

NEW ISSUE**SERIAL BONDS**
Rating: Moody's "Aa3"

In the opinion of McManimon & Scotland, L.L.C., Bond Counsel, assuming continuing compliance by the Township (as defined herein) with certain covenants described herein, interest on the Series 2012A Bonds (as defined herein) is not includable in gross income for federal income tax purposes under current law. In the opinion of McManimon & Scotland, L.L.C., Bond Counsel, interest on the Series 2012A Bonds is not an item of tax preference under Section 57 of the Internal Revenue Code of 1986, as amended, for purposes of computing the federal alternative minimum tax; however, interest on the Series 2012A Bonds held by corporate taxpayers is included in the relevant income computation for calculation of the federal alternative minimum tax as a result of the inclusion of interest on the Series 2012A Bonds in "adjusted current earnings". No opinion is expressed regarding other federal tax consequences arising with respect to the Series 2012A Bonds. Further, in the opinion of McManimon & Scotland, L.L.C., interest on the Bonds (as defined herein) and any gain on the sale thereof are not includable as gross income under the New Jersey Gross Income Tax Act. See "TAX MATTERS" herein.

TOWNSHIP OF BLOOMFIELD
In the County of Essex, New Jersey**\$4,995,000 General Improvement Bonds, Series 2012A**
(Not Bank Qualified)/(Book-Entry Only)/(Callable)**\$4,374,000 General Improvement Bonds, Series 2012B**
(Federally Taxable)
(Not Bank Qualified)/(Book-Entry Only)/(Callable)**Dated: Date of Delivery****Due: January 15, as shown on the inside cover**

The \$4,995,000 General Improvement Bonds, Series 2012A (the "Series 2012A Bonds") and the \$4,374,000 General Improvement Bonds, Series 2012B (Federally Taxable) (the "Series 2012B Bonds" and, together with the Series 2012A Bonds, the "Bonds") of the Township of Bloomfield, in the County of Essex, New Jersey (the "Township") will be issued in the form of one certificate for the aggregate principal amount of the Bonds of each series maturing in each year and when issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York, which will act as securities depository ("DTC"). See "DESCRIPTION OF THE BONDS - Book-Entry Only System" herein.

Interest on the Bonds will be payable by the Township semiannually on the fifteenth day of January and July in each year until maturity commencing on July 15, 2012. Principal of and interest on the Bonds will be paid to DTC by the Township as Paying Agent. Interest on the Bonds will be credited to the participants of DTC as listed on the records of DTC as of each preceding January 1 and July 1 (the "Record Dates") for the payment of interest on the Bonds.

The Bonds are subject to redemption prior to their stated maturities as set forth herein. See "REDEMPTION" herein.

The Bonds will constitute general obligations of the Township and are secured by a pledge of the full faith and credit of the Township for payment of the principal of and interest thereon. The Bonds are payable, if not paid from other sources, from *ad valorem* taxes levied upon all the taxable real property within the Township, without limitation as to rate or amount. See "SECURITY FOR THE BONDS" herein.

This cover page contains information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement, including the Appendices, to obtain information essential to the making of an informed investment decision. The Bonds are offered when, as and if issued and subject to prior sale, to withdrawal or modification of the offer without notice and to the approval of legality by the law firm of McManimon & Scotland, L.L.C., Newark, New Jersey, Bond Counsel to the Township, and certain other conditions described herein. The Bonds are expected to be available for delivery in definitive form to DTC in New York, New York on or about January 20, 2012.

Roosevelt & Cross, Inc. and Associates
(Underwriter for the 2012A Bonds)**Janney Montgomery Scott**
(Underwriter for the 2012B Bonds)**Dated: January 11, 2012**

**TOWNSHIP OF BLOOMFIELD,
In the County of Essex, New Jersey**

**\$4,995,000 General Improvement Bonds, Series 2012A
(Not Bank Qualified)/(Book-Entry Only)/(Callable)
and
\$4,374,000 General Improvement Bonds, Series 2012B (Federally Taxable)
(Not Bank Qualified)/(Book-Entry Only)/(Callable)**

Maturity Schedule, Amounts, Interest Rates and Yields or Prices

Year	Series 2012A			Yield or Price	CUSIP Number ¹	Year	Series 2012A			Yield or Price	CUSIP Number ¹
	Principal Amount	Interest Rate					Principal Amount	Interest Rate			
2013	\$165,000	3.00 %	0.40 %		094171FJ9	2024	\$220,000	2.50 %	2.55 %		094171FV2
2014	170,000	3.00	0.60		094171FK6	2025	225,000	2.625	2.70		094171FW0
2015	170,000	3.00	0.80		094171FL4	2026	235,000	2.75	2.85		094171FX8
2016	175,000	3.00	1.00		094171FM2	2027	245,000	3.00	100.00		094171FY6
2017	180,000	3.00	1.15		094171FN0	2028	255,000	3.00	3.10		094171FZ3
2018	185,000	2.00	1.30		094171FP5	2029	265,000	3.125	3.20		094171GA7
2019	185,000	2.75	1.50		094171FQ3	2030	275,000	3.25	3.30		094171GB5
2020	195,000	2.75	1.70		094171FR1	2031	290,000	3.25	3.40		094171GC3
2021	200,000	2.375	1.95		094171FS9	2032	300,000	3.375	3.50		094171GD1
2022	205,000	2.125	2.15		094171FT7	2033	315,000	3.50	3.60		094171GE9
2023	210,000	2.25	2.40		094171FU4	2034	330,000	3.625	3.70		094171GF6

Year	Series 2012B			Yield or Price	CUSIP Number ¹	Year	Series 2012B			Yield or Price	CUSIP Number ¹
	Principal Amount	Interest Rate					Principal Amount	Interest Rate			
2013	\$119,000	2.00 %	0.82 %		094171EC5	2028	\$120,000	4.25 %	4.29 %		094171ET8
2014	120,000	3.00	1.85		094171ED3	2029	120,000	4.50	4.39		094171EU5
2015	120,000	3.00	2.10		094171EE1	2030	130,000	4.50	4.45		094171EV3
2016	120,000	3.00	2.30		094171EF8	2031	135,000	4.50	4.50		094171EW1
2017	120,000	3.00	2.55		094171EG6	2032	145,000	4.75	4.55		094171EX9
2018	120,000	3.00	2.80		094171EH4	2033	150,000	4.75	4.65		094171EY7
2019	120,000	4.00	3.10		094171EJ0	2034	160,000	4.75	4.75		094171EZ4
2020	120,000	4.00	3.40		094171EK7	2035	165,000	5.00	4.80		094171FA8
2021	120,000	4.00	3.50		094171EL5	2036	175,000	5.00	4.85		094171FB6
2022	120,000	4.00	3.69		094171EM3	2037	185,000	5.00	4.90		094171FC4
2023	120,000	4.00	3.84		094171EN1	2038	195,000	5.00	4.95		094171FD2
2024	120,000	4.00	3.94		094171EP6	2039	205,000	5.00	5.00		094171FE0
2025	120,000	4.00	4.00		094171EQ4	2040	220,000	5.00	5.05		094171FF7
2026	120,000	4.00	4.04		094171ER2	2041	235,000	5.00	5.10		094171FG5
2027	120,000	4.25	4.14		094171ES0	2042	235,000	5.00	5.15		094171FH3

¹ "CUSIP" is a registered trademark of the American Bankers Association. CUSIP numbers are provided by Standard & Poor's, CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. The CUSIP Numbers listed above are being provided solely for the convenience of Bondholders only at the time of issuance of the Bonds and the Township does not make any representations with respect to such numbers or undertake any responsibility for their accuracy now or at any time in the future. The CUSIP number for a specified maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

**TOWNSHIP OF BLOOMFIELD
COUNTY OF ESSEX, NEW JERSEY**

GOVERNING BODY

Raymond J. McCarthy	Mayor
Peggy O'Boyle Dunigan	Councilwoman
Bernard Hamilton	Councilman
Nicholas Joanow	Councilman
Carlos Bernard	Councilman
Elias N. Chalet	Councilman
Michael Venezia	Councilman

OFFICIALS

Yoshi Manale	Township Administrator
Robert Renna	Chief Financial Officer
Louise M. Palagano	Municipal Clerk
Cynthia Prochilo	Tax Collector
Joseph J. Pisauro	Tax Assessor

PROFESSIONALS

Brian Aloia, Esq.,	Township Attorney
Samuel Klein and Company, Certified Public Accountants	Township Auditor
McManimon & Scotland, L.L.C.	Bond Counsel
Acacia Financial Group Inc.	Financial Advisor

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 Township. The information contained herein has been provided by the Township and other sources deemed reliable; however, no representation or warranty is made as to its accuracy or completeness and such information is not to be construed as a representation of accuracy or completeness and such information is not to be construed as a representation or warranty by the Underwriter or, as to information from sources other than itself, by the Township. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in any of the information herein since the date hereof, or the date as of which such information is given, if earlier.

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's Chief Financial Officer 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, salesman 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.

TABLE OF CONTENTS

	<u>PAGE</u>
Introduction.....	1
Description of the Bonds	1
General Description.....	1
Book-Entry Only System	1
Discontinuation of Book-Entry Only System.....	3
Redemption.....	3
Series 2012A Bonds.....	3
Series 2012B Bonds.....	3
Notice of Redemption.....	4
Authorization of the Bonds	4
Series 2012A Bonds.....	4
Series 2012B Bonds.....	5
Security for the Bonds	5
Other Township Financings.....	5
Municipal Finance - Financial Regulation of Counties and Municipalities.....	5
Local Bond Law (N.J.S.A. 40A:2-1 <u>et seq.</u>).....	5
The Local Budget Law (N.J.S.A. 40A:4-1 <u>et seq.</u>).....	6
Tax Assessment and Collection Procedure	8
Tax Appeals	8
Local Fiscal Affairs Law (N.J.S.A. 40A:5-1 <u>et seq.</u>)	8
Tax Exemption	9
General.....	9
Certain Federal Tax Consequences Relating to the Series 2012A Bonds	9
Bank Qualification	9
IRS Circular 230 Disclosure	10
New Jersey Gross Income Tax.....	10
Proposals for Legislative Change.....	10
Future Events	10
Secondary Market Disclosure	11
Litigation	12
Legality for Investment	12
Municipal Bankruptcy	12
Approval of Legal Proceedings	13
Financial Statements.....	13
Preparation of Official Statement	13
Underwriting	14
Rating	14
Financial Advisor	14
Additional Information.....	14
Miscellaneous.....	15
Certain Economic Information Relating to the Township of Bloomfield	Appendix A
Township of Bloomfield Auditor's Report and Financial Statements.....	Appendix B
Form of Bond Counsel Opinion	Appendix C

[THIS PAGE INTENTIONALLY LEFT BLANK]

OFFICIAL STATEMENT

TOWNSHIP OF BLOOMFIELD IN THE COUNTY OF ESSEX, NEW JERSEY

\$4,995,000 General Improvement Bonds, Series 2012A
(Not Bank Qualified)/(Book-Entry Only)/(Callable)

\$4,374,000 General Improvement Bonds, Series 2012B
(Federally Taxable)
(Not Bank Qualified)/(Book-Entry Only)/(Callable)

INTRODUCTION

This Official Statement, which includes the cover page and the inside front cover page hereof and the appendices attached hereto, has been prepared by the Township of Bloomfield (the "Township"), in the County of Essex (the "County"), New Jersey (the "State"), in connection with the sale and issuance of the \$4,995,000* General Improvement Bonds, Series 2012A (the "Series 2012A Bonds") and the \$4,374,000* General Improvement Bonds, Series 2012B (Federally Taxable) (the "Series 2012B Bonds" and, together with the Series 2012A Bonds, the "Bonds") of the Township of Bloomfield, in the County of Essex, New Jersey. This Official Statement has been executed by and on behalf of the Township by its Chief Financial Officer and may be distributed in connection with the sale of the Bonds.

Certain economic information relating to the Township is set forth in Appendix A hereto.

This Official Statement is "deemed final," as of its date, within the meaning of Rule 15c2-12 of the Securities and Exchange Commission ("Rule 15c2-12").

DESCRIPTION OF THE BONDS

General Description

The Bonds are dated their date of issuance and will mature on the dates and in the amounts and will bear interest payable semiannually as set forth on the inside front cover page hereof. The Bonds are subject to redemption prior to maturity, as provided herein. The Bonds may be purchased in book-entry only form in the amount of \$1,000 or any integral multiple thereof (with a minimum of \$5,000 required) through book-entries made on the books of The Depository Trust Company, New York, New York ("DTC") and its participants.

Book-Entry-Only System

The following description of the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal and interest, and other payments on the Bonds to DTC Participants or Beneficial Owners defined below, confirmation and transfer of beneficial ownership interests in the Bonds and other related transactions by and between DTC, DTC Participants and Beneficial Owners, is based on certain information furnished by DTC to the Township. Accordingly, the Township does not make any representations concerning these matters.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully registered securities registered in the name of CEDE & CO. (DTC's partnership nominee). One fully registered Bond certificate will be issued for each year of maturity of each series of the Bonds, in the aggregate principal amount of each 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. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, 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 and 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 a Standard & Poor's rating. 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 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 Bonds, except in the event that use of the book-entry system for the Bonds 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 affect 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.

Neither DTC nor CEDE & CO. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participants 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 the Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend 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 Township as Paying Agent, on 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 to DTC or the Township, subject to any statutory

or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to CEDE & CO. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Township, 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.

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.

The Township may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered.

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

Discontinuance of Book-Entry-Only System

In the event that the book-entry-only system is discontinued and the Beneficial Owners become registered owners of the Bonds, the following provisions apply: (i) the Bonds may be exchanged for an equal aggregate principal amount of Bonds in other authorized denominations and of the same maturity, upon surrender thereof at the office of the Township; (ii) the transfer of any Bonds may be registered on the books maintained by the Township for such purposes only upon the surrender thereof to the Township together with the duly executed assignment in form satisfactory to the Township; and (iii) for every exchange or registration of transfer of Bonds, the Township may make a charge sufficient to reimburse for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer of the Bonds. Interest on the Bonds will be payable by check or draft, mailed on each Interest Payment Date to the registered owners thereof as of the close of business on the fifteenth (15th) day, whether or not a business day, of the calendar month next preceding an Interest Payment Date.

REDEMPTION

Series 2012A Bonds

The Series 2012A Bonds maturing prior to January 15, 2023, are not subject to redemption prior to their stated maturities. The Series 2012A Bonds maturing on or after January 15, 2023 are redeemable at the option of the Township in whole or in part, on any date on or after January 15, 2022 at 100% of the principal amount outstanding plus interest accrued to the date of redemption.

Series 2012B Bonds

The Series 2012B Bonds are subject to redemption prior to maturity in whole or in part, on any business day, at the "Make-Whole Redemption Price". The Make-Whole Redemption Price is the greater of (i) 100% of the principal amount of the Series 2012B Bonds to be redeemed and (ii) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of the Series 2012B Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which the Series 2012B Bond is to be redeemed, discounted to the date on which the Series 2012B Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the adjusted "Treasury Rate" (as defined herein) plus 40 basis points, plus, in each case, accrued and unpaid interest on the Series 2012B Bonds to be redeemed on the redemption date.

The "Treasury Rate" is, as of any redemption date, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two (2) business days prior to the redemption date (excluding inflation indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to the maturity date of the Bonds to be redeemed; provided, however, that if the period from the redemption date to such maturity date is less than one (1) year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one (1) year will be used.

Notice of Redemption

Notice of redemption shall be given by mailing by first class mail in a sealed envelope with postage prepaid to the registered owners of the Bonds not less than thirty (30) days, nor more than sixty (60) days prior to the date fixed for redemption. Such mailing shall be to the Owners of such Bonds at their respective addresses as they last appear on the registration books kept for that purpose by the Township or a duly appointed Bond Registrar. So long as The Depository Trust Company (or any successor thereto) acts as Securities Depository for the Bonds, such notice of redemption shall be sent directly to such depository and not to the Beneficial Owners of the Bonds. Any failure of the depository to advise any of its participants or any failure of any participant to notify any beneficial owner of any notice of redemption shall not affect the validity of the redemption proceedings. If the Township determines to redeem a portion of the Bonds prior to maturity, the Bonds to be redeemed shall be selected by the Township; the Bonds to be redeemed having the same maturity shall be selected by the Securities Depository in accordance with its regulations.

If notice of redemption has been given as provided herein, the Bonds or the portion thereof called for redemption shall be due and payable on the date fixed for redemption at the applicable redemption price, together with accrued interest to the date fixed for redemption. Interest shall cease to accrue on and after such redemption date.

AUTHORIZATION OF THE BONDS

Series 2012A Bonds

The Series 2012A Bonds are issued pursuant to the Local Bond Law of the State of New Jersey, N.J.S.A. 40A:2-1 et seq. (the "Local Bond Law"), various bond ordinances of the Township set forth below, and by a resolution adopted by the Township on December 12, 2011.

<u>Principal Amount of Bonds</u>	<u>Bond Ordinance Number</u>	<u>Description of Improvement and Date of Adoption of Ordinance</u>
\$2,279,000	03-37	Acquisition and/or redevelopment of property, finally adopted October 7, 2003.
2,545,000	08-23	Various capital improvements, finally adopted May 19, 2008.
<u>171,000</u>	08-39	Rehabilitation of the Civic Center, finally adopted October 20, 2008.
<u>\$4,995,000</u>		

Proceeds from the sale and issuance of the Series 2012A Bonds will be used by the Township to (i) currently refund \$4,995,000 of the Township's maturing \$10,658,266 Bond Anticipation Note, dated and issued on July 21, 2011 and maturing on January 20, 2012 (together with \$5,663,200 from the sale and issuance of the 2012 Bond Anticipation Note (as defined herein) and \$666 from a 2012 budget appropriation) and (ii) pay the costs in connection with the authorization, sale and issuance of the Series 2012A Bonds.

Series 2012B Bonds

The Series 2012B Bonds are issued pursuant to the Local Bond Law, the bond ordinance of the Township set forth below, and by a resolution adopted by the Township on December 12, 2011.

