<u>GROSS DEBT</u>	<u>DEDUCTIONS</u>	<u>NET DEBT</u>
Local School District Debt	\$ 12,005,000.00	\$ 12,005,000.00	\$
General Debt	<u>1,275,855.00</u>		<u>1,275,855.00</u>
	<u>\$ 13,280,855.00</u>	<u>\$ 12,005,000.00</u>	<u>\$ 1,275,855.00</u>

NET DEBT \$1,275,855.00 DIVIDED BY EQUALIZED VALUATION BASIS PER N.J.S.40A:2-2, AS AMENDED, \$794,233,803 EQUALS .16%.

NOTE 3: MUNICIPAL DEBT (CONTINUED)

BORROWING POWER UNDER N.J.S.40A:2-6 AS AMENDED

Equalized Valuation Basis* - December 31, 2010	\$ <u>794,233,803.00</u>
3-1/2% of Equalized Valuation Basis	\$ 27,798,183.11
Net Debt	<u>1,275,855.00</u>
Remaining Borrowing Power	\$ <u>26,522,328.11</u>

*Equalized Valuation basis is the average of the equalized valuation of Real Estate, including improvements, and the assessed valuation of Class II Railroad Property of the Township for the last three (3) preceding years.

SCHOOL DEBT DEDUCTION

School debt is deductible up to the extent of 4% of the Average Equalized Assessed Valuation of real property for the Local School District.

Bond Anticipation Notes

Bond Anticipation Notes were Issued as follows:

<u>Bond</u> <u>Ordinance</u>	<u>Rate</u>	<u>Original</u> <u>Issue</u> <u>Date</u>	<u>Balance</u> <u>December</u> <u>31, 2010</u>
1999-04	1.50%	08/16/2000	\$ 42,762.00
2002-09	1.50%	12/20/2002	81,425.00
2003-09	1.50%	08/21/2003	56,268.00
2003-05	1.50%	07/30/2004	391,281.00
2005-12	1.75%	12/22/2008	228,100.00
2006-19	1.75%	12/22/2008	211,753.00
2008-18	1.50%	7/22/2010	<u>139,406.00</u>
			\$ <u>1,150,995.00</u>

Bonds and Notes Authorized But Not Issued

At December 31, 2010, the Township has authorized but not issued bonds and notes as follows:

General Capital Fund	<u>\$124,860.00</u>
----------------------	---------------------

NOTE 4: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2010 which were appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2011 were as follows:

Current Fund	\$575,000.00
Sewer Operating Fund	\$55,200.00

NOTE 5: PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied based on the final adoption of the current year municipal budget, and are payable in four installments on February 1, May 1, August 1 and November 1. The Township bills and collects its own property taxes and also taxes for the County and local school district. The collections and remittance of county and school taxes are accounted for in the Current Fund. Township property tax revenues are recognized when collected in cash and any receivables are recorded with offsetting reserves on the balance sheet of the Township's Current Fund.

Taxes collected in advance - Taxes collected in advance and recorded as cash liabilities in the financial statements are as follows:

	BALANCE DECEMBER <u>31, 2010</u>	BALANCE DECEMBER <u>31, 2009</u>
Prepaid Taxes	<u>\$79,161.69</u>	<u>\$78,327.69</u>

NOTE 6: PENSION PLANS

Township employees, who are eligible for a pension plan, are enrolled in one of two pension systems administered by the Division of Pensions, Treasury Department of the State of New Jersey. The plans are: the Public Employees Retirement System and the Police and Firemen's Retirement System. The Division annually charges participating government units for their respective contributions to the plans based upon actuarial methods. Certain portions of the costs are contributed by the employees. The Township's share of pension costs, which is based upon the annual billings received from the State, amounted to \$150,031.00 for 2008, \$194,341.00 for 2009 and \$207,053.00 for 2010.

Information as to the comparison of the actuarially computed value of vested benefits with the system's assets is not available from the State Retirement System and, therefore, is not presented.

