George Lang, being duly sworn, deposes and says: Deponent is the Chief Financial Officer of Hightstown Borough - County of Mercer here and in the statement hereinafter mentioned called the local unit. This Annual Debt Statement is a true statement of the debt condition of the local unit as of the date therein stated above and is computed as provided by the Local Bond Law of New Jersey.

☒ By checking this box, I am swearing that the above statement is true. (The Email function will not work until you acknowledge the above statement as true)

<table>
<thead>
<tr>
<th>Total Bonds and Notes for Local School Purposes</th>
<th>Gross Debt</th>
<th>Deduction</th>
<th>Net Debt</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

| Total Bonds and Notes for Regional School Purposes | $3,319,124.06 | $3,319,124.06 | $0.00 |

| Total Bonds and Notes for all Utilities | $8,353,519.05 | $8,353,519.05 | $0.00 |

| Municipal/County General Obligations | $8,486,100.32 | $0.00     | $8,486,100.32 |

| Total | $20,158,743.43 | $11,672,643.11 | $8,486,100.32 |

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Equalized Valuation Real Property with Improvements plus assessed valuation of Class II RR Property</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$408,476,915.00</td>
</tr>
<tr>
<td>2016</td>
<td>$405,162,968.00</td>
</tr>
<tr>
<td>2017</td>
<td>$402,363,900.00</td>
</tr>
</tbody>
</table>

Equalized Valuation Basis - Average of (1), (2) and (3)................................................................. $405,334,594.33

Net Debt expressed as a percentage of such equalized valuation basis is: %

2.094%
BONDS AND NOTES FOR LOCAL SCHOOL PURPOSES

Local School District Type (select one):

1. Term Bonds
   
2. Serial Bonds
   (a) Issued
      $0.00
   (b) Authorized but not issued
      $0.00
3. Temporary Notes
   (a) Issued
      $0.00
   (b) Authorized but not issued
      $0.00
4. Total Bonds and Notes
   $0.00

DEDUCTIONS APPLICABLE TO BONDS AND NOTES - FOR SCHOOL PURPOSES

Amounts held or to be held for the sole purpose of paying bonds and notes included above.

5. Sinking funds on hand for bonds shown as Line 1 but not in excess of such bonds.
   $0.00

6. Funds on hand in those cases where such funds cannot be diverted to purposes other than the payment of bonds and notes included in Line 4.
   $0.00

7. Estimated proceeds of bonds and notes authorized but not issued where such proceeds will be used for the sole purpose of paying bonds and notes included in Line 4.
   $0.00

8. % of average of $405,334,594.33 equalized valuations
   % $405,334,594.33

   Use applicable per centum as follows:
   2.50% Kindergarten or Grade 1 through Grade 6
   3.00% Kindergarten or Grade 1 through Grade 8
   3.50% Kindergarten or Grade 1 through Grade 9
   4.00% Kindergarten or Grade 1 through Grade 12

   405,334,594.33

10. Total Potential Deduction
    405,334,594.33

    Total Allowable Deduction
    0.00
BONDS AND NOTES FOR REGIONAL SCHOOL PURPOSES

Regional School District

1. TERM BONDS
2. SERIAL BONDS
   (a) Issued
   (b) Authorized but not issued
3. TEMPORARY BONDS AND NOTES
   (a) Issued
   (b) Authorized but not issued
4. TOTAL OF REGIONAL SCHOOL BONDS AND NOTES

EAST WINDSOR REGIONAL SCHOOL DISTRICT

$3,319,124.06

$3,319,124.06

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

COMPUTATION OF REGIONAL AND/OR CONSOLIDATED SCHOOL DISTRICT DEBT

<table>
<thead>
<tr>
<th>Municipality</th>
<th>Average Equalized Valuations</th>
<th>%</th>
<th>Serial Bonds Issued</th>
<th>Temp. Bond – Notes Issued</th>
<th>Authorized But not Issued</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hightstown Borough</td>
<td>$405,334,594.33</td>
<td>12.82%</td>
<td>$3,319,124.06</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>East Windsor Township</td>
<td>$2,755,155,673.67</td>
<td>87.17%</td>
<td>$22,560,875.94</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Totals</td>
<td>$3,160,490,268.00</td>
<td>100.00%</td>
<td>$25,880,000.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