<u>Amount to be Issued</u>	<u>Bond Ordinance Number</u>	<u>Description of Improvement and Date of Adoption of Ordinance</u>
<u>\$ 4,374,000</u>	03-37	Acquisition and/or redevelopment of property, finally adopted October 7, 2003.

Proceeds from the sale and issuance of the Series 2012B Bonds will be used by the Township to (i) currently refund \$4,374,000 of the Township's maturing \$4,374,000 Bond Anticipation Note (Federally Taxable), dated and issued on July 21, 2011 and maturing on January 20, 2012 and (ii) pay the costs in connection with the authorization, sale and issuance of the Series 2012B Bonds.

SECURITY FOR THE BONDS

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 Bonds are general obligations of the Township and, unless paid from other sources, 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.

OTHER TOWNSHIP FINANCINGS

On February 1, 2011, the Bloomfield Parking Authority (the "Authority") issued a \$3,650,000 Parking Project Note (Township Guaranteed, Series 2011) (Federally Taxable) (the "2011 Note"). The 2011 Note will mature on February 1, 2012. At this time, the Authority anticipates selling and issuing its Parking Project Note (Township Guaranteed, Series 2012) (Federally Taxable) (the "2012 Note"), in an amount not to exceed \$3,550,000, on or prior to February 1, 2012. The Township, pursuant to an ordinance finally adopted on March 12, 2004, as amended pursuant to an ordinance finally adopted on March 7, 2011, will guaranty the payment of principal of and interest on the 2012 Note. The full faith and credit of the Township are pledged for the full faith and punctual payment of said guaranty.

On or about January 10, 2012, the Township anticipates offering for sale \$6,420,000 Notes (the "Notes"), consisting of a \$5,663,200 Bond Anticipation Note (the "2012 Bond Anticipation Note"), a \$529,800 Special Emergency Note and a \$227,000 Tax Appeal Refunding Bond Anticipation Note. The Notes are expected to be dated and issued on or about January 20, 2012 and mature on or about January 18, 2013.

MUNICIPAL FINANCE - FINANCIAL REGULATION OF COUNTIES AND MUNICIPALITIES

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 subject to a number of exceptions. All bonds and notes issued by the Township are general full faith and credit obligations.

The authorized bonded indebtedness of the Township for municipal purposes is limited by statute, subject to the exceptions noted below, to an amount equal to 3-1/2% 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 the boundaries of the Township, as annually determined by the State Director of Taxation is \$5,077,940,725.67.

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. As of December 31, 2010, the statutory net debt as a percentage of average equalized valuation was 0.881%. As noted above, the statutory limit is 3 1/2%.

The Township may exceed its debt limit with the approval of 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 to provide essential public improvements and services, or if it 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 a subsequent resolution so provides. A local unit's bond anticipation notes must mature within one year, but may be renewed or rolled over. Bond anticipation notes, including renewals, must mature and be paid no 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. For bond ordinances adopted on or after February 3, 2003, notes may only be renewed beyond the third anniversary date of the original notes if a minimum payment equal to the first year's required principal payment on the bonds is paid to retire a portion of the notes on or before each subsequent anniversary date from funds other than the proceeds of bonds or notes. For bond ordinances adopted prior to February 3, 2003, the governing body may elect to make such minimum principal payment only when the notes are renewed beyond the third and fourth anniversary dates.

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. The Township, which operates on a calendar year (January 1 to December 31), must adopt a 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 budget must be certified by the director of the Division ("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, among others, for certification.

Tax Anticipation Notes are limited in amount by law and must be paid off in full within 120 days of the close of the fiscal year.

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

The Local Budget Law (N.J.S.A. 40A:4-26) provides that no miscellaneous revenues from any source may be included as any anticipated revenue in the budget in excess of the amount actually realized in cash from the same source during the next preceding fiscal year, unless the Director determines that the facts clearly warrant the expectation that such excess amount will actually be realized in cash during the fiscal year and certifies that determination to the local unit.

No budget or budget amendment may 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. However, grant revenue is generally not realized until received in cash.

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. The maximum amount of delinquent taxes that may be anticipated is limited by a statutory formula, which allows the unit to anticipate collection at the same rate realized for the collection of delinquent taxes in the previous year. Also, the local unit is required to make an appropriation for a "reserve for uncollected taxes" in accordance with a statutory formula to provide for a tax collection in an amount that does not exceed the percentage of taxes levied and payable in the preceding fiscal year that was received in cash by the last day of that fiscal year. The budget also must provide for any cash deficits of the prior year.

Emergency appropriations (those made after the adoption of the budget and the determination of the tax rate) may be authorized by the governing body of the local unit. However, with minor exceptions, such appropriations must be included in full in the following year's budget. When such appropriations exceed 3% of the adopted operating budget, consent of the Director must be obtained.

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, revaluation programs, revision and codification of ordinances, master plan preparations, and drainage map preparation for flood control purposes which may be amortized over five years. 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 provide a degree of flexibility and afford a control mechanism. Transfers between appropriation accounts may be made only during the last two months of the year. Appropriation reserves may also be transferred during the first three (3) months of the year, to the previous years' budget. Both types of transfers require a 2/3 vote of the full membership of the governing body; however, transfers cannot be made from either the down payment account or the capital improvement fund. Transfers may be made between sub-account line items within the same account at any time during the year, subject to internal review and approval. In a "CAP" budget, no transfers may be made from excluded from "CAP" appropriations to within "CAPS" appropriations nor can transfers be made between excluded from "CAP" appropriations.

A provision of law known as the New Jersey "Cap Law" (N.J.S.A. 40A:4-45.1 et seq.) imposes limitations on increases in municipal appropriations subject to various exceptions. 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 "Index Rate" if the index rate is greater than 2.5%. The "Index Rate" is the rate of annual percentage increase, rounded to the nearest one-half percent, 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 things 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. Counties are also prohibited from increasing their tax levies by more than the lesser of 2.5% or the Index Rate subject to certain exceptions. Municipalities by ordinance approved by a majority of the full membership of the governing body may increase appropriations up to 3.5% over the prior year's appropriation and counties by resolution approved by a majority of the full membership of the governing body may increase the tax levy up to 3.5% over the prior years' tax levy in years when the Index Rate is 2.5% or less.

Additionally, legislation constituting P.L. 2010, c. 44, approved July 13, 2010 and applicable to the next local budget year following enactment limits tax levy increases for a municipality, county, fire district or solid waste collection district to 2% with exceptions only for capital expenditures including debt service, increases in pension contributions and accrued liability for pension contributions in excess of 2%, certain healthcare increases, extraordinary costs directly related to a declared emergency and amounts approved by a simple majority of voters voting at a special election.

Neither the tax levy limitation nor the "Cap Law" limits, including the provisions of the recent legislation, would limit the obligation of the Township to levy ad valorem taxes upon all taxable real property within the Township to pay debt service on its bonds or notes.

In accordance with the Local Budget Law, each local unit 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 next 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 (assessments) 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. This method assures equitable treatment to like property owners, but 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.

Upon the filing of certified adopted budgets by the Township's Local School District and the County, the tax rate is struck by the Essex County Board of Taxation based on the certified amounts in each of the taxing districts for collection to fund the budgets. The statutory provision for the assessment of property, levying of taxes and the collection thereof are set forth in N.J.S.A. 54:4-1 et seq. Special taxing districts are permitted in New Jersey for various special services rendered to the properties located within the special districts.

Tax bills are mailed annually in June by the Township's Tax Collector. The taxes are due August 1 and November 1, respectively, and are adjusted to reflect the current calendar year's total tax liability. The preliminary taxes due February 1 and May 1 of the succeeding year, are based upon one-half of the current year's total tax.

Tax installments not paid on or before the due date are subject to interest penalties of 8% per annum on the first \$1,500.00 of the delinquency and 18% per annum on any amount in excess of \$1,500.00. These interest and penalties are the highest permitted under New Jersey statutes. If a delinquency is in excess of \$10,000.00 and remains in arrears after December 31st, an additional penalty of 6% shall be charged. Delinquent taxes open for one year or more are annually included in a tax sale in accordance with New Jersey Statutes.

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 Essex County Board of Taxation on or before 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 cancelled or remitted taxes for that year. If the taxpayer feels his petition was unsatisfactorily reviewed by the County Board of Taxation, 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.

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

This law regulates the non-budgetary financial activities of local governments. 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 each local unit accounts must be performed annually by a licensed registered municipal accountant. The audit, conforming to the Division of Local Government Services' "Requirements of Audit", includes recommendations for improvement of the local unit's financial procedures and must be filed with the Director. A synopsis of the audit report, together with all recommendations made, 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 Director and Township Clerk and is available for review during business hours.

TAX EXEMPTION

General

Section 103(a) of the Internal Revenue Code of 1986, as amended (the "Code") provides that interest on obligations such as the Series 2012B Bonds is not included in gross income for federal income tax purposes only if certain requirements are met. In its Certificate as to Arbitrage and Compliance with the Code (the "Tax Certificate"), which will be delivered in connection with the issuance of the Series 2012A Bonds, the Township will make certain representations, certifications of fact, and statements of reasonable expectation in connection with the issuance of the Series 2012A Bonds and certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of the interest on the Series 2012A Bonds from gross income under Section 103(a) of the Code.

In the opinion of Bond Counsel, under existing statutes, regulations, administrative pronouncements and judicial decisions, and in reliance on the representations, certifications of fact, and statements of reasonable expectation made by the Township in the Tax Certificate and assuming compliance by the Township with its ongoing covenants in the Tax Certificate, interest on the Series 2012A Bonds is not included in the gross income of the owners thereof for federal income tax purposes pursuant to the Section 103(a) of the Code and is not an item of tax preference to be included in calculating alternative minimum taxable income under the Code for purposes of the alternative minimum tax imposed with respect to individuals and corporations. Interest on the Series 2012A Bonds held by corporate taxpayers is included in the relevant income computation for calculation of the federal alternative minimum tax imposed on corporations as a result of interest on the Series 2012A Bonds being included in "adjusted current earnings."

Certain Federal Tax Consequences Relating to the Series 2012A Bonds

Although interest on the Series 2012A Bonds is excluded from gross income for federal income tax purposes, the accrual or receipt of interest on the Series 2012A Bonds may otherwise affect the federal income tax liability of the recipient. The nature and extent of these other tax consequences will depend upon the recipient's particular tax status or other items of income or deduction. Bond Counsel expresses no opinion regarding any such consequences. Purchasers of the Series 2012A Bonds, particularly purchasers that are corporations (including S corporations and foreign corporations operating branches in the United States), property or casualty insurance companies, banks, thrifts or other financial institutions and certain recipients of Social Security benefits, are advised to consult their own tax advisors as to the tax consequences of purchasing or holding the Series 2012A Bonds.

There can be no assurance that legislation will not be introduced or enacted after the issuance and delivery of the Series 2012A Bonds so as to affect adversely the exclusion from gross income for federal income tax purposes of interest on the Series 2012A Bonds. Each purchaser of the Series 2012A Bonds should consult his or her own advisor regarding any changes in the status of pending or proposed federal tax legislation.

Bank Qualification

The Bonds **will not** be designated as qualified under Section 265 of the Code.

IRS Circular 230 Disclosure

To ensure compliance with requirements imposed by the Internal Revenue Service, any purchaser of a Bond is hereby informed that (i) any U.S. federal tax advice contained in this offering material (including any attachments) is not intended or written by Bond Counsel to the Township to be used, and that it cannot be used by any taxpayer, for the purpose of avoiding penalties that may be imposed on the taxpayer under the Code; (ii) such advice is written to support the promotion or marketing of the transaction(s) or matter(s) addressed by the written advice; and (iii) the taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

New Jersey Gross Income Tax

In the opinion of Bond Counsel, the interest on the Bonds and any gain realized on the sale of the Bonds is not includable as gross income under the New Jersey Gross Income Tax Act.

Proposals for Legislative Change

From time to time, there are Presidential proposals, proposals of various federal committees, and legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to herein or adversely affect the marketability or market value of the Bonds or otherwise prevent holders of the Bonds from realizing the full benefit of the tax exemption of interest on the Bonds. Further, such proposals may impact the marketability or market value of the Bonds simply by being proposed. One such proposal is the American Jobs Act of 2011 (S.1549) (the "Jobs Bill") which was introduced in the Senate on September 13, 2011 at the request of the President. If enacted in its current form, the Jobs Bill could adversely impact the marketability and market value of the Bonds and prevent certain bondholders (depending on the financial and tax circumstances of the particular bondholder) from realizing the full benefit of the tax exemption of interest on the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax status of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds would be impacted thereby.

Purchasers of the Notes should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The disclosures and opinions expressed herein are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds, and no opinion is expressed as of any date subsequent thereto or with respect to any proposed or pending legislation, regulatory initiatives or litigation.

Future Events

Tax legislation, administrative action taken by tax authorities, and court decisions, whether at the Federal or state level, may adversely affect the exclusion from gross income of interest on the Series 2012A Bonds for federal income tax purposes, or the exclusion of interest on and any gain realized on the sale of the Bonds under the existing New Jersey Gross Income Tax Act, and any such legislation, administrative action or court decisions could adversely affect the market price or marketability of the Bonds.

EACH PURCHASER OF THE BONDS SHOULD CONSULT HIS OR HER OWN ADVISOR REGARDING ANY CHANGES IN THE STATUS OF PENDING OR PROPOSED FEDERAL OR NEW JERSEY STATE TAX LEGISLATION, ADMINISTRATIVE ACTION TAKEN BY TAX AUTHORITIES, OR COURT DECISIONS.

ALL POTENTIAL PURCHASERS OF THE BONDS SHOULD CONSULT WITH THEIR TAX ADVISORS IN ORDER TO UNDERSTAND THE IMPLICATIONS OF THE CODE.

SECONDARY MARKET DISCLOSURE

Solely for purposes of complying with Rule 15c2-12 of the Securities and Exchange Commission, as amended and interpreted from time to time (the "Rule"), and provided that the Bonds are not exempt from the Rule and provided that the Bonds are not exempt from the following requirements in accordance with paragraph (d) of the Rule, for so long as the Bonds remain outstanding (unless the Bonds have been wholly defeased), the Township shall provide for the benefit of the holders of the Bonds and the beneficial owners thereof:

(a) On or prior to 270 days from the end of each fiscal year, beginning with the fiscal year ending December 31 of the year in which such series of Bonds is issued, to the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access Data Port (the "MSRB"), annual financial information with respect to the Township consisting of the audited financial statements (or unaudited financial statements if audited financial statements are not then available, which audited financial statements will be delivered when and if available) of the Township and certain financial information and operating data consisting of (i) the Township and overlapping indebtedness including a schedule of outstanding debt issued by the Township, (ii) the Township's most current adopted budget, (iii) property valuation information, and (iv) tax rate, levy and collection data. The audited financial information will be prepared in accordance with modified cash accounting as mandated by State of New Jersey statutory principles in effect from time to time or with generally accepted accounting principles as modified by governmental accounting standards as may be required by New Jersey law and shall be filed electronically and accompanied by identifying information with the MSRB;

(b) in a timely manner not in excess of ten business days after the occurrence of the event, to the MSRB, notice of any of the following events with respect to the Bonds (herein "Material Events"):

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) 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 security, or other material events affecting the tax status of the security;
- (7) Modifications to rights of security holders, if material;
- (8) Bond calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the securities, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership or similar event of the obligated person;
- (13) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, 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;
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

For the purposes of the event identified in subparagraph (12) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person 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 obligated person, 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 obligated person.

(c) in a timely manner to the MSRB, notice of failure of the Township to provide required annual financial information on or before the date specified in the Resolution.

The undertaking may be amended by the Township from time to time, without the consent of the Bondholders or the beneficial owners of the Bonds, in order to make modification required in connection with a change in legal requirements or change in law, which in the opinion of nationally recognized bond counsel complies with the Rule.

There can be no assurance that there will be a secondary market for the sale or purchase of the Bonds. Such factors as prevailing market conditions, financial condition or market position of firms who may make the secondary market and the financial condition of the Township may affect the future liquidity of the Bonds.

The Township previously failed to comply with the Rule in the past 5 years when it failed to file audited financial statements for the calendar years ending December 31, 2006 through 2010. The Township filed the audited financial statements for calendar years ending December 31, 2006 through 2009 on December 23, 2010 and audited financial statements for calendar year ending December 31, 2010 on December 16, 2011. In addition, the Township previously failed to comply with the Rule in the past 5 years when it failed to file annual budgets for the calendar years ending December 31, 2007 through 2011. The Township filed the annual budgets for the calendar years ending December 31, 2007 through 2011 on December 21, 2011. The Township has implemented steps to ensure compliance with the Rule on a going forward basis.

LITIGATION

To the knowledge of Brian Aloia, Esq., Bloomfield, New Jersey (the "Township Attorney"), there is no litigation of any nature now pending or threatened, restraining or enjoining sale, issuance, execution 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 to the Underwriter of the Bonds at the closing.

LEGALITY FOR INVESTMENT

The State and all public officers, municipalities, counties, political subdivisions and public bodies, and agencies thereof, all banks, bankers, trust companies, savings and loan associations, savings banks and institutions, building and loan associations, investment companies, and other persons carrying on banking business, all insurance companies, 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 of the Township, including the Bonds, and such Bonds are authorized security for any and all public deposits.

MUNICIPAL BANKRUPTCY

The undertakings of the Township should be considered with reference to Chapter IX of the Bankruptcy Act, 11 U.S.C. Section 901, et seq., as amended by Public Law 94-260, approved April 8, 1976, and as further amended on November 6, 1978 by the Bankruptcy Reform Act of 1978, effective October 1, 1979, as further amended by Public Law 100-597, effective November 3, 1988, and as further amended by the Bankruptcy Reform Act of 1994, effective October 22, 1994, and other bankruptcy laws affecting creditor's rights and municipalities in general. The amendments of P.L. 94-260 replace former Chapter IX and permit the State or any political subdivision, public agency, or instrumentality that is insolvent or unable to meet its debts to file a petition in a court of bankruptcy for the purpose of effecting a plan to adjust its debts; directs such a petitioner to file with the court a

list of petitioner's creditors; provides that a petition filed under this chapter shall operate as a stay of the commencement or continuation of any judicial or other proceeding against the petitioner; grants priority to debt owed for services or material actually provided within three months of the filing of the petition; directs a petitioner to file a plan for the adjustment of its debts; and provides that the plan must be accepted in writing by or on behalf of creditors holding at least two-thirds in amount or more than one-half in number of the listed creditors. The 1976 Amendments were incorporated into the Bankruptcy Reform Act of 1978 with only minor changes.