NOTE 7: COMPENSATED ABSENCES

Under the existing policy of the Township, employees are allowed to accumulate unused vacation and sick pay over the life of their working careers which may be taken as time off or paid at a later date. The accumulated cost of such unpaid compensation is not required to be reported in the financial statements as presented but is estimated to be \$40,636.04. The Township annually appropriates the amounts that are required to be paid in that year's budget and no liability is accrued at December 31, 2010.

NOTE 8: LITIGATION

The Township Attorney's letter did not indicate any litigation, claims or contingent liabilities that are either not covered by the Township's insurance carrier or would have a material financial impact on the Township.

NOTE 9: TAX APPEALS

There are tax appeals filed with the County and State Tax Court of New Jersey requesting a reduction of assessments for the year 2010. Any reduction in assessed valuation will result in a refund of prior years' taxes in the year of settlement, which may be funded from tax revenues through the establishment of a reserve or by the issuance of refunding bonds per N.J.S.40A:2-51.

NOTE 10: CONTINGENT LIABILITIES

The Township participates in several state financial assistance grant programs. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of funds for eligible purposes. Findings and questioned costs, if any, relative to state financial assistance programs will be discussed in detail in Part II of the 2010 audit report. In addition, these programs are also subject to compliance and financial audits by the grantors or their representatives. As of December 31, 2010, the Township does not believe that any material liabilities will result from such audits.

NOTE 11: RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, injuries to employees; and natural disasters. The Township maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Township. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

New Jersey Unemployment Compensation Insurance - The Township has elected to fund New Jersey Unemployment Insurance under the "Contributory Method". Under this plan, the Township is required to remit employee withholdings to the State on a quarterly basis. All of the Township's claims are paid by the State.

NOTE 12: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheets at December 31, 2010:

<u>FUND</u>	<u>INTERFUND RECEIVABLE</u>	<u>INTERFUND PAYABLE</u>
Current	\$18,647.54	\$6,782.12
Federal and State Grant	370.84	45,000.00
Animal Control		175.97
Trust Other	77,861.28	
General Capital	45,000.00	72,396.00
Sewer Utility Operating	3,900.69	17,525.57
Sewer Utility Capital		3,900.69
	<u>\$145,780.35</u>	<u>\$145,780.35</u>

All balances resulted from the time lag between the dates that payments between the funds are made.

NOTE 13: DEFERRED SCHOOL TAXES

New Jersey statutes provide for the deferral of liability for not more than 50% of the annual levy when school taxes are raised on a school year basis and such taxes have not been requisitioned by the school district.

LOCAL DISTRICT SCHOOL TAX

	BALANCE DECEMBER <u>31, 2010</u>	BALANCE DECEMBER <u>31, 2009</u>
Balance of Tax	\$3,349,512.48	\$3,349,512.46
Deferred	<u>1,702,249.00</u>	<u>1,702,249.00</u>
School Tax Payable	<u><u>\$1,647,263.48</u></u>	<u><u>\$1,647,263.46</u></u>

NOTE 14: DEFERRED COMPENSATION

The Township offers its employees enrollment in a deferred compensation plan created in accordance with Internal Revenue Code Section 403 (b). The plan, which is administered by VALIC, permits participants to defer a portion of their salary until future years. Amounts deferred under the plan are not available to employees until termination, retirement, death or unforeseeable emergency.

NOTE 15: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2010, the following deferred charges are shown on the balance sheets of the various funds:

	BALANCE DECEMBER <u>31, 2010</u>	2011 BUDGET <u>APPROPRIATION</u>	BALANCE TO SUCCEEDING <u>BUDGETS</u>
Current:			
Special Emergency			
Authorizations (40A:4-55)	\$ <u>72,000.00</u>	\$ <u>24,000.00</u>	\$ <u>48,000.00</u>
Overexpenditure of			
Appropriation Reserves	\$ <u>1,294.15</u>	\$ <u>1,294.15</u>	\$ <u>-0-</u>

The appropriations in the 2011 Budget are not less than that required by statute.