Page 3 of 11
## BONDS AND NOTES FOR UTILITY FUND

### Water & Sewer Utility

1. **Term bonds**
   - $1,310,000.00
2. **Serial bonds**
   - (a) Issued
   - (b) Authorized but not issued
3. **Bond Anticipation Notes**
   - (a) Issued
   - (b) Authorized but not issued
4. **Capital Notes (N.J.S.A. 40A:2-8)**
   - (a) Issued
   - (b) Authorized but not issued
5. **Other**
   - (a) Issued
   - (b) Authorized but not issued
6. **Total**
   - $8,353,519.05

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

#### Self-Liquidating Utility Calculation

1. Total Cash Receipts from Fees, Rents or Other Charges for Year
   - $3,292,071.53
2. Operating and Maintenance Cost
   - $2,273,331.00
3. Debt Service
   - (a) Interest
   - (b) Notes
   - (c) Serial Bonds
   - (d) Sinking Fund Requirements
4. Debt Service per Current Budget (N.J.S.A. 40A:2-52)
   - (a) Interest on Refunding Bonds
   - (b) Refunding Bonds
5. Anticipated Deficit in Dedicated Assessment Budget
6. Total Debt Service
7. Total Deductions (Line 2 plus Line 6)
8. Excess in Revenues (Line 1 minus Line 7)
9. Deficit in Revenues (Line 7 minus Line 1)
10. Total Debt Service (Line 6)
11. Deficit (smaller of Line 9 or Line 10) If Excess in Revenues (Line 8) all Utility Debt is Deductible
   - (a) Gross Water & Sewer System Debt
   - (b) Less: Deficit (Capitalized at 5%), (Line 9 or line 11)
   - $- 0.00 times 20
   - (c) Deduction
   - (d) Plus: Cash held to Pay Bonds and Notes included in 2 (a) above
   - (e) Total Deduction (Deficit in revenues)
   - (f) NonDeductible Combined GO Debt
   - Total Allowable Deduction

---

Page 4 of 11
## OTHER BONDS, NOTES AND LOANS

1. **Term Bonds**

<table>
<thead>
<tr>
<th>Total Term Bonds</th>
<th>$</th>
</tr>
</thead>
</table>

2. **Serial Bonds** (state purposes separately)

   (a) **Issued**

<table>
<thead>
<tr>
<th>General Improvement Bonds - 2008</th>
<th>$1,605,000.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Serial Bonds Issued</td>
<td>$1,605,000.00</td>
</tr>
</tbody>
</table>

   (b) **Bonds Authorized but not Issued**

<table>
<thead>
<tr>
<th>Auth but not issued</th>
<th>$0.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Serial Bonds Authorized but not Issued</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

3. **Total Serial Bonds Issued and Authorized but not Issued**

   | $1,605,000.00 |
OTHER BONDS, NOTES AND LOANS
BOND ANTICIPATION NOTES (state purposes separately)

4. Bond Anticipation Notes

   (a) Issued
   Bond Anticipation Notes - See Attached $4,441,000.00
   Total Bond Anticipation Notes Issued $4,441,000.00

   (b) Authorized but not Issued
   Authorized But Not Issued- See Attached $2,330,805.27
   Total Bond Anticipation Notes Authorized but not Issued $2,330,805.27