Reference should also be made to N.J.S.A. 52:27-40 et seq., which provides that a municipality has the power to file a petition in bankruptcy provided the approval of the Municipal Finance Commission has been obtained. The powers of the Municipal Finance Commission have been vested in the Local Finance Board. The Bankruptcy act specifically provides that Chapter IX does not limit or impair the power of a state to control, by legislation or otherwise, the procedures that a municipality must follow in order to take advantage of the provisions of the Bankruptcy Act.

APPROVAL OF LEGAL PROCEEDINGS

All legal matters incident to the authorization, issuance, sale and delivery of the Bonds are subject to the approval of McManimon & Scotland, LLC, Bond Counsel to the Township whose approving opinion will be delivered with the Bonds substantially in the form set forth in Appendix C hereto.

FINANCIAL STATEMENTS

The financial statements of the Township for the years ended December 31, 2010, 2009, 2008, 2007 and 2006 together with the Notes to Financial Statements for the year ended December 31, 2010, are presented in Appendix B to this Official Statement. The financial statements for the years ended December 31, 2010, 2009, 2008, 2007 and 2006 have been audited by Samuel Klein and Company, Newark, New Jersey, independent accountants, as stated in their report appearing in Appendix B.

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 Underwriter by a certificate signed by the Chief Financial Officer, that to his 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.

Samuel Klein and Company, Newark, New Jersey, assisted in the preparation of information contained in this Official Statement and takes responsibility for the audited financial statements to the extent specified in their Independent Auditor's Report.

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

McManimon & Scotland, L.L.C. has not participated in the preparation of the financial or statistical information contained in this Official Statement, nor have they verified the accuracy, completeness or fairness thereof, and, accordingly, express no opinion with respect thereto.

UNDERWRITING

The Series 2012A Bonds have been purchased from the Township at a public sale by Roosevelt & Cross, Inc. and Associates, New York, New York (the "Series 2012A Bonds Underwriter") at a price of \$4,995,000.00. The Series 2012A Bonds Underwriter has purchased the Series 2012A Bonds in accordance with the Notice of Sale. The Series 2012A Bonds are being offered for sale at the yields or prices set forth on the inside front cover page of this Official Statement.

The Series 2012B Bonds have been purchased from the Township at a public sale by Janney Montgomery Scott, LLC, Philadelphia, Pennsylvania (the "Series 2012B Bonds Underwriter") at a price of \$4,374,000. The Series 2012B Bonds Underwriter has purchased the Series 2012B Bonds in accordance with the Notice of Sale. The Series 2012B Bonds are being offered for sale at the yields or prices set forth on the inside front cover page of this Official Statement.

RATING

Moody's Investors Service ("Moody's") has assigned its rating of "Aa3" to the Bonds.

An explanation of the significance of such rating may be obtained from Moody's at 99 Church Street, New York, New York 10007. The Township furnished to Moody's certain information and materials concerning the Bonds and the Township. Generally, Moody's bases its ratings on such information and materials and also on such investigations, studies and assumptions that it may undertake independently. The rating is not a recommendation to buy, sell or hold the Bonds and 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 Moody's judgment, circumstances so warrant. Any downward change in, or withdrawal of such rating, may have an adverse effect on the marketability or the market price of the Bonds.

FINANCIAL ADVISOR

Acacia Financial Group, Inc., Marlton, New Jersey ("Acacia"), serves as financial advisor to the Township with respect to the issuance of the Bonds and has assisted in other matters relating to the planning, structuring and issuance of the Bonds. However, Acacia has not audited or participated in the preparation of the financial or statistical information contained in this Official Statement, nor has it verified the accuracy, completeness or fairness thereof and, accordingly, expresses no opinion or other assurance with respect thereto.

ADDITIONAL INFORMATION

Inquiries regarding this Official Statement, including requests for information in addition to that contained herein, may be directed to the Chief Financial Officer, Robert Renna, Township of Bloomfield, One Municipal Plaza, Bloomfield, New Jersey 07003, telephone number (973) 680-4041 or at renna@bloomfieldwpnj.com.

MISCELLANEOUS

This Official Statement is not to be construed as a contract or 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 and expressions of opinion contained herein are subject to change without notice and neither the delivery of this Official Statement nor any sale of 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.

This Official Statement has been duly executed and delivered on behalf of the Township by its Chief Financial Officer.

TOWNSHIP OF BLOOMFIELD

By: /s/ Robert Renna
Robert Renna
Chief Financial Officer

Dated: January 11, 2012

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX A
CERTAIN ECONOMIC INFORMATION RELATING TO
THE TOWNSHIP OF BLOOMFIELD

[THIS PAGE INTENTIONALLY LEFT BLANK]

GENERAL INFORMATION

Introduction

The Township of Bloomfield, incorporated in the year 1900, is located in northern Essex County, New Jersey, approximately 15 miles from New York City. The Township has an area of 5.4 square miles and, with a population in 2010 of 47,315 is the fourth most populous community in Essex County. The Township has 11,661 homes, 91 apartment complexes, 709 commercial properties, 39 industrial properties and 100 vacant parcels. The Township has freight and passenger train service, bus transportation and has access to an excellent highway network including the Garden State Parkway.

Municipal Government

The Township is managed under the policies of the Mayor and Township Council which are elected by the people for three-year terms. The terms of the governing body are staggered so that in one election year the Mayor and three Councilmen-at-large are elected; in the second year, one Councilman representing each of the three wards is elected; and in the third year, no members of the governing body are elected. Elections are conducted on a partisan basis, with the political parties nominating candidates in the primary election, and the voters electing candidates in the general election from amongst the persons nominated in the primary election.

The Mayor is the presiding officer of the Township Council and is Chief Executive of the community. The Township Council serves as the governing body of the Township and has the power to organize and regulate the internal affairs of the Township. The governing body adopts the Township's budget, authorizes the issuance of bonds and other obligations, levies taxes, and appropriates and authorizes expenditure of Township monies. The Mayor and Township Council appoint the Township Administrator and all other Township employees, as well as appointees to Boards, Commissions and Committees. The Mayor and Township Council, in addition to establishing the policies under which the Township is managed, are a local legislature and have the power to adopt, amend, and repeal such ordinances and resolutions as may be required for the good of the government for the Township.

The Township Administrator is responsible for the preparation of the municipal budget document for the consideration of the governing body. The Administrator is responsible for maintenance of sound personnel policies and administrative practices, as well as the implementation of the policies of the Mayor and Township Council, and the running of the local government on a day-to-day basis.

Utilities

The Township owns and operates the water distribution system (the "Water System"), made up of approximately 113 miles of water mains ranging in size from 4 to 16 inches in diameter. The Water System services approximately 11,712 users, who are charged on the basis of use according to well-established rates. The Water System is reported to be in satisfactory condition. The Township owns a 7% share of the Wanaque South Project and 4% of the Wanaque North Project located in Wanaque, New Jersey owned by the North Jersey District Water Supply Commission (the "Commission"). The Township is obligated to pay Annual Charges to the Commission under a Service Contract entered into between the Township and the Commission for its share of development and the cost of annual operations based upon its percentage of flow entitlement. The Township has transferred its right to receive water from the Wanaque South Project to the City of Newark, in return for the right to receive water from Newark's reservoir.

The Township owns and operates the sewerage collection system (the "Sewerage System") made up of approximately 90 miles of sanitary sewers. The Township is an owner municipality in the sewerage system owned by the Passaic Valley Sewerage Commission (the "PVSC System") and discharges the sewerage from the Sewerage System into the PVSC System. The expenses of the Sewerage System are met by property tax revenues of the Township and direct billings of industrial and tax exempt property owners.

The Water System and Sewerage System are financed with general obligation bonds and notes of the Township. The Water System is currently self-liquidating.

Public Safety

The Township's Police Department operates from the Law Enforcement Building which it has shared with the Municipal Court since 1973.

The Fire Department deploys its personnel from four firehouses using modern equipment and fire fighting practices. In deference to the high quality of the fire fighting services and the excellent condition of the Water System and signal system, the Insurance Service Organization has rated Bloomfield as a class 2.

Recreation

The Township enjoys an excellent recreation program for all ages, supervised by a professional staff under the authority of the Board of Recreation Commissioners.

The activities and facilities of the Board are continually being expanded to meet the requirements of all its citizens. The Board maintains and operates eight major recreation areas including three lighted tennis facilities, two lighted basketball courts and three lighted softball and two baseball diamonds. All playgrounds meet ADA requirements.

The Board takes special pride in the growth and development of its women's and girls' programs and in its canteen for special education students. Many activities are co-sponsored with such organizations as the Federation of Music, the Art League and the Federation of Bloomfield Tennis Players. The Board also works very closely with Little League, Babe Ruth Leagues, Boys' Club, Junior Football Club and the Bloomfield Senior Citizens Association.

Public Library

The Free Public Library, established in 1924, has served the residents of the Township for over seventy-five years. It is a charter member of the recently formed Essex-Hudson Regional Cooperative as well as the County of Essex Cooperating Libraries System.

The library has a total book collection of over 190,000 volumes, of which approximately 150,000 may be borrowed. Current best sellers, standard works and classics, large print books, foreign language books and many others in all fields are available. Magazines, newspapers, pamphlets, maps, college and school catalogs, films, film strips, phonograph records, videocassettes, audiocassettes, and toys, including puppets, are part of the library's collection. About 1,500 adults and children use the library daily.

Library services are many and varied, which include complete reference service; daily Interlibrary Loan Delivery; projector and screen rentals; photocopy services; microfilm readers; talking books for the partially sighted; book delivery to the homebound; exhibits; film programs; story hours for preschool children; book talks; parent discussion groups; tours of the library; and concerts, recitals and a Children's Theatre Workshop planned as part of the Performing Arts Program.

The library has an active Friends of the Library group which seeks to foster interest in the library's facilities and services. The Museum of the Historical Society of Bloomfield is housed in the library.

Library policy is determined by a nine-member Board of Trustees, each member appointed for a five-year term by the Mayor. The Mayor and Superintendent of Schools are ex-officio members of the Board.

Culture

In 1977, the Mayor and Township Council established the Bloomfield Cultural Commission. The purpose of the Commission is to promote the cultural enrichment of the community through the support of literature, art and music. The Mayor and Township Council, at the recommendation of the Cultural Commission in 1978, acquired the Oakes Estate, the largest remaining 19th century estate in Bloomfield. The Oakes Estate was the mansion and formal gardens of an early Township industrialist. The Cultural Commission named the acquisition Oakeside-Bloomfield Cultural Center (the "Cultural Center"). In 1981, a fifteen member corporation was formed to manage the new facility which occupies an entire block comprising two and one-half acres. The Oakes Estate was placed on the National Register of Historic Places. The Cultural Center is the headquarters of the Bloomfield Cultural Commission, the site of concerts, exhibits and lectures.

Bloomfield Green Historic District

One of Bloomfield's most attractive areas is the Township Green (the "Green"), which is the dominant feature of the center of the community. The Green is a constant reminder of Bloomfield's colonial heritage. In 1980, the Township recognized the Green, and the buildings that surround it, as a Historic District. The governing body has created a Historic District Review Board (the "Review Board") to review all applications for changes in structures in the Green. The Review Board advises both the Planning Board and the Zoning Board. One of the purposes of the Review Board is to maintain and develop an appropriate and harmonious setting for the historic and architecturally significant buildings, structures, and places within the Green.

Bloomfield College

Founded in 1868, Bloomfield College (the "College") is an independent, Presbyterian-affiliated institution of higher education with an enrollment of 1,200 undergraduate men and women. It offers a liberal arts-based curriculum, including several career oriented programs. The College is fully accredited, and welcomes applications from students regardless of race, religion, ethnic or national background, age, sex, or physical handicap.

Situated adjacent to the Green in Bloomfield's central historic district, the College boasts both historic buildings and modern facilities. The original College building, Seibert Hall, was constructed in 1807 and had previously been the site of the nationally known Bloomfield Academy. Other noteworthy older buildings on campus include Westminster Hall (circa 1865, with an addition in 1890), a magnificent Romanesque structure, and Jarvie Hall, a fine 19th century frame structure that served as a parsonage when Westminster Hall was used as a church. Several college buildings are listed in the National Register of Historic Places.

As the College grew and its mission developed and changed, other buildings were added to meet new needs. First founded to supply Presbyterian ministers to the region's large German-speaking population, the College today prepares students for rewarding careers in business, nursing, the sciences, social services, and other areas, and for graduate and professional school. The College has modern classroom and laboratory facilities; a modern library with a collection of over 100,000 books and other study materials and more than 800 periodicals; and residence halls to accommodate approximately 200 students.

The College also features a College Center which provides recreational facilities for the entire campus community.

The College offers a varied curriculum leading to Bachelor of Arts and Bachelor of Science degrees. Career-oriented programs include nursing, computer information systems, accounting, business administration, materials management and criminal justice. There are special programs in pre and post-chiropractic studies and a communication concentration.

The College has a large evening enrollment of adults who want to pursue their studies while continuing their careers. Through a special curriculum, Registered Nurse graduates of accredited diploma or associate degree programs may earn a bachelor's degree with a major in nursing. The College offers Certificate Programs in accounting, business management, communications, industrial/organizational psychology, computer programming and analysis, marketing, personnel, materials management and retail management.

Also available at the College are flexible study plans, summer sessions, a women's program, early college freshmen and high school scholars' programs and life assessment credit.

The College fields varsity teams in soccer, women's volleyball, men's and women's basketball, baseball and women's softball. The basketball and baseball teams are perennial contenders for conference and regional championships. There are more than 30 clubs and activities, several social fraternities and sororities, and an extensive intramural program in a variety of sports. Student government organizations include the College Day Student Government and the College Evening Student Government.

The College offers a program for senior citizens at reduced tuition, informal adult courses, financial aid workshops, courses for credit open to high school seniors and juniors and advanced placement courses for credit to Bloomfield High School students. The College provides lecture and meeting halls to community organizations when scheduling permits.

TOWNSHIP OF BLOOMFIELD
COUNTY OF ESSEX, NEW JERSEY

DEBT STATEMENT AS OF DECEMBER 31, 2010

Gross Debt

School Debt:

Local Type II School District:

Serial Bonds Issued and Outstanding \$ 44,994,160.00

Municipal Debt:

General Improvements:

Serial Bonds Issued and Outstanding \$17,989,000.00

Bond Anticipation Notes Issued 14,693,452.00

Guaranteed Parking Authority Notes 16,180,000.00

New Jersey Economic Development Authority Loan 448,857.08

Special Emergency Note 1,076,600.00

Bonds and Notes Authorized but Not Issued 10,544,419.57

60,932,328.65

Water Utility:

Serial Bonds Issued and Outstanding 4,140,000.00

Bonds and Notes Authorized but Not Issued 2,715,750.00

6,855,750.00

Total Gross Debt

112,782,238.65

Statutory Deductions

School Debt:

Local Type II School District:

Minimum (4% of Average Equalized Valuations
\$5,077,940,725.67) 44,994,160.00

General Purpose 16,180,000.00

Self-Liquidating Purposes:

Water Utility 6,855,750.00

68,029,910.00

Statutory Net Debt

\$ 44,752,328.65

Average Equalized Valuation of Real Property
for 2008-2010

\$5,077,940,725.67

Net Debt Percentage

0.881%

REMAINING STATUTORY BORROWING POWER

3 1/2% of Equalized Valuation Basis \$177,727,925.40

Less: Statutory Net Debt 44,752,328.65

Remaining Borrowing Power December 31, 2010 \$132,975,596.75

Gross Debt is the total financial obligation of the Municipality and its Subdivisions. Statutory deductions determine the borrowing power and Statutory Net Debt under the laws of the State of New Jersey.

TOWNSHIP OF BLOOMFIELD
COUNTY OF ESSEX, NEW JERSEY

UNDERLYING DEBT
DECEMBER 31, 2010

County of Essex	\$ 407,240,352.20
Essex County Utilities Authority: Guaranteed Project Bonds and Notes Under Deficiency Agreement	6,250,000.00
Essex County Improvement Authority: Guarantee of Bonds Pursuant to N.J.S.A. 40:37A-80	<u>705,460,000.00</u>
*Gross Debt December 31, 2010	<u>\$1,118,950,352.20</u>
Apportionment to Township of Bloomfield	<u>\$59,819,085.83</u>
Basis of Debt Apportionment: Ratio of Equalized Valuation: Township of Bloomfield - 2010	<u>\$5,152,499,771.00</u>
Total Essex County - 2010	<u>\$96,376,838,097.00</u>
Ratio of Township of Bloomfield	<u>5.346%</u>
*Includes both the Essex County Improvement Authority Guarantee of Bonds and Bonds Issued and Bonds Authorized but Not Issued - Capital Projects for County Colleges.	