APPENDIX C
FORM OF BOND COUNSEL OPINION

APPENDIX C
FORM OF BOND COUNSEL OPINION

[Date of Closing]

The Mayor and the Township Committee of the
Township of Greenwich, in the County of
Warren, New Jersey

Dear Mayor and Members of the Township Committee:

We have acted as bond counsel to the Township of Greenwich, in the County of Warren, New Jersey (the "Township") in connection with the issuance and sale by the Township of its \$1,265,000 principal amount of General Improvement Bonds of 2011 (the "Bonds"). In this capacity, we have examined certified copies of a record of proceedings of the Township Committee and such other proofs, documents and instruments submitted to us which we deemed pertinent relative to the issuance and sale by the Township of the Bonds.

The Bonds are dated, mature (subject to prior redemption) and bear interest upon the terms and conditions stated therein and in the resolution adopted by the Township on May 19, 2011 (the "Resolution"). The Bonds are fully registered in form and are issued pursuant to the Local Bond Law, constituting Chapter 2 of Title 40A of the Revised Statutes of New Jersey (the "Local Bond Law"), the Resolution and the various bond ordinances referred to therein, each in all respects duly approved and published as required by law.

We are of the opinion that such proceedings, proofs, documents and instruments show lawful authority for the issuance and sale of the Bonds pursuant to the Local Bond Law and other applicable statutes, and that the Bonds are valid and legally binding obligations of the Township, all the taxable property within which is subject to the levy of ad valorem taxes for the ultimate payment of the principal of and interest on said Bonds without limitation as to rate or amount.

We are further of the opinion that based upon existing law, interest on the Bonds is excluded from the gross income of the owners of the Bonds for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and interest on the

The Mayor and Township Committee of the
Township of Greenwich, in the County of
Warren, New Jersey
[Date of Closing]
Page 2

Bonds is not an item of tax preference under Section 57 of the Code for purposes of computing the alternative minimum tax.

We are further of the opinion that under existing law, interest on the Bonds and net gains from the sale of the Bonds are exempt from the tax imposed by the New Jersey Gross Income Tax Act.

With respect to our Federal income tax opinion, we note that the Code imposes certain requirements that must be met on the date of issuance of the Bonds and on a continuing basis subsequent to the issuance of the Bonds in order for interest on the Bonds to be excluded from gross income for federal income tax purposes under Section 103 of the Code. Failure of the Township to comply with such requirements may cause interest on the Bonds to lose the exclusion from gross income for federal income tax purposes, retroactive to the date of issuance of the Bonds. The Township has made representations in the Tax Certificate, dated as of the date hereof, as to various tax requirements. In addition, the Township has covenanted to comply with the provisions of the Code applicable to the Bonds and has covenanted not to take any action or fail to take any action that would cause the interest on the Bonds to lose the exclusion from gross income for federal income tax purposes under Section 103 of the Code. With your permission, we have relied upon the representations made in the Tax Certificate and we have assumed continuing compliance by the Township with the above covenants in rendering our federal income tax opinion with respect to the exclusion of interest on the Bonds from gross income for federal income tax purposes.

Attention is called to the fact that for purposes of this opinion letter we have not been requested to examine and have not examined any documents or information relating to the Township other than the certified copies of the proceedings, proofs, documents and instruments hereinabove referred to, and no opinion is expressed as to any financial or other information, or the adequacy thereof, which has been or may be supplied to any purchaser of the Bonds.

It is to be understood that the rights of the holders of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

We have examined an executed Bond and, in our opinion, the form of said Bond and its execution are regular and proper.

The opinions expressed herein are based upon the laws and judicial decisions of the State of New Jersey and the federal laws and judicial decisions of the United States as of the date hereof and

The Mayor and Township Committee of the
Township of Greenwich, in the County of
Warren, New Jersey
[Date of Closing]
Page 3

are subject to any amendment, repeal or other modification of the applicable laws or judicial decisions that served as the basis for our opinions, or laws or judicial decisions hereafter enacted or rendered. Our engagement by the Township with respect to the opinions expressed herein does not require, and shall not be construed to constitute, a continuing obligation on our part to notify or otherwise inform the addressee hereof of the amendment, repeal or other modification of the applicable laws or judicial decisions that served as the basis for this opinion letter or of laws or judicial decisions hereafter enacted or rendered which impact on this opinion letter.