5. Total Bond Anticipation Notes Issued and Authorized but not Issued $6,771,805.27
<table>
<thead>
<tr>
<th>Ord. No.</th>
<th>Description</th>
<th>Balance Dec. 31, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>05-24, 09-13</td>
<td>Peddie Lake Dam Improvements</td>
<td>$ 41,000.00</td>
</tr>
<tr>
<td>07-26</td>
<td>Police Department Equipment</td>
<td>9,900.00</td>
</tr>
<tr>
<td>08-01</td>
<td>Westerlea Avenue Improvements</td>
<td>32,000.00</td>
</tr>
<tr>
<td>09-01</td>
<td>Reconstruction of Morrison Avenue</td>
<td>39,100.00</td>
</tr>
<tr>
<td>09-10</td>
<td>Improvements to Memorial Parking Lot</td>
<td>34,600.00</td>
</tr>
<tr>
<td>09-20</td>
<td>Stockton Street Historic District Improvements</td>
<td>68,200.00</td>
</tr>
<tr>
<td>10-02</td>
<td>Reconstruction of Leshin Lane</td>
<td>10,000.00</td>
</tr>
<tr>
<td>10-16</td>
<td>Summit Street Sidewalk Improvements</td>
<td>33,000.00</td>
</tr>
<tr>
<td>11-05</td>
<td>Milling and Paving Various Roads</td>
<td>97,500.00</td>
</tr>
<tr>
<td>11-11</td>
<td>DPW Vehicles and DPW/Police Equipment</td>
<td>244,500.00</td>
</tr>
<tr>
<td>12-04</td>
<td>Hurricane Irene Damage Emergency</td>
<td>628,800.00</td>
</tr>
<tr>
<td>12-13</td>
<td>Various Capital Improvements</td>
<td>236,800.00</td>
</tr>
<tr>
<td>12-15</td>
<td>Communication Equipment - Fire Dept., First Aid</td>
<td>29,700.00</td>
</tr>
<tr>
<td>13-04</td>
<td>Road Improvements Grape Run and Pershing Ave</td>
<td>143,800.00</td>
</tr>
<tr>
<td>13-07</td>
<td>Peddie Lake Dam Walking Bridge Improvements</td>
<td>186,000.00</td>
</tr>
<tr>
<td>13-22</td>
<td>Public Safety Equipment</td>
<td>143,200.00</td>
</tr>
<tr>
<td>13-23</td>
<td>Road Improvements to Park Avenue, Greeley</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Street and Glen Brook Place</td>
<td>583,534.00</td>
</tr>
<tr>
<td>14-06</td>
<td>Various Capital Improvements including Document Restoration</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td>200,166.00</td>
</tr>
<tr>
<td>14-13</td>
<td>Various Capital Improvements</td>
<td>161,900.00</td>
</tr>
<tr>
<td>15-07</td>
<td>Road Improvements to Park Way, Grant St. and Hutchison Street</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td>180,000.00</td>
</tr>
<tr>
<td>15-11</td>
<td>Acquisition of Aerial Ladder Truck</td>
<td>952,000.00</td>
</tr>
<tr>
<td>15-20</td>
<td>Acquisition of Automated Garbage Truck</td>
<td>309,500.00</td>
</tr>
<tr>
<td>16-08</td>
<td>Police Vehicles, Public Safety Equipment</td>
<td>75,800.00</td>
</tr>
<tr>
<td>16-12</td>
<td>Rehabilitation of East Ward Street</td>
<td>-</td>
</tr>
</tbody>
</table>

$ 4,441,000.00
<table>
<thead>
<tr>
<th>Ord. No.</th>
<th>Improvement Description</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>05-24,09-13</td>
<td>Peddie Lake Dam improvements</td>
<td>$ 550.00</td>
</tr>
<tr>
<td>09-20</td>
<td>Stockton Street Improvements</td>
<td>16,899.57</td>
</tr>
<tr>
<td>10-02</td>
<td>Reconstruction of Leshin Lane</td>
<td>13,000.00</td>
</tr>
<tr>
<td>10-16</td>
<td>Summit Street Sidewalk Improvements</td>
<td>526.45</td>
</tr>
<tr>
<td>11-05</td>
<td>Milling and Paving Various Roads</td>
<td>14,500.00</td>
</tr>
<tr>
<td>12-04</td>
<td>Hurricane Irene Damage Emergency</td>
<td>625.25</td>
</tr>
<tr>
<td>12-13</td>
<td>Various Capital Improvements</td>
<td>500.00</td>
</tr>
<tr>
<td>13-07/15-14</td>
<td>Imp. To Peddle Lake Dam Walking Bridge</td>
<td>331,000.00</td>
</tr>
<tr>
<td>13-23</td>
<td>Road Improvements to Park Avenue, Greeley St. and Glen Brook Place</td>
<td>28,210.00</td>
</tr>
<tr>
<td>14-06</td>
<td>Various Capital Improvements including Document Restoration</td>
<td>9,334.00</td>
</tr>
<tr>
<td>15-07</td>
<td>Road Improvements to Park Way, Grant St. and Hutchison Street</td>
<td>35,500.00</td>
</tr>
<tr>
<td>15-11</td>
<td>Acquisition of Aerial Ladder Truck</td>
<td>300.00</td>
</tr>
<tr>
<td>15-15</td>
<td>Improvements to Stockton Street and Joseph St.</td>
<td>562,000.00</td>
</tr>
<tr>
<td>16-12</td>
<td>Rehabilitation of East Ward Street</td>
<td>250,000.00</td>
</tr>
<tr>
<td>17-09</td>
<td>Retaining Wall, First Ave Improvements</td>
<td>554,000.00</td>
</tr>
<tr>
<td>17-12</td>
<td>Police, Fire, DPW Court Equipment</td>
<td>248,860.00</td>
</tr>
<tr>
<td>17-17</td>
<td>Improvements to Maple Avenue and Sunset Avenue</td>
<td>265,000.00</td>
</tr>
</tbody>
</table>