GROSS DEBT COMPARED WITH TRUE VALUE

	<u>Municipal Debt</u>	<u>Municipal Debt Including Apportioned Underlying Debt</u>
Gross Debt as of December 31, 2010	<u>\$44,752,328.65</u>	<u>\$104,571,414.48</u>
Aggregate Fair Value for 2010 - All Taxable Property - Assessed Valuation	\$4,364,017,800.00	
Amount Added for Equalization: Real Property Assessed at 15.30% of True Value	<u>788,481,971.00</u>	
Total - With Real Property at True Value - 2010	<u>\$5,152,499,771.00</u>	
Gross Debt as a Percentage of True Value	<u>0.869%</u>	<u>2.030%</u>

TOWNSHIP OF BLOOMFIELD
COUNTY OF ESSEX, NEW JERSEY

ASSESSED VALUATION AND TAX RATES

<u>Year</u>	<u>Real Property</u>	<u>Net Taxable Value Real and *Personal Property</u>	<u>Tax Rate per \$100.00</u>	<u>Real Property Assessed Valuation Percentage of True Value</u>
2006	\$2,083,516,600.00	\$2,086,728,800.00	\$5.110	48.73 %
2007	2,079,718,500.00	2,082,553,700.00	5.450	42.28
2008	2,079,299,000.00	2,082,016,600.00	5.892	39.45
2009	2,072,420,100.00	2,075,455,300.00	6.095	39.22
2010	4,356,581,100.00	4,364,017,800.00	3.077	32.44
2011	4,244,990,600.00	4,252,023,300.00	3.262	85.39

*Consists of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger Systems Companies (Chapter 38, P.L. 1966).

COMPARISON OF COMPONENTS OF TAX RATE

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Tax Rate	<u>\$3.262</u>	<u>\$3.077</u>	<u>\$6.095</u>	<u>\$5.892</u>	<u>\$5.450</u>	<u>\$5.110</u>
Apportionment of Tax Rate:						
Municipal	\$0.249	\$1.164	\$2.240	\$2.159	\$1.940	\$1.790
Municipal Open Space	.005	.010	.010	.010	.010	.010
County	.495	.482	.990	.991	.920	.900
Local School	1.475	1.421	2.855	2.732	2.580	2.410
Library	<u>.038</u>	_____	_____	_____	_____	_____
	<u>\$3.262</u>	<u>\$3.077</u>	<u>\$6.095</u>	<u>\$5.892</u>	<u>\$5.450</u>	<u>\$5.110</u>

TOWNSHIP OF BLOOMFIELD
COUNTY OF ESSEX, NEW JERSEY

TAX COLLECTION EXPERIENCE

<u>Year</u>	<u>Tax Levy</u>	<u>Collections During</u> <u>Year of Levy</u>		<u>Added</u> <u>Taxes</u>	<u>Collections to Date</u> <u>Dec. 31, 2010</u>		<u>*Uncollected</u> <u>Dec. 31, 2010</u>
		<u>Amount</u>	<u>Percentage</u>		<u>Amount</u>	<u>Percentage</u>	
2006	\$107,065,370.69	\$105,111,146.61	98.17 %	\$33,981.01	\$106,942,263.54	99.89 %	\$ 61,719.03
2007	113,955,402.39	111,773,914.78	98.09	9,519.18	113,827,272.44	99.89	65,825.62
2008	123,228,670.10	120,515,564.54	97.80	7,500.00	122,766,802.73	99.63	73,813.25
2009	126,946,407.31	124,278,725.45	97.90	8,500.00	126,616,528.24	99.74	93,769.44
2010	134,898,494.20	132,337,185.51	98.10		132,337,185.51	98.10	2,219,617.46

*Balances remaining after credits for remissions and transfers to tax title liens.

Tax Collection Procedure

Property taxes are based on the Assessor's valuation of real property and are levied for the calendar year. The taxes for the Township, Local School District and County purposes are combined into one levy, which is apportioned on the tax bill by rate and amount for taxpayer information only. Taxes levied for the purposes of the Local School District cover the current calendar. Turnovers by the Township to the Board of Education are based on school needs and are generally made on a periodic basis throughout the year. The Township remits County Taxes quarterly, on the 15th days of February, May, August and November.

Tax bills for the second half of the current year's levy and an estimate, based on 50% of the levy for the first half of the following year, are mailed annually in June and are due in quarterly installments on the first day of the months of August, November, February and May. Delinquent payments are subject to an interest penalty of 8% on the first \$1,500 of delinquency and 18% on amounts exceeding \$1,500. Unpaid taxes are subject to tax sale as of July 1 following the year of levy, in accordance with statutes of the State of New Jersey. Tax liens are subsequently subject to foreclosure proceedings in order to enforce tax collections or acquire title to the property.

TOWNSHIP OF BLOOMFIELD
COUNTY OF ESSEX, NEW JERSEY

TEN LARGEST TAXPAYERS

<u>Taxpayer</u>	<u>2010 Assessed Value</u>
Forest Hill Properties	\$48,934,700.00
BR/Prism Central Park	46,615,200.00
Bloomfield Condo Association	31,078,300.00
Troy Towers	23,500,000.00
1515 Broad Street LLC	23,317,400.00
Bloomfield Developers	16,065,200.00
Leonard Stern/Hartz Mountain	14,980,000.00
Newels Development	13,197,400.00
Bloomfield Plaza Associates	11,710,800.00
Shop Rite	11,094,800.00

Source: The Township

TOWNSHIP OF BLOOMFIELD
COUNTY OF ESSEX, NEW JERSEY

REAL PROPERTY CLASSIFICATION
2006 - 2011 (ASSESSED VALUATION)

<u>Year</u>	<u>Vacant Land</u>	<u>Residential</u>	<u>Apartments</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Total Real Property</u>	<u>Business Personal Property</u>	<u>Net Valuation Taxable</u>
2006	\$ 8,422,300.00	\$1,638,258,000.00	\$109,725,800.00	\$292,049,800.00	\$35,060,700.00	\$2,083,516,600.00	\$3,212,200.00	\$2,086,728,800.00
2007	9,879,000.00	1,636,108,400.00	108,657,500.00	291,284,000.00	33,789,600.00	2,079,718,500.00	2,835,200.00	2,082,553,700.00
2008	9,275,900.00	1,639,810,200.00	110,326,600.00	286,204,100.00	33,682,200.00	2,079,299,000.00	2,717,600.00	2,082,016,600.00
2009	8,305,700.00	1,644,649,700.00	106,891,500.00	281,194,500.00	31,378,700.00	2,072,420,100.00	3,035,200.00	2,075,455,300.00
2010	15,465,300.00	3,458,290,000.00	223,419,600.00	594,964,200.00	64,442,000.00	4,356,581,100.00	7,436,700.00	4,364,017,800.00
2011	14,322,300.00	3,345,486,300.00	224,588,900.00	597,276,100.00	63,317,000.00	4,244,990,600.00	7,032,700.00	4,252,023,300.00

Source: The Township

TOWNSHIP OF BLOOMFIELD
COUNTY OF ESSEX, NEW JERSEY

POPULATION

<u>Year</u>		<u>Population</u>
2010	Federal Census	47,315
2007	Federal Census	46,288
2000	Federal Census	47,683
1990	Federal Census	45,061
1980	Federal Census	47,792

Source: U.S. Bureau of the Census

TOWNSHIP OF BLOOMFIELD
COUNTY OF ESSEX, NEW JERSEY

LABOR FORCE ESTIMATES

<u>Year</u>	<u>Township of Bloomfield</u>			
	<u>Labor Force</u>	<u>Number Employed</u>	<u>Number Unemployed</u>	<u>Unemployment Rate</u>
2010	24,979	22,609	2,370	9.5 %
2009	25,414	23,093	2,321	9.1
2008	25,516	24,136	1,380	5.4
2007	25,559	24,481	1,078	4.2
2006	26,240	25,044	1,196	4.6

<u>Year</u>	<u>County of Essex</u>			
	<u>Labor Force</u>	<u>Number Employed</u>	<u>Number Unemployed</u>	<u>Unemployment Rate</u>
2010	362,780	322,830	39,950	11.0 %
2009	367,823	329,123	38,700	10.5
2008	366,591	342,494	24,097	6.6
2007	364,028	344,681	19,347	5.3
2006	370,600	349,200	21,400	5.8

<u>Year</u>	<u>State of New Jersey</u>			
	<u>Labor Force</u>	<u>Number Employed</u>	<u>Number Unemployed</u>	<u>Unemployment Rate</u>
2010	4,502,400	4,076,700	425,700	9.5 %
2009	4,536,700	4,118,400	418,300	9.2
2008	4,502,800	4,257,000	245,800	5.5
2007	4,457,600	4,267,100	190,500	4.3
2006	4,467,100	4,260,100	207,000	4.6

Source: New Jersey Department of Labor, Division of Planning and Research,
Office of Demographics and Economic Analysis

TOWNSHIP OF BLOOMFIELD
COUNTY OF ESSEX, NEW JERSEY

BUILDING PERMITS

<u>Year</u>	<u>*Total Number</u>	<u>Construction Value</u>
2006	2,188	\$21,881,640.00
2007	2,012	27,476,122.00
2008	1,712	22,991,867.00
2009	1,472	24,563,012.00
2010	1,499	17,225,936.00

*Includes new building, alterations and additions.

Source: The Township

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX B
TOWNSHIP OF BLOOMFIELD
AUDITOR'S REPORT AND FINANCIAL STATEMENTS

[THIS PAGE INTENTIONALLY LEFT BLANK]

SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

550 Broad Street
Newark, New Jersey 07102-4517
Phone (973) 624-6100
Fax (973) 624-6101

36 West Main Street, Suite 301
Freehold, New Jersey 07728-2291
Phone (732) 780-2600
Fax (732) 780-1030

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying statutory basis financial statements of the various funds of the

TOWNSHIP OF BLOOMFIELD
COUNTY OF ESSEX

as of and for the years ended December 31, 2010, 2009, 2008, 2007 and 2006. These statutory basis financial statements are the responsibility of the municipality's management. Our responsibility is to express an opinion on these statutory basis financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards 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 our audit provides a reasonable basis for our opinion.

These statutory basis financial statements have been prepared in conformity with accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey which 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. These practices differ in certain respects, which in some instances may be material, from accounting principles generally accepted in the United States of America applicable to local government units. The more significant of these practices are described in Note 1 to the financial statements.

These statutory basis financial statements were prepared for the purpose of inclusion in an official statement for the issuance of General Improvement Bonds, Series 2012A and General Improvement Bonds, Series 2012B (Federally Taxable) of the Township of Bloomfield and were abstracted from audit reports issued under the periods referred to above as dated June 24, 2011, October 29, 2010, August 26, 2009, September 8, 2008 and July 6, 2007, respectively.

The following funds and account groups which were required to be the subject of our audit for the statutory basis financial statements of the Township of Bloomfield are not required for this purpose and are not included in these special purpose financial statements:

Public Assistance Trust Fund
Free Public Library
Bond and Coupon Group of Accounts
Fixed Asset Group of Accounts

The omission of these funds and account groups from the statements presented herein, do not materially affect the financial position of the Township.

In our opinion, because of the Township's policy to prepare its financial statements on the basis of accounting discussed in the third paragraph of this report, the financial statements referred to above do not present fairly in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township of Bloomfield as of December 31, 2010, 2009, 2008, 2007 and 2006 or the results of its operations for the years then ended.

However, in our opinion, the statutory basis financial statements referred to above present fairly, in all material respects, the financial position of the Township of Bloomfield in the County of Essex, as of December 31, 2010, 2009, 2008, 2007 and 2006, and the results of operations of such funds for the years then ended, in accordance with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and described in Note 1 to the financial statements.



SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

JOSEPH J. FACCONI, RMA, PA

Newark, New Jersey
June 24, 2011

TOWNSHIP OF BLOOMFIELD
COUNTY OF ESSEX, NEW JERSEY

COMPARATIVE BALANCE SHEET - CURRENT FUND

<u>ASSETS AND DEFERRED CHARGES</u>	Balance <u>Dec. 31, 2010</u>	Balance <u>Dec. 31, 2009</u>	Balance <u>Dec. 31, 2008</u>	Balance <u>Dec. 31, 2007</u>	Balance <u>Dec. 31, 2006</u>
<u>Current Assets</u>					
Cash - Treasurer	\$ 11,487,139.50	\$ 11,474,592.59	\$ 10,648,937.76	\$ 12,503,036.49	\$ 9,921,845.71
Cash - Collector	206,124.73	227,120.02		(185,409.19)	46,245.43
Change Fund - Collector	900.00	900.00	900.00	900.00	900.00
	<u>11,694,164.23</u>	<u>11,702,612.61</u>	<u>10,649,837.76</u>	<u>12,318,527.30</u>	<u>9,968,991.14</u>
Receivables with Full Reserves:					
Delinquent Property Taxes Receivable	2,514,744.80	2,666,885.05	2,471,084.58	2,195,182.47	2,119,242.61
Tax Title Liens Receivable	130,707.76	25,261.45	9,451.08	8,971.48	8,012.28
Bankruptcy Taxes		15,855.01			
Property Acquired for Taxes - Assessed					
Valuation	168,200.00	168,200.00	180,500.00	180,500.00	180,500.00
Revenue Accounts Receivable	261,015.29	137,411.43	195,919.00	206,701.71	310,656.20
Interfunds Receivable	135,928.75	76,576.40	90,498.86	133,318.58	1,942,569.44
	<u>3,210,596.60</u>	<u>3,090,189.34</u>	<u>2,947,453.52</u>	<u>2,724,674.24</u>	<u>4,560,980.53</u>
Deferred Charges	<u>1,105,600.00</u>	<u>1,391,000.00</u>	<u>36,000.00</u>	<u>48,000.00</u>	<u>60,000.00</u>
	<u>16,010,360.83</u>	<u>16,183,801.95</u>	<u>13,633,291.28</u>	<u>15,091,201.54</u>	<u>14,589,971.67</u>
<u>Federal and State Grant Fund</u>					
Due from Current Fund			21,276.60	34,433.93	
Due from General Trust Fund			3,188.28	33,760.45	14,453.00
State Grants Receivable	3,229,367.89	3,274,366.95	2,880,621.97	2,541,522.64	4,360,435.98
	<u>3,229,367.89</u>	<u>3,274,366.95</u>	<u>2,905,086.85</u>	<u>2,609,717.02</u>	<u>4,374,888.98</u>
	<u>\$ 19,239,728.72</u>	<u>\$ 19,458,168.90</u>	<u>\$ 16,538,378.13</u>	<u>\$ 17,700,918.56</u>	<u>\$ 18,964,860.65</u>

TOWNSHIP OF BLOOMFIELD
COUNTY OF ESSEX, NEW JERSEY

COMPARATIVE BALANCE SHEET - CURRENT FUND

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Balance</u> <u>Dec. 31, 2008</u>	<u>Balance</u> <u>Dec. 31, 2007</u>	<u>Balance</u> <u>Dec. 31, 2006</u>
Expenditure Reserves:					
Appropriation Reserves:					
Unencumbered	\$ 2,984,916.54	\$ 3,277,848.15	\$ 2,428,698.71	\$ 2,210,974.89	\$ 2,090,835.50
Encumbered	731,505.24	358,248.23	1,327,979.26	1,571,553.59	1,509,609.41
Reserve for Expenditures	<u>3,716,421.78</u>	<u>3,636,096.38</u>	<u>3,756,677.97</u>	<u>3,991,887.61</u>	<u>3,729,966.82</u>
Liabilities:					
Interfunds Payable	1,561,148.81	1,014,409.57	823,987.98	1,029,648.34	796,039.02
Reserve for Other Funds	463,545.45	635,759.81			
Due to State of New Jersey	21,454.91	24,162.53	19,463.23	22,052.87	22,379.60
Accounts Payable	1,259,064.55	1,532,420.71	1,460,658.01	345,174.95	124,558.28
County Taxes Payable	42,060.52	17,048.96	38,809.87	32,527.25	140,404.05
Local District School Taxes Payable				2,894,593.98	2,894,593.98
Emergency Note Payable	1,076,600.00	1,350,000.00			
Special Improvement Taxes Payable	21,816.90	21,816.90	21,816.90	28,899.84	27,879.22
Tax Appeals Pending	193,534.41	671,559.23			
Prepaid Revenue		16,420.95			
Tax Overpayments	<u>470,299.37</u>	<u>287,790.94</u>	<u>196,733.27</u>	<u>192,161.11</u>	<u>206,267.77</u>
	<u>5,109,524.92</u>	<u>5,571,389.60</u>	<u>2,561,469.26</u>	<u>4,545,058.34</u>	<u>4,212,121.92</u>
Deferred Credits:					
Prepaid Taxes	392,158.23	525,785.56	494,927.96	435,424.07	432,955.75
Deferred Revenue				23,271.70	33,271.70
	<u>392,158.23</u>	<u>525,785.56</u>	<u>494,927.96</u>	<u>458,695.77</u>	<u>466,227.45</u>
Sub-Total	9,218,104.93	9,733,271.54	6,813,075.19	8,995,641.72	8,408,316.19
Reserve for Receivables and Other Assets	3,210,596.60	3,090,189.34	2,947,453.52	2,724,674.24	4,560,980.53
Fund Balance	<u>3,581,659.30</u>	<u>3,360,341.07</u>	<u>3,872,762.57</u>	<u>3,370,885.58</u>	<u>1,620,674.95</u>
	<u>16,010,360.83</u>	<u>16,183,801.95</u>	<u>13,633,291.28</u>	<u>15,091,201.54</u>	<u>14,589,971.67</u>
<u>Federal and State Grant Fund</u>					
Due to Current Fund	135,928.75	45,847.85			1,857,620.08
Appropriated Grant Reserves:					
Appropriated	3,093,439.14		2,855,445.86	2,563,806.12	2,302,377.93
Unappropriated		9,094.00	49,640.99	45,910.90	146,265.34
Unappropriated Grant Reserves		<u>3,219,425.10</u>			<u>68,625.63</u>
	<u>3,229,367.89</u>	<u>3,274,366.95</u>	<u>2,905,086.85</u>	<u>2,609,717.02</u>	<u>4,374,888.98</u>
	<u>\$ 19,239,728.72</u>	<u>\$ 19,458,168.90</u>	<u>\$ 16,538,378.13</u>	<u>\$ 17,700,918.56</u>	<u>\$ 18,964,860.65</u>

See accompanying notes to financial statements.