This opinion letter is rendered to you in connection with the above described transaction. This opinion letter may not be relied upon by you for any other purpose, or relied upon by, or furnished to, any other person, firm or corporation without our prior written consent. This is only an opinion letter and not a warranty or guaranty of the matters discussed herein.

Very truly yours,

APPENDIX D
FORM OF CONTINUING DISCLOSURE CERTIFICATE

CONTINUING DISCLOSURE CERTIFICATE

THIS CONTINUING DISCLOSURE CERTIFICATE (the "Certificate") is made as of July __, 2011 by the Township of Greenwich, in the County of Warren, a political subdivision duly organized under the laws of the State of New Jersey (the "Issuer").

W I T N E S S E T H:

WHEREAS, the Issuer is issuing its General Improvement Bonds of 2011 dated July __, 2011, in the principal amount of \$1,265,000 (collectively, the "Bonds") on the date hereof; and

WHEREAS, the Bonds are being issued pursuant to various bond ordinances adopted by the Issuer and a resolution adopted by the Issuer on May 19, 2011; and

WHEREAS, the Securities and Exchange Commission (the "SEC") pursuant to the Securities Exchange Act of 1934, as amended and supplemented (codified on the date hereof at 15 U.S.C. 77 et seq.) (the "Securities Exchange Act") has adopted amendments to its Rule 15c2-12 (codified at 17 C.F.R. §240.15c2-12) ("Rule 15c2-12") effective July 3, 1995 which generally prohibit a broker, dealer, or municipal securities dealer from purchasing or selling municipal securities, such as the Bonds, unless such broker, dealer or municipal securities dealer has reasonably determined that an issuer of municipal securities or an obligated person has undertaken in a written agreement or contract for the benefit of holders of such securities to provide certain annual financial information and material event notices to the MSRB (as defined herein); and

WHEREAS, the Issuer represented in its Notice of Sale dated June 29, 2011 (the "Notice of Sale") that it would deliver on the closing date for the Bonds a "Continuing Disclosure Certificate" pursuant to which the Issuer will agree to provide at the times and to the persons described in Rule 15c2-12 the annual financial information and material event notices on a continual basis pursuant to Rule 15c2-12; and

WHEREAS, on July 7, 2011, the Issuer accepted the bid of _____, as the underwriter (the "Underwriter") for the purchase of the Bonds; and

WHEREAS, the execution and delivery of this Certificate has been duly authorized by the Issuer and all conditions, acts and things necessary and required to exist, to have happened, or to have been performed precedent to and in the execution and delivery of this Certificate, do exist, have happened and have been performed in regular form, time and manner; and

WHEREAS, the Issuer is executing this Certificate for the benefit of the Holders of the Bonds.

NOW, THEREFORE, for and in consideration of the premises and of the mutual representations, covenants and agreements herein set forth, the Issuer, its successors and assigns, do mutually promise, covenant and agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1 Terms Defined in Recitals. The following terms shall have the meanings set forth in the recitals hereto:

Bonds	Rule 15c2-12
Certificate	SEC
Issuer	Securities Exchange Act
Notice of Sale	Underwriter

Section 1.2 Additional Definitions. The following additional terms shall have the meanings specified below:

“Annual Report” means Financial Statements and Operating Data provided at least annually.

“Bondholders” or “Holder” or any similar term means the registered holders and beneficial owners of the Bonds.

“Business Day” means any day other than (a) a Saturday or Sunday, (b) a day on which commercial banks in New York City, New York or in the Township of Greenwich, New Jersey are authorized or required by law to close or (c) a day on which the New York Stock Exchange is closed.

“Disclosure Event” means any event described in subsection 2.1(d) of this Certificate.

“Disclosure Event Notice” means the notice to the MSRB as provided in subsection 2.4(a).

“Disclosure Representative” means the Chief Financial Officer of the Issuer or his or her designee, or such other officer or employee as the Issuer shall designate from time to time.