$ 2,330,805.27$
### OTHER BONDS, NOTES AND LOANS
#### MISCELLANEOUS BONDS, NOTES AND LOANS

(not including Tax Anticipation Notes, Emergency Notes, Special Emergency Notes and Utility Revenue Notes)

6. **Miscellaneous Bonds, Notes and Loans**

   (a) Issued
   
   Peddie Lake Dam Restoration Loan $109,295.05
   
   Miscellaneous Bonds, Notes and Loans Issued $109,295.05

   (b)Authorized but not Issued
   
   Miscellaneous Bonds and Notes Authorized but not Issued $

   Total Miscellaneous Bonds, Notes and Loans Issued and Authorized but not Issued $109,295.05

   Total of all Miscellaneous Bonds, Notes and Loans Issued and Authorized but not Issued $8,486,100.32
DEDUCTIONS APPLICABLE TO OTHER BONDS AND NOTES

1. Amounts held or to be held for the sole purpose of paying general bonds and notes included
   (a) Sinking funds on hand for term bonds
       _______________________________  _________________________ $  _________________________ $
   (b) Funds on hand (including proceeds of bonds and notes held to pay other bonds and notes), in those cases where such funds cannot be diverted to purposes other than the payment of bonds and notes
       _______________________________  _________________________ $  _________________________ $
   (c) Estimated proceeds of bonds and notes authorized but not issued where such proceeds will be used for the sole purpose of paying bonds and notes
       _______________________________  _________________________ $  _________________________ $
   (d) Accounts receivable from other public authorities applicable only to the payment of any part of the gross debt not otherwise deductible
       _______________________________  _________________________ $  _________________________ $

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

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

   $ __________________

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

Total Deductions Applicable to Other Bonds and Notes
   _______________________________  _________________________ $  $0.00
BONDS AUTHORIZED/ISSUED BY ANOTHER PUBLIC BODY TO BE GUARANTEED BY THE MUNICIPALITY

$___________

Total Bonds and Notes authorized/issued by another Public Body to be guaranteed by the municipality $___________
SPECIAL DEBT STATEMENT BORROWING POWER
AVAILABLE UNDER NJSA 40A:2-7(f)

1. Balance of debt incurring capacity December 31, 2012
   (NJSA 40A:1-16(d))$________

2. Obligations heretofore authorized during 2013 in
   excess of debt limitation and pursuant to:
   (a) NJSA 40A:2-7, paragraph (d)$________
   (b) NJSA 40A:2-7, paragraph (f)$________
   (c) NJSA 40A:2-7, paragraph (g)$________
   Total$0.00

3. Less 2012 authorizations repealed during 2013$________

4. Net authorizations during 2013$________

5. Balance of debt incurring capacity December 31, 2013
   (NJSA 40A:1-16(d))$0.00
### Obligations NOT Included in Gross Debt

1. Capital Leases and Other Commitments
   - Total Leases and Other Commitments $\quad$ $\quad$

2. Guarantees NOT included in Gross Debt – Public and Private
   - Total Guarantees NOT included in Gross Debt – Public and Private $\quad$ $\quad$