TOWNSHIP OF BLOOMFIELD
COUNTY OF ESSEX, NEW JERSEY

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE - CURRENT FUND

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<u>Revenue and Other Income</u>					
Fund Balance Utilized	\$ 3,000,000.00	\$ 1,200,000.00	\$ 2,701,600.00	\$ 1,136,000.00	\$ 2,300,000.00
Miscellaneous Revenue Anticipated	10,827,088.84	12,574,850.46	13,359,328.28	16,778,060.93	15,831,746.07
Receipts from Current Taxes	132,337,185.51	123,607,166.22	120,515,564.54	111,773,914.78	105,086,259.42
Receipts from Delinquent Taxes	2,364,776.95	2,250,297.16	2,062,132.12	1,812,190.23	1,406,747.72
Nonbudget Revenue	796,648.84	260,651.53	776,921.14	641,781.93	372,348.49
Other Credits to Income	1,922,492.12	727,406.57	851,202.81	285,553.49	1,265,713.17
	<u>151,248,192.26</u>	<u>140,620,371.94</u>	<u>140,266,748.89</u>	<u>132,427,501.36</u>	<u>126,262,814.87</u>
<u>Expenditures</u>					
Budget and Emergency Appropriations:					
Operations:					
Salaries and Wages	30,941,537.00	29,499,283.00	28,845,909.00	27,126,684.67	26,706,197.00
Other Expenses	26,891,813.98	25,359,601.06	22,715,204.86	22,509,043.77	20,878,495.13
Capital Improvements	100,000.00	218,000.00	515,500.00	430,000.00	645,000.00
Debt Service	2,099,502.53	1,905,376.99	2,353,274.43	1,874,236.86	2,235,692.90
Statutory Expenditures and Deferred Charges	4,115,891.00	3,683,966.00	5,724,765.00	4,156,400.00	3,022,316.19
	<u>64,148,744.51</u>	<u>60,666,227.05</u>	<u>60,154,653.29</u>	<u>56,096,365.30</u>	<u>53,487,701.22</u>
Interest on State Tax Appeals	61.80	143.37			
Prior Year Tax Exemptions Disallowed	8,500.00	7,500.00	9,519.18	9,093.82	10,969.86
County Taxes	21,064,253.57	20,566,034.47	20,655,007.25	19,196,169.34	18,756,281.09
Local School District Taxes	61,996,584.00	59,247,002.48	55,436,382.55	53,645,951.50	50,325,655.50
Municipal Open Space Preservation Tax	436,401.00	207,545.53	208,201.66	208,255.37	208,672.88
Special Improvement District Taxes	286,827.34	287,418.16	271,399.33	258,033.02	241,854.05
Other Debits to Income	85,501.81	317,922.38	328,108.64	127,422.38	2,200,057.04
	<u>148,026,874.03</u>	<u>141,299,793.44</u>	<u>137,063,271.90</u>	<u>129,541,290.73</u>	<u>125,231,191.64</u>
Excess in Revenue	3,221,318.23	(679,421.50)	3,203,476.99	2,886,210.63	1,031,623.23
Adjustments to Income before Surplus:					
Expenditures Included Above Which are by Statute					
Deferred Charges to Budget of Succeeding Year		1,367,000.00			60,000.00
Statutory Excess to Fund Balance	3,221,318.23	687,578.50	3,203,476.99	2,886,210.63	1,091,623.23
<u>Fund Balance</u>					
Balance January 1	3,360,341.07	3,872,762.57	3,370,885.58	1,620,674.95	2,829,051.72
	<u>6,581,659.30</u>	<u>4,560,341.07</u>	<u>6,574,362.57</u>	<u>4,506,885.58</u>	<u>3,920,674.95</u>
Decreased by:					
Utilized as Anticipated Revenue	3,000,000.00	1,200,000.00	2,701,600.00	1,136,000.00	2,300,000.00
Balance December 31	<u>\$ 3,581,659.30</u>	<u>\$ 3,360,341.07</u>	<u>\$ 3,872,762.57</u>	<u>\$ 3,370,885.58</u>	<u>\$ 1,620,674.95</u>

See accompanying notes to financial statements.

TOWNSHIP OF BLOOMFIELD
COUNTY OF ESSEX, NEW JERSEY

COMPARATIVE STATEMENT OF MISCELLANEOUS REVENUE REALIZED - CURRENT FUND

Sheet #1

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Licenses:					
Alcoholic Beverage	\$ 91,600.00	\$ 91,539.60	\$ 80,176.00	\$ 68,814.00	\$ 69,339.00
Other	85,748.60	70,538.50	82,036.50	86,265.00	81,427.50
Fees and Permits	211,160.25	205,436.09	229,057.45	240,120.75	286,154.73
Municipal Court Fines and Costs	1,061,963.46	1,170,660.06	1,220,009.03	1,205,622.76	1,017,133.38
Interest and Costs on Taxes	515,357.68	532,140.79	500,023.21	426,644.81	362,439.04
Interest on Investments and Deposits	48,025.89	132,025.11	373,457.90	830,219.05	463,103.58
Energy Receipt Tax	4,291,619.00	3,486,379.28	3,028,955.00	2,656,936.00	2,512,112.00
Supplemental Energy Receipts Tax				121,049.00	121,049.00
Consolidated Municipal Property Tax Relief	2,083,513.00	4,236,372.72	4,811,402.00	5,181,536.00	5,326,360.00
Extraordinary Aid					665,000.00
Legislative Initiative Block Grant				197,172.00	197,172.00
Municipal Homeland Security Assistance Aid				140,000.00	140,000.00
Municipal Tax Assistance				159,785.00	
Uniform Construction Code Fees	401,421.00	463,934.00	437,162.00	546,264.00	424,909.00
☐ Uniform Fire Safety Act	50,239.29	47,261.49	43,887.01	43,148.62	44,092.41
☐ Township of Bloomfield - Trust Funds:					
☐ Human Services Division	1,000.00	4,000.00	6,500.00	2,900.00	2,500.00
Cervical Cancer Screening Program	23,000.00	23,000.00	28,000.00	26,000.00	70,000.00
Environmental Protection Program	19,000.00	24,000.00	14,000.00	19,600.00	28,700.00
Interlocal Service Agreement:					
Caldwell - Health Services	26,438.50	54,191.00	66,241.00	16,825.00	16,825.00
Caldwell - Animal Control	7,738.00	15,457.25	13,335.78		
Bloomfield School District		29,954.00	46,706.50	16,752.50	42,620.00
Township of Bloomfield Parking Authority					122,981.40
School Board Election Reimbursement	6,467.57	2,975.00	2,977.38	2,977.38	2,634.49
Cable Television Franchise Fee	220,692.57	180,419.41	161,988.67	148,702.05	145,990.58
Passaic Valley Sewage Commission					107,654.77
Payment in Lieu of Taxes:					
Felicity Towers	104,857.44	118,910.12	110,108.00	101,575.00	105,821.00
Kinder Towers	69,085.39	68,190.06	65,791.44	64,403.84	65,815.54
Library Reimbursement	120,000.00	120,000.00	200,000.00	200,000.00	
Cablevision Local Access Funding			23,271.70	10,000.00	
Wireless Telecommunications Monopole Rent	21,600.00	21,600.00	18,000.00	18,000.00	18,000.00
Sewer User Fees - Passaic Valley Sewerage Commission	115,723.22	66,725.92	83,972.55	96,644.13	
Public Assistance Trust Fund I Surplus Funds					112.39

TOWNSHIP OF BLOOMFIELD
COUNTY OF ESSEX, NEW JERSEY

COMPARATIVE STATEMENT OF MISCELLANEOUS REVENUE REALIZED - CURRENT FUND

Sheet #2

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Section 8 Housing Program Reimbursement	\$ 32,000.00	\$ 32,000.00	\$ 32,000.00	\$ 32,000.00	\$ 32,000.00
Water Utility Operating Surplus of Prior Year	150,000.00	250,000.00	500,000.00	1,200,000.00	1,710,000.00
General Capital Fund Balance					7,425.13
Reserve for Cable TV Committee					25,000.00
Reserve for Interfunds				1,800,000.00	
Suburban Cablevision Rent				12,680.00	13,456.00
Federal and State Grants:					
Bloomfield Train Station Redevelopment					100,000.00
Body Armor Replacement Program		13,055.48			11,119.39
Bulletproof Vest Partnership			2,417.94	2,228.67	10,221.13
Clean Communities	66,645.56	64,065.07	48,707.86	43,529.72	40,177.07
Clean Communities - Unappropriated		5,554.83			
Click It or Ticket					4,000.00
COPS in Schools					145,000.00
COPS in Shops				5,000.00	5,000.00
B - 7 Drunk Driving Enforcement (DWI)				4,400.67	6,400.00
Drunk Driving Enforcement - Unappropriated	9,296.54	10,610.16			
Energy Efficiency and Lighting Upgrade		177,000.00			
Essex County Division on Aging - Visiting Nurse	24,057.00	24,057.00	24,057.00	24,057.00	26,730.00
Essex County Open Space Trust - Clark's Pond					250,000.00
Essex County Open Space Trust - Brookside				80,000.00	
Economic Development				26,855.00	
Garden State Preservation			500,000.00		
Hazardous Discharge Site Remediation Fund					83,672.00
Handicapped Recreational Opportunities			8,000.00	6,862.00	7,010.00
Human Services Special Needs Program	33,115.00	33,115.00		32,150.00	31,832.00
Influenza A-H1N1 Virus - 2010 State Health	31,577.00	136,666.00			
Justice Assistance - Ed Byrne Memorial	17,994.00				
Justice Assistance - Recovery		80,272.00			85,000.00
Justice Assistance - Local Solicit		19,467.00		22,284.00	14,348.00
Livable Communities:					
Municipal ADA Grant				50,000.00	
Municipal Alliance on Alcohol and Drug Abuse	36,000.00	36,000.00	39,000.00	40,000.00	40,000.00
NACCHO Grant	18,186.00				
NACCHO Grant - Unappropriated	9,094.00				

TOWNSHIP OF BLOOMFIELD
COUNTY OF ESSEX, NEW JERSEY

COMPARATIVE STATEMENT OF MISCELLANEOUS REVENUE REALIZED - CURRENT FUND

Sheet #3

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Federal and State Grants:					
Municipal Needs Assessment (PARIS)			38,300.00		40,000.00
OETS - Enhanced 911				43,034.00	370,556.54
Obey the Signs or Pay the Fines		4,000.00	4,000.00	4,000.00	
Over the Limit Under Arrest	4,400.00	11,000.00	5,000.00		
Over the Limit Under Arrest - Year End Crackdown	5,000.00				
Pandemic Flu Preparedness			10,531.00	11,711.00	8,974.00
Pedestrian Safety Enforcement Education	13,000.00	14,000.00	20,000.00	16,000.00	40,000.00
Police Body Armor Replacement	14,054.63		14,644.91	12,219.98	
Police Bulletproof Vest Program	18,031.25				
Police Training for Domestic Violence			1,250.00		6,270.00
Public Archives and Records - PARIS		75,048.00			
Public Health Priority Funding	15,766.00	30,758.00	29,672.00	46,723.00	29,468.00
Recreational Opportunities for Individuals with Disabilities	15,000.00	15,000.00			
Recreational Opportunities for Individuals with Disabilities - Unappropriated		1.50			
Recreational and Open Space Local Aid - Pulaski Park Improvements	225,000.00				
Recycling Tonnage Aid			19,307.45		
Recycling Tonnage Aid - Unappropriated		20,419.02			
SAFER Volunteer Fire				329,500.00	
Safe and Secure Communities	60,000.00	58,606.00	56,086.00	60,000.00	60,000.00
Safety Belt Performance Grant		18,000.00			
Smart Future Planning					25,000.00
Social Services Training - Special Needs			34,080.00		
Storm Water Regulations Grant			5,155.00	10,309.00	
Transportation Trust Fund	452,621.00	280,445.00	315,500.00	230,000.00	145,000.00
Tobacco Age of Sale Enforcement			4,560.00	4,560.00	5,340.00
Underage Drinking Law Compliance					4,800.00
You Drink, You Drive, You Lose Statewide Crackdown					8,000.00
	<u>\$ 10,827,088.84</u>	<u>\$ 12,574,850.46</u>	<u>\$ 13,359,328.28</u>	<u>\$ 16,778,060.93</u>	<u>\$ 15,831,746.07</u>

See accompanying notes to financial statements.

TOWNSHIP OF BLOOMFIELD
COUNTY OF ESSEX, NEW JERSEY

COMPARATIVE STATEMENT OF BUDGET APPROPRIATIONS - CURRENT FUND

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Balance</u> <u>Dec. 31, 2008</u>	<u>Balance</u> <u>Dec. 31, 2007</u>	<u>Balance</u> <u>Dec. 31, 2006</u>
<u>Appropriations</u>					
Operations:					
General Government	\$ 13,763,566.00	\$ 14,852,288.00	\$ 13,224,691.70	\$ 12,609,406.00	\$ 3,217,000.00
Department of Public Works	1,857,825.00	1,745,497.00	1,655,250.00	1,647,225.00	1,631,150.00
Public Safety	25,319,450.00	24,439,956.00	23,484,260.00	22,282,545.00	21,481,500.00
Health and Welfare	1,397,809.00	1,333,114.00	1,210,315.00	1,256,723.00	1,260,450.00
Recreation and Education	1,077,600.00	979,900.00	1,017,200.00	954,835.00	918,500.00
Uniform Construction Code Official	293,250.00	279,650.00	328,500.00	393,650.00	365,750.00
Unclassified	4,955,400.00	5,244,300.00	5,105,705.00	5,157,400.00	4,795,750.00
Other Operations	8,089,613.00	7,533,770.00	9,345,923.00	7,561,548.00	12,793,272.00
Contingent	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
	<u>56,755,513.00</u>	<u>56,409,475.00</u>	<u>55,372,844.70</u>	<u>51,864,332.00</u>	<u>46,464,372.00</u>
Capital Improvements	100,000.00	498,445.00	515,500.00	430,000.00	150,000.00
Deferred Charges	285,400.00	12,000.00	12,000.00	12,000.00	117,316.19
Public Programs Offset By Revenue	1,077,837.98	859,695.06	876,369.16	886,796.44	1,615,320.13
Statutory Expenditures:					
Contributions to:					
Public Employees' Retirement System	370,123.00				155,000.00
Social Security System (OASI)	925,000.00	895,000.00	870,000.00	885,000.00	850,000.00
Consolidated Police and Firemen's Pension	95,585.00	61,235.00	154,665.00	144,000.00	150,000.00
Police and Firemen's Retirement System	2,414,783.00				1,700,000.00
Unemployment Compensation Insurance	25,000.00	25,000.00			50,000.00
Debt Service	<u>2,099,502.53</u>	<u>1,905,376.99</u>	<u>2,353,274.43</u>	<u>1,874,236.86</u>	<u>2,235,692.90</u>
	<u>\$ 64,148,744.51</u>	<u>\$ 60,666,227.05</u>	<u>\$ 60,154,653.29</u>	<u>\$ 56,096,365.30</u>	<u>\$ 53,487,701.22</u>

See accompanying notes to financial statements.

TOWNSHIP OF BLOOMFIELD
COUNTY OF ESSEX, NEW JERSEY

COMPARATIVE BALANCE SHEET - TRUST FUND

<u>ASSETS</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Balance</u> <u>Dec. 31, 2008</u>	<u>Balance</u> <u>Dec. 31, 2007</u>	<u>Balance</u> <u>Dec. 31, 2006</u>
<u>Animal Control Fund</u>					
Cash	\$ 12,244.25	\$ 81,272.71	\$ 3,215.50	\$ 67,052.06	\$ 102,882.65
Interfund Accounts Receivable	44.00				
	<u>12,288.25</u>	<u>81,272.71</u>	<u>3,215.50</u>	<u>67,052.06</u>	<u>102,882.65</u>
 <u>General Trust Fund</u>					
Cash	3,775,741.67	3,918,186.57	4,545,618.85	3,397,369.32	2,537,864.57
Grants Receivable	2,379,994.36	2,011,170.75	1,436,719.11	1,889,871.54	1,929,021.69
Other Accounts Receivable	2,017.63	6,544.99	5,624.12	4,452.36	23,883.61
Interfunds Receivable	1,561,104.81	1,014,409.57	796,975.75	993,829.69	796,039.02
	<u>7,718,858.47</u>	<u>6,950,311.88</u>	<u>6,784,937.83</u>	<u>6,285,522.91</u>	<u>5,286,808.89</u>
	<u>\$ 7,731,146.72</u>	<u>\$ 7,031,584.59</u>	<u>\$ 6,788,153.33</u>	<u>\$ 6,352,574.97</u>	<u>\$ 5,389,691.54</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>					
<u>Animal Control Fund</u>					
Interfunds Payable	\$	\$ 21,104.11	\$ 2,975.42	\$ 66,684.18	\$ 84,274.90
Due to State of New Jersey	310.00	137.80	225.60	367.88	2,566.60
Accounts Payable					2,877.15
Reserve for Expenditures	11,978.25	60,030.80	14.48		29,099.00
	<u>12,288.25</u>	<u>81,272.71</u>	<u>3,215.50</u>	<u>67,052.06</u>	<u>118,817.65</u>
 <u>General Trust Fund</u>					
Interfunds Payable		741.40	90,711.72	100,394.85	15,127.46
Due to State of New Jersey	18,788.76	19,774.65	10,186.52	12,234.01	19,161.57
Inspection Fees Payable	2,517.00	21,589.00			4,376.00
Special Programs					50,656.16
Other Deposits					411,266.28
Expenditure Reserves	4,885,511.73	4,273,720.38	4,060,683.51	3,429,597.37	2,003,152.12
Accounts Payable			5,259.00	31,022.00	38,020.00
Payroll Deductions Payable	271,950.12	297,757.54	349,233.48	285,200.35	312,521.38
Reserves for Grant Expenditures	2,540,090.86	2,140,117.91	2,268,863.60	2,427,074.33	2,180,324.55
Prepaid Revenue		196,611.00			
Reserve for Program Income					102,188.37
Reserve for Claims					134,080.00
	<u>7,718,858.47</u>	<u>6,950,311.88</u>	<u>6,784,937.83</u>	<u>6,285,522.91</u>	<u>5,270,873.89</u>
	<u>\$ 7,731,146.72</u>	<u>\$ 7,031,584.59</u>	<u>\$ 6,788,153.33</u>	<u>\$ 6,352,574.97</u>	<u>\$ 5,389,691.54</u>

See accompanying notes to financial statements.