“Dissemination Agent” means an entity acting in such capacity under this Certificate or any other successor entity designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

“EMMA” means Electronic Municipal Market Access facility for municipal securities disclosure of the MSRB.

“Final Official Statement” means the final Official Statement of the Issuer dated July __, 2011 pertaining to the Bonds.

“Financial Statements” means the audited financial statements of the Issuer for each Fiscal Year and are of the type included in Appendix B to the Final Official Statement.

“Fiscal Year” means the fiscal year of the Issuer as determined by the Issuer from time to time. As of the date of this Certificate, the Fiscal Year of the Issuer begins on January 1 and closes on December 31 of each calendar year.

“GAAS” means generally accepted auditing standards as in effect from time to time in the United States of America, consistently applied, as modified by governmental accounting standards and mandated State statutory principles applicable to the Issuer as may be in effect from time to time.

“MSRB” means the Municipal Securities Rulemaking Board.

“Operating Data” means the financial and statistical information of the Issuer of the type included in the Final Official Statement under the headings “Assessed Valuation of Real Property,” “Tax Rates and Net Assessed Valuations,” “Largest Employers,” “Largest Taxpayers,” “Tax Collection Data,” and “Delinquent Taxes and Tax Title Liens” in Appendix A and in Appendix B attached to the Final Official Statement.

“Prescribed Form” means such electronic format accompanied by such identifying information as shall be prescribed by the MSRB and which shall be in effect on the date of filing of such information.

“State” means the State of New Jersey.

Section 1.3 Interpretation. Words of masculine gender include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words importing the singular include the plural and vice versa, and words importing persons include corporations, associations, partnerships (including limited partnerships), trusts, firms and other legal entities, including public bodies, as well as natural persons. Articles and Sections referred to by number mean the corresponding Articles and Sections of this Certificate. The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms as used in this Certificate, refer to this Certificate as a whole unless otherwise expressly stated.

As the context shall require, the disjunctive term “or” shall be interpreted conjunctively as required to insure that the Issuer performs any obligations, mentioned in the passage in which such term appears.

The headings of this Certificate are for convenience only and shall not define or limit the provisions hereof.

ARTICLE II

CONTINUING DISCLOSURE COVENANTS AND REPRESENTATIONS

Section 2.1 Continuing Disclosure Covenants of the Issuer. The Issuer agrees that it will provide, or shall cause the Dissemination Agent to provide:

(a) Not later than 180 days after the end of the Township's Fiscal Year (currently ending on December 31), commencing with the Fiscal Year of the Issuer ending December 31, 2011, an Annual Report in Prescribed Form in accordance with EMMA to the MSRB;

(b) Not later than fifteen (15) days prior to the date of each year specified in subsection 2.1(a), a copy of the Annual Report to the Dissemination Agent, if the Issuer has appointed or engaged a Dissemination Agent;

(c) If not submitted as part of the Annual Report, then when and if available, in Prescribed Form in accordance with EMMA to the MSRB, audited financial statements for the Issuer; provided that unaudited Financial Statements for the Issuer in Prescribed Form shall be submitted in accordance with EMMA as part of the Annual Report to the MSRB if audited Financial Statements are not then available;

(d) In a timely manner, to the MSRB and in Prescribed Form, notice of any of the following events with respect to the Bonds (each, a "Disclosure Event"):

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on the debt service reserve fund reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax-exempt status of the Bonds;

- (vii) Modifications to rights of Holders of the Bonds, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar events of the Issuer, which shall be considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under State or Federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer;
- (xiii) The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(e) In a timely manner, to the MSRB in accordance with EMMA and in Prescribed Form, notice of a failure by the Issuer to provide the Annual Report within the period described in subsections 2.1(a) and 2.1(b) hereof.

Section 2.2 Continuing Disclosure Representations. The Issuer represents and warrants that:

(a) Financial Statements shall be prepared according to the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and Government Auditing standards issued by the Comptroller General of the United States.

(b) Financial Statements prepared annually shall be audited by an independent certified public accountant in accordance with GAAS.

