

**PRELIMINARY OFFICIAL STATEMENT DATED AUGUST 14, 2025**

**NEW ISSUE**

**RATING: Moody's: Expected**

*In the opinion of Gibbons P.C., Bond Counsel to the Township (as defined herein), assuming continuing compliance by the Township with certain tax covenants described herein, under existing law, interest on the Notes (as defined herein) is excluded from the gross income of the owners of the Notes for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and interest on the Notes is not an item of tax preference under Section 57 of the Code for purposes of computing alternative minimum tax, however, interest on the Notes is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under the Code. Under existing law, interest on the Notes and net gains from the sale of the Notes are exempt from the tax imposed by the New Jersey Gross Income Tax Act. See "TAX MATTERS" herein.*

**TOWNSHIP OF OLD BRIDGE  
IN THE COUNTY OF MIDDLESEX, NEW JERSEY**

**\$21,750,000 NOTES, SERIES 2025  
CONSISTING OF  
\$15,000,000 GENERAL IMPROVEMENT NOTES, SERIES 2025,  
\$300,000 ARENA UTILITY NOTES, SERIES 2025  
AND  
\$6,450,000 EMERGENCY NOTES, SERIES 2025  
(NON-CALLABLE) (BOOK-ENTRY ONLY)**

**Dated: Date of Delivery**

**Maturity Date: September 9, 2026**

**Interest Rate: \_\_\_\_\_%**

**Yield: \_\_\_\_\_%**

**CUSIP No.: \_\_\_\_\_**

The Township of Old Bridge, in the County of Middlesex, New Jersey (the "Township") is offering \$21,750,000 aggregate principal amount of Notes, Series 2025, consisting of \$15,000,000 General Improvement Notes, Series 2025, \$300,000 Arena Utility Notes, Series 2025 and \$6,450,000 Emergency Notes, Series 2025 (collectively, the "Notes"). The Notes will be issued as fully registered Notes in the form of one certificate for each series for the aggregate principal amount of the respective Notes and when issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository. The certificates will be on deposit with DTC. DTC will be responsible for maintaining a book-entry system for recording the interests of its participants or transfers of the interests among its participants. The participants will be responsible for maintaining records regarding the beneficial ownership interests in the Notes on behalf of the individual purchasers. Individual purchases of the Notes may be made in the principal amount of \$5,000 each or any integral multiple thereof through book-entries made on the books and the records of DTC and its participants. Individual purchasers of the Notes will not receive certificates representing their beneficial ownership interests in the Notes. See "DESCRIPTION OF THE NOTES – Book-Entry Only System" herein.

The Notes shall be dated and bear interest from their date of delivery, shall mature on the date shown above, and shall bear interest at the rate of interest set forth above, payable at maturity, calculated on the basis of a 360-day year of twelve 30-day calendar months. So long as DTC or its nominee is the registered owner of the Notes, principal of and interest on the Notes will be paid to DTC by the Township at maturity. Principal of and interest on the Notes will be credited to the participants of DTC as listed on the records of DTC as of September 2, 2026.

The Notes are not subject to redemption prior to maturity.

The Notes are being issued pursuant to the Local Bond Law of the State of New Jersey, constituting Chapter 2 of Title 40A of the New Jersey Statutes, as amended, the Local Budget Law of the State of New Jersey, constituting Chapter 4 of Title 40A of the New Jersey Statutes, as amended, certain bond ordinances and a resolution in order to provide funds to (i) refund, on a current basis, \$15,450,000 aggregate principal amount of the Township's outstanding \$16,000,000 Notes, Series 2024, issued by the Township on September 12, 2024 and maturing on September 11, 2025 (together with \$550,000 of other available funds of the Township), (ii) finance certain previously unfunded capital improvements in the aggregate principal amount of \$6,300,000 and (iii) pay certain costs incurred in connection with the authorization, sale and issuance of the Notes.

The Notes will constitute general obligations of the Township, the payment of the principal of and interest on which the full faith, credit and taxing power of the Township is available, and all the taxable property within the Township is subject to the levy of *ad valorem* taxes, without limitation as to rate or amount, for such purposes.

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

*The Notes are offered when, as and if received by the Underwriter (as defined herein) and subject to prior sale, withdrawal or modification of the offer without notice, and to approval of legality by Gibbons P.C., Newark, New Jersey, Bond Counsel, and certain other conditions described herein. Phoenix Advisors, a division of First Security Municipal Advisors, Inc., Hamilton, New Jersey has served as municipal advisor in connection with the issuance of the Notes. It is expected that the Notes, in definitive form, will be available for delivery on or about September 10, 2025 through the facilities of DTC in New York, New York.*

**TOWNSHIP OF OLD BRIDGE  
IN THE COUNTY OF MIDDLESEX,  
NEW JERSEY**

**MAYOR**

Eleanor Walker

**TOWNSHIP COUNCIL**

Mary Sohor, President

Dr. Anita Greenberg-Belli, Vice President

Darin Accettulli

Jill DeCaro

Erik DePalma

Kiran Desai

Kevin Garcia

Tony Paskitti

John E. Murphy, III

**TOWNSHIP CLERK**

Kathryn Hutchinson

**DIRECTOR OF FINANCE**

Dawn M. Swoboda

**TOWNSHIP ATTORNEY**

Mark M. Roselli, Esq.