TOWNSHIP OF BLOOMFIELD
COUNTY OF ESSEX, NEW JERSEY

COMPARATIVE BALANCE SHEET - GENERAL CAPITAL FUND

<u>ASSETS AND DEFERRED CHARGES</u>	Balance Dec. 31, 2010	Balance Dec. 31, 2009	Balance Dec. 31, 2008	Balance Dec. 31, 2007	Balance Dec. 31, 2006
Cash	\$ 1,525,916.37	\$ 1,533,413.18	\$ 73,227.67	\$ 3,499,204.11	\$ 2,559,793.54
Deferred Charges to Future Taxation:					
Funded	18,437,857.08	19,250,193.87	20,113,599.38	21,336,129.78	7,687,698.40
Unfunded	25,237,871.57	23,426,688.57	21,508,963.57	16,806,984.57	27,486,421.72
Grants Receivable	2,422,087.93	2,681,285.00	2,003,785.00	1,001,285.00	
Interfunds Receivable			4,497.20		
	<u>\$ 47,623,732.95</u>	<u>\$ 46,891,580.62</u>	<u>\$ 43,704,072.82</u>	<u>\$ 42,643,603.46</u>	<u>\$ 37,733,913.66</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>					
Serial Bonds Payable	\$ 17,989,000.00	\$ 18,814,000.00	\$ 19,574,000.00	\$ 20,694,000.00	\$ 7,340,000.00
Bond Anticipation Notes	14,693,452.00	10,275,732.00	1,136,396.00		10,603,000.00
Loans Payable	448,857.08	436,193.87	539,599.38	642,129.78	347,698.40
Improvement Authorizations:					
Funded	1,207,062.47	3,596,057.23	4,475,840.22	5,887,164.27	70,584.51
Unfunded	13,071,130.51	12,601,529.16	17,914,425.27	15,321,564.67	17,807,308.22
Accounts Payable					1,525,198.44
Interfunds Payable		1,000,000.00		78,163.79	40,100.00
Capital Improvement Fund	133,729.09	141,016.09	53,911.09	10,680.09	24.09
Fund Balance	80,501.80	27,052.27	9,900.86	9,900.86	
	<u>\$ 47,623,732.95</u>	<u>\$ 46,891,580.62</u>	<u>\$ 43,704,072.82</u>	<u>\$ 42,643,603.46</u>	<u>\$ 37,733,913.66</u>
Bonds and Notes Authorized but Not Issued	<u>\$ 10,544,419.57</u>	<u>\$ 13,150,956.57</u>	<u>\$ 20,372,567.57</u>	<u>\$ 16,806,984.57</u>	<u>\$ 16,883,421.72</u>

See accompanying notes to financial statements.

TOWNSHIP OF BLOOMFIELD
COUNTY OF ESSEX, NEW JERSEY

COMPARATIVE BALANCE SHEET - WATER UTILITY

<u>ASSETS AND DEFERRED CHARGES</u>	Balance <u>Dec. 31, 2010</u>	Balance <u>Dec. 31, 2009</u>	Balance <u>Dec. 31, 2008</u>	Balance <u>Dec. 31, 2007</u>	Balance <u>Dec. 31, 2006</u>
<u>Operating Fund</u>					
Cash and Investments	\$ 801,077.49	\$ 916,869.43	\$ 1,105,758.03	\$ 1,259,941.94	\$ 1,817,561.37
Interfunds Receivable			5,953.45	26,384.72	25,000.00
Receivables and Inventory with Full Reserves:					
Consumer Accounts Receivable	722,945.91	809,947.36	840,171.18	1,334,313.94	1,320,410.74
	<u>1,524,023.40</u>	<u>1,726,816.79</u>	<u>1,951,882.66</u>	<u>2,620,640.60</u>	<u>3,162,972.11</u>
<u>Capital Fund</u>					
Cash	1,094,794.37	270,379.71	1,516,826.73	1,556,303.61	1,542,292.94
Interfunds Receivable		1,000,000.00		79,897.25	40,100.00
Fixed Capital	18,423,788.43	18,423,788.43	17,698,788.43	17,698,788.43	17,342,369.56
Fixed Capital Authorized and Uncompleted	4,657,000.00	4,312,000.00	5,037,000.00	4,584,000.00	5,165,000.00
	<u>24,175,582.80</u>	<u>24,006,168.14</u>	<u>24,252,615.16</u>	<u>23,918,989.29</u>	<u>24,089,762.50</u>
	<u>\$ 25,699,606.20</u>	<u>\$ 25,732,984.93</u>	<u>\$ 26,204,497.82</u>	<u>\$ 26,539,629.89</u>	<u>\$ 27,252,734.61</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>					
<u>Operating Fund</u>					
Liabilities:					
Encumbrances	\$ 103,171.10	\$ 85,420.92	\$ 116,093.81	\$ 119,073.66	\$ 86,343.62
Appropriation Reserves	443,221.17	413,560.29	378,521.24	327,009.63	418,961.20
Accounts Payable		17,988.00	4,000.00	68,689.90	
Interfunds Payable		8,883.04		26,733.46	25,000.00
Accrued Interest Payable	5,688.54	5,688.54	14,820.01	7,862.51	10,460.42
Overpaid Water Rents	64,760.66	68,099.10	37,174.84	19,634.83	20,067.07
	<u>616,841.47</u>	<u>599,639.89</u>	<u>550,609.90</u>	<u>569,003.99</u>	<u>560,832.31</u>
Reserve for Receivables	722,945.91	809,947.36	840,171.18	1,334,313.94	1,320,410.74
Fund Balance	184,236.02	317,229.54	561,101.58	717,322.67	1,281,729.06
	<u>1,524,023.40</u>	<u>1,726,816.79</u>	<u>1,951,882.66</u>	<u>2,620,640.60</u>	<u>3,162,972.11</u>
<u>Capital Fund</u>					
Interfunds Payable			4,715.02		
Serial Bonds Payable	4,140,000.00	4,632,000.00	5,207,000.00		3,550,000.00
Bond Anticipation Notes					2,634,500.00
Water Supply Rehabilitation Loan					45,264.82
Improvement Authorizations:					
Funded	1,708,726.69	1,831,998.46	2,027,752.62	2,150,641.77	130,353.29
Unfunded	2,101,567.68	1,808,881.25	1,854,859.09	1,403,059.09	3,310,448.53
Accounts Payable				5,767,000.00	57,591.12
Reserves for:					
Amortization	16,027,788.43	15,535,788.43	14,925,788.43	14,330,788.43	14,094,104.74
Deferred Amortization	197,250.00	180,000.00	215,000.00	250,000.00	250,000.00
Capital Improvement Fund	250.00	17,500.00	17,500.00	17,500.00	17,500.00
	<u>24,175,582.80</u>	<u>24,006,168.14</u>	<u>24,252,615.16</u>	<u>23,918,989.29</u>	<u>24,089,762.50</u>
	<u>\$ 25,699,606.20</u>	<u>\$ 25,732,984.93</u>	<u>\$ 26,204,497.82</u>	<u>\$ 26,539,629.89</u>	<u>\$ 27,252,734.61</u>
 Bonds and Notes Authorized but Not Issued	 <u>\$ 2,715,750.00</u>	 <u>\$ 2,388,000.00</u>	 <u>\$ 2,388,000.00</u>	 <u>\$ 1,935,000.00</u>	 <u>\$ 1,933,500.00</u>

See accompanying notes to financial statements.

TOWNSHIP OF BLOOMFIELD
COUNTY OF ESSEX, NEW JERSEY

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE - WATER UTILITY

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<u>Revenue and Other Income Realized</u>					
Water Rents	\$ 6,832,034.86	\$ 6,848,029.61	\$ 7,100,717.87	\$6,482,408.60	\$6,204,925.66
Miscellaneous Revenue Anticipated	117,745.66	122,993.96	145,600.12	325,403.42	156,920.66
Other Credits to Income:					
Appropriation Reserves Lapsed	343,533.93	269,458.61	112,725.11	128,080.27	364,253.11
Accounts Payable Cancelled		1,874.31	41,535.81		
Water Rent Overpayments Cancelled	189.53				
	<u>7,293,503.98</u>	<u>7,242,356.49</u>	<u>7,400,578.91</u>	<u>6,935,892.29</u>	<u>6,726,099.43</u>
 <u>Expenditures</u>					
Budget and Emergency Appropriations:					
Operations:					
Salaries and Wages	2,160,000.00	1,974,750.00	1,914,000.00	1,832,710.00	1,658,000.00
Other Expenses	342,750.00	335,200.00	307,800.00	248,500.00	189,000.00
Other Operations	3,869,600.00	3,828,765.00	3,711,200.00	3,155,000.00	2,658,711.72
⊖ Capital Outlay					25,000.00
⊖ Debt Service	666,547.50	765,913.53	848,800.00	836,088.68	843,446.09
⊖ Deferred Charges					538.28
⊖ Statutory Expenditures	237,600.00	331,600.00	275,000.00	228,000.00	164,000.00
	<u>7,276,497.50</u>	<u>7,236,228.53</u>	<u>7,056,800.00</u>	<u>6,300,298.68</u>	<u>5,538,696.09</u>
 Excess (Deficit) in Revenue	 17,006.48	 6,127.96	 343,778.91	 635,593.61	 1,187,403.34
 <u>Fund Balance</u>					
Balance January 1	317,229.54	561,101.58	717,322.67	1,281,729.06	1,804,325.72
	<u>334,236.02</u>	<u>567,229.54</u>	<u>1,061,101.58</u>	<u>1,917,322.67</u>	<u>2,991,729.06</u>
 Decreased by:					
Anticipated as Current Fund Revenue	150,000.00	250,000.00	500,000.00	1,200,000.00	1,710,000.00
	<u>150,000.00</u>	<u>250,000.00</u>	<u>500,000.00</u>	<u>1,200,000.00</u>	<u>1,710,000.00</u>
 Balance December 31	 <u>\$ 184,236.02</u>	 <u>\$ 317,229.54</u>	 <u>\$ 561,101.58</u>	 <u>\$ 717,322.67</u>	 <u>\$1,281,729.06</u>

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF BLOOMFIELD

**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Township is managed under the policies of the Mayor and Township Council which are elected by the people for three-year terms. The terms of the governing body are staggered so that in one election year the Mayor and three Councilmen-at-large are elected; in the second year, one Councilman representing each of the three wards is elected; and in the third year, no members of the governing body are elected. Elections are conducted on a partisan basis, with the political parties nominating candidates in the primary election, and the voters electing candidates in the general election from amongst the persons nominated in the primary election.

The Mayor is the presiding officer of the Township Council and is Chief Executive of the community. The Township Council serves as the governing body of the Township, and has the power to organize and regulate the internal affairs of the Township. The governing body adopts the Township's budget, authorizes the issuance of bonds and other obligations, levies taxes, and appropriates and authorizes expenditure of Township monies. The Mayor and Township Council appoint the Township Administrator and all other Township employees, as well as appointees to Boards, Commissions and Committees. The Mayor and Township Council, in addition to establishing the policies under which the Township is managed, are a local legislature and have the power to adopt, amend, and repeal such ordinances and resolutions as may be required for the good government of the Township.

The Township Administrator is responsible for the preparation of the municipal budget document for the consideration of the governing body. The Administrator is responsible for maintenance of sound personnel policies and administrative practices, as well as the implementation of the policies of the Mayor and Township Council, and the running of the local government on a day-to-day basis.

Governmental Accounting Standards Board (GASB) Statement No. 14 establishes certain standards for defining and reporting on the financial reporting entity. In accordance with these standards, the reporting entity should include the primary government and those component units that are fiscally accountable to the primary government. The financial statements of the Township of Bloomfield include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township, as required by the provisions of N.J.S. 40A:5-5.

Description of Funds

The Governmental Accounting Standards Board (GASB) is the recognized standard setting body for establishing governmental accounting and financial reporting principles. The GASB establishes seven fund types and two account groups to be used by governmental units when reporting financial position and results of operations in accordance with generally accepted accounting principles (GAAP).

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Description of Funds (Continued)

The accounting policies of the Township of Bloomfield conform to the accounting principles applicable to municipalities that 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 Township of Bloomfield accounts for its financial transactions through the following separate funds that differ from the fund structure required by generally accepted accounting principles:

Current Fund - Encompasses resources and expenditures for basic governmental operations. Fiscal activity of Federal and State grant programs are reflected in a segregated section of the Current Fund.

Trust Funds - The records of receipts, disbursements and custodianship of monies in accordance with the purpose for which each account was created are maintained in Trust Funds. These include the Animal Control Trust Fund and General Trust Fund. The General Trust Fund encompasses accounts of activity for Federal Housing and Urban Development Grants, Payroll Deductions, Self-Insurance Reserves, Special Deposits and other purposes.

General Capital Fund - The receipts and expenditure records for the acquisition of general infrastructure and other capital facilities, other than those acquired in the Current Fund, are maintained in this Fund, as well as, related long-term debt accounts.

Utility Fund - The Water Utility is treated as a separate entity. It maintains its own Operating and Capital Funds which reflect revenue, expenditures, stewardship, acquisitions of utility infrastructure and other capital facilities, debt service, long-term debt and other related activity.

Public Assistance Trust Fund - Receipts and disbursements of funds that provide assistance to certain residents of the Township of Bloomfield pursuant to the provisions of Title 44 of the New Jersey statutes are maintained in the Public Assistance Trust Fund. The Trust Fund has been closed and administration of the General Assistance Program was transferred to the County of Essex effective April 1, 1998.

Free Public Library - Budget Appropriations and State Aid are transferred to the Free Public Library bank account and are expended with the approval of the Library for its purposes. Interest on investments, Library fines and other revenue are retained by the Library and expended therefrom. The Library is the subject of a separate audit report.

Capital Fixed Assets - These accounts reflect estimated valuations of land, buildings and certain movable fixed assets of the Township as discussed under the caption of "Basis of Accounting".

C. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, differ in certain respects from generally accepted accounting principles. The accounting system is maintained on the modified accrual basis with certain exceptions. Significant accounting policies in New Jersey are summarized as follows:

Property Taxes and Other Revenue

Property taxes and other revenue are realized when collected in cash or approved by regulation for accrual from certain sources of the State of New Jersey and the Federal Government. Accruals of taxes and other revenue are otherwise deferred as to realization by the establishment of offsetting reserve accounts. GAAP requires such revenue to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting (Continued)

Grant Revenue

Federal and State grants, entitlements or shared revenue received for purposes normally financed through the Current Fund are recognized when anticipated in the Township of Bloomfield's budget. GAAP requires such revenue to be recognized in the accounting period when they become susceptible to accrual.

Expenditures

Expenditures for general and utility operations are generally recorded on the accrual basis. Unexpended appropriation balances, except for amounts that may have been cancelled by the governing body or by statutory regulation, are automatically recorded as liabilities at December 31st of each year, under the title of "Appropriation Reserves". Amounts unexpended at the end of the second year are lapsed and are recorded as income.

Grant appropriations are charged upon budget adoption to create separate spending reserves.

Budgeted transfers to the Capital Improvement Fund are recorded as expenditures to the extent permitted by law.

Expenditures from Trust and Capital Funds are recorded upon occurrence and charged to accounts statutorily established for specific purposes.

Budget Appropriations for interest on General Capital Long-Term Debt is raised on the cash basis and is not accrued on the records; interest on Utility Debt is raised on the accrual basis and so recorded.

GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.

Encumbrances

As of January 1, 1986 all local units were required by Technical Accounting Directive No. 85-1, as promulgated by the Division of Local Government Services, to maintain an encumbrance accounting system. The directive states that contractual orders outstanding at December 31st are reported as expenditures through the establishment of an encumbrance payable. Encumbrances do not constitute expenditures under GAAP.

Appropriation Reserves

Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding year. Lapsed appropriation reserves are recorded as additions to income. Appropriation reserves do not exist under GAAP.

Compensated Absences

Expenditures relating to obligations for unused vested accumulated sick pay are not recorded until paid. GAAP requires that the amount that would normally be liquidated with expendable available financial resources be recorded as an expenditure in the operating funds and the remaining obligations be recorded as a long-term obligation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting (Continued)

Property Acquired for Taxes

Property Acquired for Taxes (Foreclosed Property) is recorded in the Current Fund at the assessed valuation during the year when such property was acquired by deed or foreclosure and is offset by a corresponding reserve account. GAAP requires such property to be recorded in the capital fixed assets at market value on the date of acquisition.

Self-Insurance Contributions

Contributions to self-insurance funds are charged to budget appropriations. GAAP requires that payments be accounted for as an operating transfer and not as an expenditure.

Interfunds Receivable

Interfunds Receivable in the Current Fund are generally recorded with offsetting reserves that are established by charges to operations. Collections are recognized as income in the year that the receivables are realized. Interfunds Receivable of all other funds are recorded as accrued and are not offset with reserve accounts. Interfunds Receivable of one fund are offset with Interfunds Payable of the opposite fund. GAAP does not require the establishment of an offsetting reserve.

Inventories of Supplies

Materials and supplies purchased by all funds are recorded as expenditures.

An annual inventory of materials and supplies for the Water Utility is required, by regulation, to be prepared by Township personnel for inclusion on the Water Utility Operating Fund balance sheet. Annual changes in valuations, offset with a Reserve Account, are not considered as affecting results of operations. The inventory of material and supplies for the Water Utility was fully depleted at December 31, 2009. Materials and supplies of other funds are not inventoried nor included on their respective balance sheets.

Capital Fixed Assets

General:

In accordance with Technical Accounting Directive No. 85-2, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles, the Township of Bloomfield has developed a fixed asset accounting and reporting system.

Capital fixed assets used in governmental operations (general fixed assets) are accounted for in the Capital Fixed Assets. 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.

Acquisitions of land, buildings, machinery, equipment and other capital assets are recorded on a perpetual fixed asset record.