Section 2.3 Form of Annual Report. (a) The Annual Report may be submitted as a single document or as separate documents comprising a package.

(b) Any or all of the items which must be included in the Annual Report may be incorporated by reference from other information which is available to the public through EMMA or which has been filed with the SEC. The Issuer shall clearly identify each such other document so incorporated by reference.

(c) The Financial Statements of the Issuer, if any, may be submitted separately from the balance of the Annual Report.

Section 2.4 Responsibilities and Duties of the Issuer or the Dissemination Agent.

(a) If the Issuer or the Dissemination Agent (if one has been appointed or engaged by the Issuer) has determined it necessary to report the occurrence of a Disclosure Event, the Issuer or Dissemination Agent (if one has been appointed or engaged by the Issuer) shall file a notice of such occurrence in the Prescribed Form and in accordance with EMMA with the MSRB (the "Disclosure Event Notice") in the form provided by the Issuer.

(b) The Issuer and/or the Dissemination Agent (if one has been appointed or engaged by the Issuer) shall file a written report with the Issuer certifying that the Annual Report has been provided in accordance with EMMA to the MSRB.

Section 2.5 Responsibilities, Duties, Immunities and Liabilities of the Dissemination Agent.

(a) The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the Issuer shall be the Dissemination Agent.

(b) The Dissemination Agent shall have only such duties as are specifically set forth in this Certificate, and the Issuer agrees, to the extent permitted by law, to indemnify and save the Dissemination Agent, its officers, directors, employees and agents harmless against any loss, expense and liability which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Issuer under this subsection shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

(c) The Dissemination Agent, or any successor thereto, may at any time resign and be discharged of its duties and obligations hereunder by giving not less than thirty (30) days written notice to the Issuer. Such resignation shall take effect on the date specified in such notice.

ARTICLE III

REMEDIES

Section 3.1 Remedies.

(a) Any Bondholder, for the equal benefit and protection of all Bondholders similarly situated, may take whatever action at law or in equity against the Issuer and any of the officers, agents and employees of the Issuer which is necessary or desirable to enforce the specific performance and observance of any obligation, agreement or covenant of the Issuer under this Certificate and may compel the Issuer or any such officers, agents or employees, except for the Dissemination Agent, to perform and carry out their duties under this Certificate; provided, that no person or entity shall be entitled to recover monetary damages hereunder under any circumstances.

(b) In case any Bondholder shall have proceeded to enforce its rights under this Certificate and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to any Bondholder, then and in every such case the Issuer and any Bondholder shall be restored respectively to their several positions and rights hereunder, and all rights, remedies and powers of the Issuer and any Bondholder shall continue as though no such proceeding had been taken.

(c) A default under this Certificate shall not be deemed a default under the Bonds, and the sole remedy under this Certificate in the event of any failure or refusal by the Issuer to comply with this Certificate shall be as set forth in subsection 3.1(a) of this Certificate.

ARTICLE IV

MISCELLANEOUS

Section 4.1 Purposes of the Continuing Disclosure Certificate. This Certificate is being executed and delivered by the Issuer for the benefit of the Bondholders and in order to assist the Participating Underwriters in complying with clause (b)(5) of Rule 15c2-12.

Section 4.2 Additional Information. Nothing in this Certificate shall be deemed to prevent the Issuer from (a) disseminating any other information, using the means of dissemination set forth in this Certificate or any other means of communication, or (b) including any other information in any Annual Report or any Disclosure Event Notice, in addition to that which is required by this Certificate. If the Issuer chooses to include any information in any

Annual Report or any Disclosure Event Notice in addition to that which is specifically required by this Certificate, the Issuer shall have no obligation under this Certificate to update such information or include it in any future Annual Report or any future Disclosure Event Notice.

Section 4.3 Notices. All notices required to be given or authorized shall be in writing and shall be sent by registered or certified mail to the Issuer, 321 Greenwich Street, Stewartsville, New Jersey 08886, Attention: Chief Financial Officer.