Vehicles, furniture, equipment and other items are reflected at replacement values at time of inventory preparation. Additions to the established fixed assets are valued at cost. Land and buildings are reflected at 1987 assessed valuations adjusted by the County's 1987 ratio of 38.92% to true value.

Depreciation of assets is not recorded as an operating expense of the Township.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting (Continued)

Capital Fixed Assets (Continued)

Utilities:

Capital acquisitions, including utility infrastructure costs of the Water Utility, are recorded at cost upon purchase or project completion in the Fixed Capital Account of the utility. The Fixed Capital Accounts are adjusted for dispositions or abandonments. The accounts include movable fixed assets of the Utility but are not specifically identified and are considered as duplicated in the Capital Fixed Assets. The duplication is considered as insignificant on its effect on the financial statements taken as a whole.

Utility improvements that may have been constructed by developers are not recorded as additions to Fixed Capital.

Fixed Capital of the Utility are offset by accumulations in Amortization Reserve Accounts. The accumulations represent costs of fixed assets purchased with budgeted funds or acquired by gift as well as grants, developer contributions or liquidations of related bonded debt and other liabilities incurred upon fixed asset acquisition.

The Fixed Capital Accounts reflected herein are as recorded in the records of the municipality and do not necessarily reflect the true condition of such Fixed Capital. The records consist of a control account only. Detailed records are not maintained.

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 in accordance with GAAP. The Township of Bloomfield presents the financial statements listed in the table of contents which are required by the Division of Local Government Services and which differ from the financial statements required by GAAP. In addition, the Division requires the financial statements listed in the table of contents to be referenced to the supplementary schedules. This practice differs from GAAP.

2. CASH, CASH EQUIVALENTS AND INVESTMENTS

A. Cash and Cash Equivalents

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey, which are insured by the Federal Deposit Insurance Corporation (FDIC) or any other agencies of the United States that insures deposits or the State of New Jersey Cash Management Fund.

The State of New Jersey Cash Management Fund is authorized by statute and regulations of the State Investment Council to invest in fixed income and debt securities that mature or are redeemed within one year. Twenty-five percent of the Fund may be invested in eligible securities that mature within two years provided, however, the average maturity of all investments in the Fund shall not exceed one year. Collateralization of Fund investments is generally not required.

In addition, by regulation of the Division of Local Government Services, municipalities are allowed to deposit funds in the Municipal Bond Insurance Association (MBIA) through their investment company, the Municipal Investors Service Corporation.

2. CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

A. Cash and Cash Equivalents (Continued)

In accordance with the provisions of the Governmental Unit Deposit Protection Act of New Jersey, public depositories are required to maintain collateral for deposits of public funds that exceed insurance limits as follows:

The market value of the collateral must equal five percent of the average daily balance of public funds or

If the public funds deposited exceed 75 percent of the capital funds of the depository, the depository must provide collateral having a market value equal to 100 percent of the amount exceeding 75 percent.

All collateral must be deposited with the Federal Reserve Bank, The Federal Home Loan Bank Board 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.

B. Investments

New Jersey statutes permit the Township to purchase the following types of securities:

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America. This includes instruments such as Treasury bills, notes and bonds.
- Government money market mutual funds.
- Any federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase, and has a fixed rate of interest not dependent on any index or external factors.
- Bonds or other obligations of the local unit or school districts of which the local unit is a part.
- Any other obligations with maturities not exceeding 397 days, as permitted by the Division of Investments.
- Local government investment pools, such as New Jersey CLASS, and the New Jersey Arbitrage Rebate Management Program.
- New Jersey State Cash Management Fund.
- Repurchase agreements of fully collateralized securities, subject to special conditions.
- In addition, a variety of State Laws permit Local Government to invest in a wide range of obligations issued by State Government and its agencies.

A Confidential Funds Account maintained by the Police Department was established July 2006 for the purpose of police investigation expenses. The account was mandated by the County of Essex for the purpose of confidentiality in connection with expenditures related to law enforcement. The above account is not reflected in the financial statements of the audit.

As of December 31, 2010, the Township had funds invested and on deposit in checking. These funds constitute "deposit with financial institutions" as defined by GASB Statement No. 3 and amended by GASB No. 40.

3. TAXES AND TAX TITLE LIENS RECEIVABLE

Property assessments are determined on true values and taxes are assessed based upon these values. The residential tax bill includes the levies for the Township, County and School (and any special districts) purposes. Certified adopted budgets are submitted to the County Board of Taxation by each taxing district. The tax rate is determined by the board upon the filing of these budgets.

The tax bills are mailed by the Tax Collector annually in June and are payable in four quarterly installments due the first of August and November of the current year and a preliminary billing due the first of February and May of the subsequent year. The August and November billings represent the third and fourth quarter installments and are calculated by taking the total year tax levy less the preliminary first and second quarter installments due February and May. The preliminary levy is based on one-half of the current year's total tax.

Tax installments not paid by the above due dates are subject to interest penalties determined by a resolution of the governing body. The rate of interest in accordance with the aforementioned resolution is 8% per annum on the first \$1,500 of delinquency and 18% on any delinquency in excess of \$1,500. The resolution also sets a grace period of ten days before interest is calculated. In addition, any delinquency in excess of \$10,000 at the end of the calendar year is subject to a 6% penalty on the unpaid balance.

Taxes unpaid on the 11th day of the eleventh month in the fiscal year when the taxes become in arrears are subject to the tax sale provisions of the New Jersey statutes. The municipality may institute in rem foreclosure proceedings after six months from the date of the sale if the lien has not been redeemed.

The following is a five-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four years.

Comparative Schedule of Tax Rates

	<u>2010*</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Tax Rate	<u>\$3.077</u>	<u>\$6.095</u>	<u>\$ 5.892</u>	<u>\$ 5.45</u>	<u>\$ 5.11</u>
Apportionment of Tax Rate:					
Municipal	\$1.164	\$2.240	\$ 2.159	\$ 1.94	\$ 1.79
Municipal Open Space	0.010	0.010	0.010	0.01	0.01
County	0.464	0.952	0.952	0.90	0.88
County Open Space	0.018	0.038	0.039	0.02	0.02
School	1.421	2.855	2.732	2.58	2.41

Net Valuation Taxable

<u>Year</u>	<u>Amount</u>
2010 *	\$ 4,364,017,800.00
2009	2,075,455,300.00
2008	2,082,016,600.00
2007	2,082,553,700.00
2006	2,086,728,800.00

*A revaluation was performed in 2009 and became effective in 2010.

3. TAXES AND TAX TITLE LIENS RECEIVABLE (Continued)

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2010	\$ 134,898,494.20	\$ 132,337,185.51	98.10 %
2009	126,946,407.31	124,278,725.45	97.89
2008	123,228,670.10	120,515,564.54	97.79
2007	113,955,402.39	111,773,914.78	98.09
2006	107,065,370.69	105,086,259.42	98.15

Delinquent Taxes and Tax Liens

<u>Year</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2010	\$130,707.76	\$2,514,744.80	\$2,645,452.60	1.96 %
2009	25,261.45	2,666,885.05	2,692,146.50	2.12
2008	9,451.08	2,471,084.58	2,480,535.66	2.01
2007	8,971.48	2,195,182.47	2,204,153.95	1.93
2006	8,012.28	2,119,242.61	2,127,254.89	1.98

4. PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

The value of property acquired by liquidation of tax title liens, on the basis of the last assessed valuation of such properties in the year of acquisition, was as follows:

<u>Year</u>	<u>Amount</u>
2010	\$ 168,200.00
2009	168,200.00
2008	180,500.00
2007	180,500.00
2006	180,500.00

5. WATER CONSUMER ACCOUNTS RECEIVABLE

The Township of Bloomfield maintains a utility fund for the billing and collection of water rents. The Township is divided into six sections for the purposes of billings, which are done on a bi-monthly basis.

A comparison of Water Utility billings and collections for the past five years are as follows:

<u>Year</u>	<u>Billing</u>	<u>Collection</u>
2010	\$ 6,745,033.41	\$ 6,832,034.86
2009	6,817,805.79	6,848,029.61
2008	6,606,575.11	7,100,717.87
2007	6,496,311.80	6,482,408.60
2006	6,341,221.28	6,204,925.66

Realization of prior year unpaid balances are included in the collections above.

6. FUND BALANCES APPROPRIATED

	<u>Year</u>	<u>Balance December 31</u>	<u>Utilized in Budgets of Succeeding Year</u>
Current Fund:	2010	\$ 3,581,659.30	\$ 3,000,000.00
	2009	3,360,341.07	3,000,000.00
	2008	3,872,762.57	1,200,000.00
	2007	3,370,885.58	2,701,600.00
	2006	1,620,674.95	1,136,000.00
Water Utility Operating Fund:	2010	184,236.02	-
	2009	317,229.54	150,000.00 *
	2008	561,101.58	250,000.00 *
	2007	717,322.67	500,000.00 *
	2006	1,281,729.06	1,200,000.00 *

*Amount anticipated as revenue in Current Fund Budget.

7. PENSION PLANS

Description of Systems

Substantially all of the Township's employees participate in one of the following contributory defined benefit public employee retirement systems which have been established by State statute: the Public Employees' Retirement System (PERS) or the Police and Firemen's Retirement System (PFRS). In addition, the Township contributes to the Consolidated Police and Firemen's Pension Fund. These systems are sponsored and administered by the New Jersey Division of Pensions and Benefits. The Public Employees' Retirement System and the Police and Firemen's Retirement System are considered cost sharing multiple-employer plans.

Public Employees' Retirement System:

The Public Employees' Retirement System (PERS) was established in January, 1955 under the provisions of N.J.S.A. 43:15A to provide coverage including post-retirement health care to substantially all full-time employees of the State or any county, municipality, school district or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after 8 to 10 years of service and 25 years for health care coverage. Members are eligible for retirement at age 60 with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of creditable service. Pension benefits for members enrolled in the system after May 21, 2010 would be based on 1/60th of the average annual compensation for the last five years of service or any five fiscal years of membership that provide the largest benefit to the member of the member's beneficiary. Early retirement is available to those under age 60 with 25 or more years of credited service. Anyone who retires early and is under age 55 receives retirement benefits as calculated in the above-mentioned formula but at a reduced rate (one quarter of one percent for each month the member lacks of attaining age 55).

7. PENSION PLANS (Continued)

Description of Systems (Continued)

Police and Firemen's Retirement System:

The Police and Firemen's Retirement System (PFRS) was established in July 1944, under the provisions of N.J.S.A. 43:16A to provide coverage to substantially all full-time county and municipal police or firemen and State firemen appointed after June 30, 1944. Membership is mandatory for such employees. Members may opt for service retirement if over age 55 or special retirement at any age if they have a minimum of 25 years of service or 20 years of service if enrolled in the PFRS as of January 18, 2000. Retirement benefits vary depending on age and years of service.

Chapter 428, Public Law of 1999, effective January 18, 2000, allows a member, age 55 and older with 20 or more years of service, to retire with a benefit equaling 50% of final compensation, in lieu of the regular retirement allowance available to the member. Final compensation means the compensation received by the member in the last twelve months of creditable service preceding retirement.

In addition, a member of the system as of the effective date of this law may retire with 20 or more years of service with a retirement allowance of 50% of final compensation, regardless of age, and, if required to retire because of attaining the mandatory retirement age of 65, an additional 3% of final compensation for every additional year of creditable service up to 25 years.

Consolidated Police and Firemen's Pension Fund:

The Consolidated Police and Firemen's Retirement System (CPFPP) is a closed system with no active members and was established in January 1952 to provide coverage to municipal police and firemen who were appointed prior to July 1, 1944.

Contributions Required and Made

Contributions made by employees for PERS and PFRS are currently 5.5% and 8.5% of their base wages, respectively. Employer contributions are actuarially determined on an annual basis by the Division of Pensions. Contributions to the plan for the past four (4) years are as follows:

Year	PERS		PFRS	
	Township	Employees	Township	Employees
2010	\$ 494,439.62	\$ 730,221.00	\$ 1,729,194.22	\$ 4,547,736.00
2009	357,607.00	503,566.68	2,333,124.00	1,744,275.65
2008	466,873.60 *	645,061.00	4,171,976.00	1,715,342.04
2007	482,428.00 *	414,636.09	3,506,486.00 *	1,646,730.24

*Credits applied under the provisions of the Pension Security Act are detailed as follows:

	2010	2009	2008	2007
Public Employees' Retirement System	\$	\$	\$ 129,012.20	\$ 192,971.20
Police and Firemen's Retirement System				701,297.20
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 129,012.20</u>	<u>\$ 894,268.40</u>

7. PENSION PLANS (Continued)

Contributions Required and Made (Continued)

The Township of Bloomfield, in accordance with the provisions of Public Law 2009, c. 19 (S21), elected by resolution of the governing body to defer the 50% of their 2009 normal and accrued pension liability for the PERS and PFRS pension retirement system obligation in the amount of \$2,442,236.00. This deferred pension liability will be repaid over a 15 year period starting in April 2012.

8. DEFINED CONTRIBUTION RETIREMENT PROGRAM

Description of System

The Defined Contribution Retirement Program (DCRP) was established on July 1, 2007 for certain public employees under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007. The program provides eligible members, with a minimum base salary of \$1,500.00 or more, with a tax-sheltered, defined contribution retirement benefit, in addition to life insurance and disability coverage. If the eligible elected or appointed official will earn less than \$5,000.00 annually, the official may choose to waive participation in the DCRP for that office or position. This waiver is irrevocable.

As of May 21, 2010, the minimum base salary required for eligibility in the DCRP was increased to \$5,000.00.

The DCRP is jointly administered by the Division of Pensions and Benefits and Prudential Financial.

This retirement program is a new pension system where the value of the pension is based on the amount of the contribution made by the employee and employer and through investment earnings. It is similar to a Deferred Compensation Program where the employee has a portion of tax deferred salary placed into an account that the employee manages through investment options provided by the employer.

The law requires that three classes of employees enroll in the DCRP, detailed as follows:

- All elected officials taking office on or after July 1, 2007, except that a person who is reelected to an elected office held prior to that date without a break in service may remain in the Public Employees' Retirement System (PERS).
- A Governor appointee with the advice and consent of the Legislature or who serves at the pleasure of the Governor only during that Governor's term of office.
- Other employees commencing service after July 1, 2007, pursuant to an appointment by an elected official or elected government body which include the statutory untenured chief administrative officer such as the Business Administrator, County Administrator or Municipal or County Manager, Department Heads, Legal Counsel, Municipal or County Engineer, Municipal Prosecutor and the Municipal Court Judge.

Notwithstanding the foregoing requirements other employees who hold a professional license or certificate or meet other exceptions are permitted to remain to join or remain in PERS.

Contributions Required and Made

Contributions made by employees for DCRP are currently at 5.5% of their base wages. Member contributions are matched by a 3.0% employer contribution.

During the year 2010, there were no officials or employees enrolled in the DCRP.

9. MUNICIPAL DEBT

The Local Bond Law governs the issuance of bonds and notes to finance general capital expenditures. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township. Pursuant to N.J.S.A. 40A:2-8, bond anticipation notes, which are issued to temporarily finance capital projects, cannot be renewed past the third anniversary unless an amount equal to at least the first legal requirement is paid prior to each anniversary and must be paid off within ten years and five months or retired by the issuance of bonds.

Summary of Municipal Debt (Excluding Current and Operating Debt)

	<u>Year 2010</u>	<u>Year 2009</u>	<u>Year 2008</u>
<u>Issued</u>			
General:			
Bonds and Notes	\$ 17,989,000.00	\$ 18,814,000.00	\$ 19,574,000.00
Loans	448,857.08	436,193.87	539,599.38
Bond Anticipation Notes	14,693,452.00	10,275,732.00	1,136,396.00
Water Utility:			
Bonds and Notes	<u>4,657,000.00</u>	<u>4,632,000.00</u>	<u>5,207,000.00</u>
Total Issued	<u>37,788,309.08</u>	<u>34,157,925.87</u>	<u>26,456,995.38</u>
 <u>Authorized but Not Issued</u>			
General:			
Bonds and Notes	10,544,419.57	13,150,956.57	20,372,567.57
Water Utility:			
Bonds and Notes	<u>2,715,750.00</u>	<u>2,388,000.00</u>	<u>2,388,000.00</u>
Total Authorized but Not Issued	<u>13,260,169.57</u>	<u>15,538,956.57</u>	<u>22,760,567.57</u>
	<u>\$ 51,048,478.65</u>	<u>\$ 49,696,882.44</u>	<u>\$ 49,217,562.95</u>

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition that follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 0.881%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ 44,994,160.00	\$ 44,994,160.00	\$
Water Utility Debt	6,855,750.00	6,855,750.00	
General Debt:			
General	44,752,328.65		44,752,328.65
Guaranteed by Outside Agency	<u>16,180,000.00</u>	<u>16,180,000.00</u>	
	<u>\$ 112,782,238.65</u>	<u>\$ 68,029,910.00</u>	<u>\$ 44,752,328.65</u>

Net debt, \$44,752,328.65, divided by Equalized Valuation Basis per N.J.S. 40A:2-2 \$5,077,940,725.67 equals 0.881%.

9. MUNICIPAL DEBT (Continued)

Borrowing Power Under N.J.S. 40A:2-6 as Amended

3 1/2% Equalized Valuation Basis	\$ 177,727,925.40
Net Debt	<u>44,752,328.65</u>
Remaining Borrowing Power	<u><u>\$ 132,975,596.75</u></u>

School Debt Deductions

School debt is deductible up to the extent of 4.0% of the Average Equalized Assessed Valuations of real property for the Local School District.

Calculation of "Self-Liquidating Purposes" Water Utility per N.J.S. 40A:2-45

Fund Balance and Cash Receipts from Fees, Rents or Other Charges for Year		\$ 6,949,780.52
Deductions:		
Operating and Maintenance Cost	\$ 6,609,950.00	
Debt Service per Water Utility Operating Fund	<u>666,547.50</u>	
		<u>7,276,497.50</u>
Deficit in Revenue		<u><u>\$ (326,716.98)</u></u>

There being a deficit in revenue, all Water Utility Debt is deductible for Debt Statement purposes.

The foregoing debt information is in agreement with the Annual Debt Statement filed by the Chief Financial Officer, except for minor changes in the calculation of self-liquidating purposes.

As of December 31, 2010, the Township's long-term debt consisted of the following:

General Bonds

\$5,255,000.00, 2005 Refunding Bonds due in annual installments of \$685,000.00 to \$760,000.00 through February 2015, interest at 3.00% to 4.00%	\$ 3,590,000.00
\$14,474,000.00, 2007 Bonds due in annual installments of \$75,000.00 to \$1,549,000.00 through June 2024, interest at 4.125% to 4.250%	<u>14,399,000.00</u>
	<u><u>\$17,989,000.00</u></u>

Water Utility Bonds

\$2,255,000.00, 2005 Refunding Bonds due in annual installments of \$300,000.00 to \$325,000.00 through June 2015, interest at 3.00% to 4.00%	\$ 1,540,000.00
\$2,772,000.00, 2007 Bonds due in annual installments of \$172,000.00 to \$300,000.00 through June 2020, interest at 4.125%	<u>2,600,000.00</u>
	<u><u>\$ 4,140,000.00</u></u>

9. MUNICIPAL DEBT (Continued)

Intergovernmental Loans Payable

The Township has an outstanding loan agreement with the New Jersey Economic Development Authority Petroleum UST Remediation, Upgrade and Closure Fund Public Loan Program.

Resolution dated April 3, 2000 is for Petroleum UST Remediation, Upgrade and Closure Fund Loan dated February 22, 2000 at a zero per centum (0%) per annum in the amount of \$869,246.00 for a period of up to 10 years. The balance of the loan as of December 31, 2010 is in the amount of \$86,924.60.

The Township has three outstanding Garden State Green Acres Preservation Trust Fund loans with the State of New Jersey, Department of Environmental Trust as follows:

Halcyon Park Redevelopment loan #0702-01-052 at a rate of 2% for a term of 20 years in the amount of \$105,000.00 with semi-annual loan repayments of \$3,264.62 made on January 13th and July 13th of each year through January 2027.	\$ 91,375.64
Halcyon Park Redevelopment loan #0702-01-052A at a rate of 2% for a term of 20 years in the amount of \$26,355.98 with semi-annual loan repayments of \$819.45 made on January 5th and July 5th of each year through July 2027.	23,520.39
Clark's Pond loan #0702-04-040 at a rate of 2% for a term of 20 years in the amount of \$250,000.00 with semi-annual loan repayments of \$7,772.90 made on January 16th and July 16th of each year through January 2027.	217,561.05
Bloomfield Skate Park loan #0702-05-023 at a rate of 2% for a term of 20 years in the amount of \$116,400.00 with semi-annual loan repayments of \$3,619.06 made on March 11th and September 11th of each year through March 2030.	116,400.00

Bond Anticipation Notes

Outstanding Bond Anticipation Notes are summarized as follows:

	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Amount</u>
General Capital	11-20-08	1.04%	\$ 681,836.00
	01-22-09	1.50%	3,416,616.00
	07-23-09	1.75%	5,950,000.00
	06-24-10	2.00%	1,500,000.00
	11-23-10	1.04%	3,145,000.00
			\$ 14,693,452.00

9. MUNICIPAL DEBT (Continued)

Bond Anticipation Notes (Continued)

Statutory requirements for providing sums equivalent to legally payable installments for the redemption of notes (Budget Appropriations) and permanent funding (Bond Issues) are summarized as follows:

<u>Original Note Issued</u>	<u>Legal Installments Due</u>	<u>Permanent Funding Required as of May 1</u>
2008	2011 - 2018	2019
2009	2012 - 2019	2020
2010	2013 - 2020	2021

9. MUNICIPAL DEBT (Continued)

Schedule of Annual Debt Service for Principal and Interest for Loans and Bonded Debt Issued and Outstanding

Fiscal Year	Grand Total	General Obligation Municipal Bonds			Capital Improvement Loans			Water Utility Bonds		
		Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest
2011	\$ 2,456,509.56	\$ 1,755,182.50	\$ 1,040,000.00	\$ 715,182.50	\$ 30,952.06	\$ 22,084.79	\$ 8,867.27	\$ 670,375.00	\$ 515,000.00	\$ 155,375.00
2012	2,406,068.91	1,705,232.50	1,030,000.00	675,232.50	30,952.03	22,528.68	8,423.35	669,884.38	535,000.00	134,884.38
2013	2,170,375.58	1,466,172.50	1,120,000.00	346,172.50	30,740.58	22,981.53	7,759.05	673,462.50	560,000.00	113,462.50
2014	2,149,794.04	1,473,191.25	1,165,000.00	308,191.25	30,752.79	23,443.45	7,309.34	645,850.00	555,000.00	90,850.00
2015	2,327,678.31	1,677,538.75	1,135,000.00	542,538.75	30,952.06	23,914.65	7,037.41	619,187.50	550,000.00	69,187.50
2016	2,031,097.06	1,696,520.00	1,200,000.00	496,520.00	30,952.06	24,395.34	6,556.72	303,625.00	250,000.00	53,625.00
2017	2,044,737.68	1,695,988.75	1,250,000.00	445,988.75	30,952.05	24,885.69	6,066.36	317,796.88	275,000.00	42,796.88
2018	2,055,284.55	1,693,395.00	1,300,000.00	393,395.00	30,952.05	25,385.90	5,566.15	330,937.50	300,000.00	30,937.50
2019	2,038,253.30	1,688,738.75	1,350,000.00	338,738.75	30,952.05	25,896.14	5,055.91	318,562.50	300,000.00	18,562.50
2020	2,019,159.56	1,682,020.00	1,400,000.00	282,020.00	30,952.06	26,416.66	4,535.40	306,187.50	300,000.00	6,187.50
2021	1,704,190.81	1,673,238.75	1,450,000.00	223,238.75	30,952.06	26,947.64	4,004.42			
2022	1,692,409.54	1,661,457.50	1,500,000.00	161,457.50	30,952.04	27,489.27	3,462.77			
B · 3 0 2023	1,628,659.56	1,597,707.50	1,500,000.00	97,707.50	30,952.06	28,041.83	2,910.23			
2024	1,612,868.31	1,581,916.25	1,549,000.00	32,916.25	30,952.06	28,605.46	2,346.60			
2025	30,952.05				30,952.05	29,180.43	1,771.62			
2026	30,952.05				30,952.05	29,766.95	1,185.10			
2027	19,914.53				19,914.53	19,327.77	586.76			
2028	7,238.12				7,238.12	6,921.26	316.86			
2029	7,238.13				7,238.13	7,060.38	177.75			
2030	3,619.10				3,619.10	3,583.26	35.84			
	<u>\$ 28,437,000.75</u>	<u>\$ 23,048,300.00</u>	<u>\$ 17,989,000.00</u>	<u>\$ 5,059,300.00</u>	<u>\$ 532,831.99</u>	<u>\$ 448,857.08</u>	<u>\$ 83,974.91</u>	<u>\$ 4,855,868.76</u>	<u>\$ 4,140,000.00</u>	<u>\$ 715,868.76</u>

The above debt payment schedules were prepared on a cash basis.

The above Capital Improvement Loan Schedule was abstracted from the Debt Schedule provided by the New Jersey Department of Environmental Protection. Several interest items were adjusted by penny breakage amounts in order to balance with equal installments due.

The Remediation Loan is interest free and requires ten equal installments of principal payments.

9. MUNICIPAL DEBT (Continued)

Bonds and Notes Authorized but Not Issued

There were Bonds and Notes Authorized but Not Issued in the following amounts:

	<u>Balance Dec. 31, 2010</u>	<u>Balance Dec. 31, 2009</u>	<u>Balance Dec. 31, 2008</u>
General Capital Fund:			
General Improvements	<u>\$10,544,419.57</u>	<u>\$13,150,956.57</u>	<u>\$20,372,567.57</u>
Water Utility Capital Fund:			
General Improvements	<u>\$ 2,715,750.00</u>	<u>\$ 2,388,000.00</u>	<u>\$ 2,388,000.00</u>

10. SCHOOL DEBT

The Board of Education of the Township of Bloomfield is a Type II school district. The members of the Board of Education are elected by the voters of the school district on the third Tuesday in April. At each annual school election the Board of Education shall submit to the voters of the district the amount of money fixed and determined in its budget, excluding interest and debt redemption charges, to be voted upon for use of the public schools of the district for the ensuing school year.

11. INTERFUND RECEIVABLES AND PAYABLES

As of December 31, 2010, interfund receivables and payables that resulted from various interfund transactions were as follows:

<u>Fund</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Current Fund	\$ 135,928.75	\$ 1,561,148.81
State and Federal Grant Fund		135,928.75
General Trust Fund	1,561,104.81	
Animal Control Trust	<u>44.00</u>	
	<u>\$ 1,697,077.56</u>	<u>\$ 1,697,077.56</u>

12. DEFERRED CHARGES TO BE RAISED IN SUCCEEDING YEARS' BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2010, the following deferred charge is shown on the balance sheet, as indicated below:

	<u>Balance Dec. 31, 2010</u>	<u>2011 Budget Appropriations</u>	<u>To be Funded in Future Periods</u>
Current Fund:			
Special Emergency Appropriation	<u>\$1,105,600.00</u>	<u>\$ 285,400.00</u>	<u>\$ 820,200.00</u>

13. DEBT GUARANTEED BY THE TOWNSHIP OF BLOOMFIELD

The gross debt of the Bloomfield Parking Authority has been guaranteed by the Township of Bloomfield and is summarized as follows:

<u>Authority</u>	<u>Amount</u>
Parking Authority:	
Project Note	\$ 3,700,000.00
Revenue Bonds	<u>12,480,000.00</u>
	<u>\$ 16,180,000.00</u>

14. DEFERRED COMPENSATION PLAN

The Township of Bloomfield offers its employees a Deferred Compensation Plan created in accordance with the provisions of N.J.S. 43:15B-1 et seq., and the Internal Revenue Code, Section 457. The plan, available to all municipal employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

Statutory and regulatory requirements governing the establishment and operation of Deferred Compensation Plans have been codified in the New Jersey Administrative Code under the reference N.J.A.C. 5:37.

The "Small Business Job Protective Act of 1996" revised several provisions of Section 457 of the Internal Revenue Code. A provision of the act required that all existing plans be modified to provide that the funds be held for the exclusive benefit of the participating employees and their beneficiaries. The Township of Bloomfield authorized such modifications to their plan by resolution of the Township Council adopted September 15, 1997.

The Administrator for the Township of Bloomfield's Deferred Compensation Plan is the Great-West Life Assurance Company and VALIC.

15. RISK MANAGEMENT

The Township maintains self-insurance bank accounts reflecting the following balance as of December 31, 2010:

Primary Coverage Account in the Amount of	<u>\$984,618.48</u>
---	---------------------

Additionally, the Township maintains an excess workers' compensation and employer's liability policy with Municipal Excess Liability Joint Insurance Fund containing the following limits:

Workers' Compensation	\$2,000,000 of which the first \$200,000 is the Township's responsibility and in excess of \$200,000 is covered by National Union with no limit.
Employer's Liability	\$1,750,000 of which the first \$200,000 is the Township's responsibility and in excess of \$1,750,000 is covered by National Union with a maximum of \$5,000,000.

16. CONTINGENT LIABILITIES

A. Compensated Absences

The Township of Bloomfield has an Accrued Sick Policy Plan whereby eligible employees, upon retirement and 25 years of service, will receive the following:

Police and Fire:

(1) day's pay for every (3) days accrued sick leave, without limitation on the number of accrued sick leave days, and effective January 1, 1985 an additional (1) day's pay for every (4) days of accrued sick leave in excess of (200) days.

All Other Employees:

(1) day's pay for every (3) days accrued sick leave, without limitation on the number of accrued sick leave days. The non-union employees have a limitation of \$10,000 for accrued sick leave days.

At December 31st, based upon each years' pay rates for the past five years, Township officials have estimated the dollar value in unused sick days, vacation days and compensatory time accumulated. Subject to the limitations described above, these amounts could be due and payable to Township employees upon separation:

<u>Year</u>	<u>Amount</u>	<u>Number of Employees</u>
2010	\$ 5,151,035.50	*
2009	5,548,381.32	318
2008	5,777,109.83	331
2007	4,749,935.33	343
2006	4,811,514.25	340

*Not available at time of audit.

The above amounts represent contingent liabilities and are not reflected on the financial statements. The figures for all years have been calculated by management and are unaudited.

B. Tax Appeals

As of June 23, 2011, there were ninety-three appeals pending before the New Jersey Tax Court with assessed valuations of \$184,342,600.00. Potential liability was \$632,000.68 and will be applied against the individual's future taxes. The Township has not established a Reserve for Tax Appeals.

Judgments favorable to the taxpayers generally extend to two years following the year judged and would also subject the Township to a liability for statutory interest based upon the amount of taxes refunded from the date of payment to the date of refund (R.S. 54:3-27.2).

C. Federal and State Awards

The Township participates in several federal and state grant programs which are governed by various rules and regulations of the grantor agencies, therefore, to the extent that the Township has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectibility of any related receivable at December 31, 2010 may be impaired. In the opinion of management, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying statutory basis financial statements for such contingencies.

16. CONTINGENT LIABILITIES (Continued)

D. Litigation

The Township Attorney's letter indicated that there are several claims against the Township. These cases are in early discovery and the outcome cannot be determined at this time.

APPENDIX C
TOWNSHIP OF BLOOMFIELD
FORM OF BOND COUNSEL OPINION

[THIS PAGE INTENTIONALLY LEFT BLANK]

McMANIMON & SCOTLAND, L.L.C.

ATTORNEYS AT LAW

TELEPHONE
(973) 622-1800

1037 RAYMOND BOULEVARD - SUITE 400
NEWARK, NEW JERSEY 07102-5408

FAX (973) 622-7333
FAX (973) 622-3744

_____, 2012

Township Council of the
Township of Bloomfield, in the
County of Essex, New Jersey

Dear Council Members:

We have acted as bond counsel to the Township of Bloomfield, in the County of Essex, New Jersey (the "Township") in connection with the issuance by the Township of \$4,995,000 General Improvement Bonds, Series 2012A (the "Bonds"). In order to render the opinions herein, we have examined laws, documents and records of proceedings, or copies thereof, certified or otherwise identified to us, as we have deemed necessary.

The Bonds are issued pursuant to the Local Bond Law of the State of New Jersey, a resolution of the Township adopted December 12, 2011 pursuant to N.J.S.A. 40A:2-26(f), in all respects duly approved, and the various bond ordinances referred to therein, each in all respects duly approved and published as required by law.

In our opinion, except insofar as the enforcement thereof may be limited by any applicable bankruptcy, moratorium or similar laws or application by a court of competent jurisdiction of legal or equitable principles relating to the enforcement of creditors' rights, the Bonds are valid and legally binding general obligations of the Township, and the Township has the power and is obligated to levy *ad valorem* taxes upon all the taxable real property within the Township for the payment of the Bonds and the interest thereon without limitation as to rate or amount.

The Township has covenanted to comply with continuing requirements that must be satisfied subsequent to the issuance of the Bonds in order to preserve tax exemption under the Internal Revenue Code of 1986, as amended (the "Code"). Failure to comply with certain requirements of the Code may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. In the event that the Township continuously complies with its covenant and in reliance on representations, certifications of fact and statements of reasonable expectations made by the Township, it is our opinion that interest on the Bonds is not included in gross income for federal income tax purposes and is not an item of tax preference for purposes of computing the federal alternative minimum tax imposed on individuals and corporations. Interest on the Bonds held by a corporate taxpayer is not included in the relevant income computation for calculation of the federal alternative minimum tax as a result of the inclusion of interest on the Bonds in "adjusted current earnings." We express no opinion regarding other federal tax consequences arising with respect to the Bonds. Further, in our opinion, interest on the Bonds and any gain on the sale thereof are not included in gross income under the New Jersey Gross Income Tax Act.

This opinion is issued as of the date hereof. We assume no obligation to update, revise or supplement this opinion to reflect any facts or circumstances that may come to our attention or any changes in law or interpretations thereof that may occur after the date of this opinion or for any reason whatsoever.

Very truly yours,

McMANIMON & SCOTLAND, L.L.C.

ATTORNEYS AT LAW

TELEPHONE
(973) 622-1800

1037 RAYMOND BOULEVARD - SUITE 400
NEWARK, NEW JERSEY 07102-5408

FAX (973) 622-7333
FAX (973) 622-3744

_____, 2012

Township Council of the
Township of Bloomfield, in the
County of Essex, New Jersey

Dear Council Members:

We have acted as bond counsel to the Township of Bloomfield, in the County of Essex, New Jersey (the "Township") in connection with the issuance by the Township of \$4,374,000 General Improvement Bonds, Series 2012B (Federally Taxable) (the "Bonds"). In order to render the opinions herein, we have examined laws, documents and records of proceedings, or copies thereof, certified or otherwise identified to us, as we have deemed necessary.

The Bonds are issued pursuant to the Local Bond Law of the State of New Jersey and Bond Ordinance #03-07 of the Township, duly adopted on October 7, 2003, in all respects duly approved and published as required by law.

In our opinion, except insofar as the enforcement thereof may be limited by any applicable bankruptcy, moratorium or similar laws or application by a court of competent jurisdiction of legal or equitable principles relating to the enforcement of creditors' rights, the Bonds are valid and legally binding general obligations of the Township, and the Township has the power and is obligated to levy *ad valorem* taxes upon all the taxable real property within the Township for the payment of the Bonds and the interest thereon without limitation as to rate or amount.

In our opinion, interest on the Bonds and any gain on the sale thereof are not included in gross income under the New Jersey Gross Income Tax Act.

This opinion is issued as of the date hereof. We assume no obligation to update, revise or supplement this opinion to reflect any facts or circumstances that may come to our attention or any changes in law or interpretations thereof that may occur after the date of this opinion or for any reason whatsoever.

Very truly yours,