Section 4.4 Severability. If any provision of this Certificate shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

Section 4.5 Amendments, Changes and Modifications. (a) Without the consent of any Bondholders, the Issuer at any time and from time to time may enter into any amendments or modifications to this Certificate for any of the following purposes:

- (i) to add to covenants and agreements of the Issuer hereunder for the benefit of the Bondholders, or to surrender any right or power conferred upon the Issuer by this Certificate;

- (ii) to modify the contents, presentation and format of the Annual Report from time to time to conform to changes in accounting or disclosure principles or practices and legal requirements followed by or applicable to the Issuer or to reflect changes in the identity, nature or status of the Issuer or in the business, structure or operations of the Issuer or any mergers, consolidations, acquisitions or dispositions made by or affecting the Issuer; provided that any such modification shall comply with the requirements of Rule 15c2-12 as then in effect at the time of such modification; or

- (iii) to cure any ambiguity, to correct or supplement any provision hereof which may be inconsistent with any other provision hereof, or to include any other provisions with respect to matters or questions arising under this Certificate which, in each case, comply with Rule 15c2-12 as then in effect at the time of such modification;

provided, that prior to approving any such amendment or modification, counsel nationally recognized as expert in federal securities law acceptable to the Issuer determines that such amendment or modification does not adversely affect the interests of the Holders of the Bonds in any material respect.

- (b) Upon entering into any amendment or modification required or permitted by this Certificate, the Issuer shall deliver, or cause the Dissemination Agent to deliver, in Prescribed Form in accordance with EMMA to the MSRB written notice of any such amendment or modification.

(c) The Issuer shall be entitled to rely exclusively upon an opinion of counsel nationally recognized as expert in federal securities law acceptable to the Issuer to the effect that such amendments or modifications comply with the conditions and provisions of this Section 4.5 and Rule 15c2-12.

Section 4.6 Amendments Required by Rule 15c2-12. The Issuer recognizes that the provisions of this Certificate are intended to enable the Participating Underwriters to comply with Rule 15c2-12. If, as a result of a change in Rule 15c2-12 or in the interpretation thereof, a change in this Certificate shall be permitted or necessary to assure continued compliance with Rule 15c2-12 and upon delivery by any Participating Underwriter of an opinion of counsel nationally recognized as expert in federal securities law acceptable to the Issuer to the effect that such amendments shall be permitted or necessary to assure continued compliance with Rule 15c2-12 as so amended or interpreted, then the Issuer shall amend this Certificate to comply with and be bound by any such amendment to this Certificate to the extent necessary or desirable to assure compliance with the provisions of Rule 15c2-12 and provide the written notice of such amendment as required by subsection 4.5(b) hereof.

Section 4.7 Governing Law. This Certificate shall be governed exclusively by and construed in accordance with the applicable laws of the State of New Jersey and the applicable federal laws of the United States of America.

Section 4.8 Termination of Issuer's Continuing Disclosure Obligations. The continuing obligation of the Issuer under Section 2.1 hereof to provide the Annual Report and any Disclosure Event Notice and to comply with the other requirements of said Section shall terminate if and when either (a) the Bonds are no longer Outstanding or (b) the Issuer no longer remains an "obligated person" (as defined in Rule 15c2-12(f)(10)) with respect to the Bonds, and in either event only after the Issuer delivers, or causes the Dissemination Agent to deliver, in the Prescribed Form in accordance with EMMA to the MSRB written notice to such effect. This Certificate shall be in full force and effect from the date hereof and shall continue in effect so long as any Bonds are Outstanding.

Section 4.9 Binding Effect. This Certificate shall inure to the benefit of and shall be binding upon the Issuer and its successors and assigns.

IN WITNESS WHEREOF, THE TOWNSHIP OF GREENWICH, IN THE COUNTY OF WARREN has caused this Certificate to be executed in its name and its corporate seal to be hereunto affixed and attested by their duly authorized officers, all as of the date first above written.

[SEAL]

ATTEST:

THE TOWNSHIP OF GREENWICH, IN THE
COUNTY OF WARREN, NEW JERSEY

Township Clerk

By: _____
Mayor