Hamilton, New Jersey

**INDEPENDENT AUDITOR**

Holman Frenia Allison, P.C.

Lakewood, New Jersey

**MUNICIPAL ADVISOR**

Phoenix Advisors,

a division of First Security Municipal

Advisors, Inc.

Hamilton, New Jersey

**BOND COUNSEL**

Gibbons P.C.

Newark, New Jersey

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 Notes other than those contained in this Official Statement, and, if given or made, such information or representations must not be relied upon as having been authorized by the foregoing. The information contained herein has been provided by the Township and other sources deemed reliable; however, no representation is made as to the accuracy or completeness of information from sources other than the Township.

Any statements contained in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. All estimates and assumptions herein have been made on the best information available and are believed to be reliable, but no representations whatsoever are made that such estimates or assumptions are correct or will be realized. 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 Notes. This Official Statement is submitted in connection with the sale of the Notes and may not be reproduced or used, in whole or in part, for any other purpose.

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

Gibbons P.C. has not verified the accuracy, completeness or fairness of the information contained herein, except under "TAX MATTERS", and, accordingly, assumes no responsibility therefor and will express no opinion with respect thereto.

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 Notes in any jurisdiction in which it is unlawful for any person to make such an offer, solicitation or sale.

The term CUSIP referenced on the front cover page hereof is a registered trademark of American Bankers Association. The CUSIP number referenced on the front cover page hereof is provided by CUSIP Global Services, which is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. The CUSIP number referenced on the front cover page hereof is being provided solely for the convenience of holders of the Notes only at the time of issuance of the Notes and the Township does not make any representation with respect to such number or undertake any responsibility for its accuracy now or at any time in the future. The CUSIP number referenced on the front cover page hereof is subject to being changed after the issuance of the Notes.

THE ORDER AND PLACEMENT OF MATERIALS IN THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES, ARE NOT TO BE DEEMED TO BE A DETERMINATION OF RELEVANCE, MATERIALITY OR IMPORTANCE, AND THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES, MUST BE CONSIDERED IN ITS ENTIRETY. THE OFFERING OF THE NOTES IS MADE ONLY BY MEANS OF THIS ENTIRE OFFICIAL STATEMENT.

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**OFFICIAL STATEMENT**  
**Relating to**  
**TOWNSHIP OF OLD BRIDGE**  
**IN THE COUNTY OF MIDDLESEX, NEW JERSEY**  
**\$21,750,000 NOTES, SERIES 2025**  
**CONSISTING OF**  
**\$15,000,000 GENERAL IMPROVEMENT NOTES, SERIES 2025,**  
**\$300,000 ARENA UTILITY NOTES, SERIES 2025**  
**AND**  
**\$6,450,000 EMERGENCY NOTES, SERIES 2025**  
**(NON-CALLABLE) (BOOK-ENTRY ONLY)**

**INTRODUCTION**

This Official Statement, which includes the front cover page and the appendices attached hereto, has been prepared by the Township of Old Bridge (the "Township"), in the County of Middlesex (the "County"), in the State of New Jersey (the "State"), in connection with the sale and the issuance of \$21,750,000 Notes, Series 2025, consisting of \$15,000,000 General Improvement Notes, Series 2025, \$300,000 Arena Utility Notes, Series 2025 and \$6,450,000 Emergency Notes, Series 2025 (collectively, the "Notes"). This Official Statement has been executed by and on behalf of the Township by its Director of Finance and may be distributed in connection with the sale of the Notes described herein.

**DESCRIPTION OF THE NOTES**

**General Description**

The Notes are dated their date of delivery, will mature on September 9, 2026 and shall bear interest at the rate as set forth on the front cover page hereof, payable at maturity, calculated on the basis of a 30-day month, 360-day year. Principal of and interest on the Notes will be credited to the participants of The Depository Trust Company, New York, New York ("DTC") as listed on the records of DTC as of September 2, 2026. So long as DTC or its nominee is the registered owner of the Notes, payments of principal of and interest on the Notes will be made by the Township directly to DTC or its nominee, Cede & Co., which will in turn remit such payments to DTC Participants, which will in turn remit such payments to the beneficial owners of the Notes.

The Notes will be issued in fully registered book-entry form of one certificate for each series in the principal amount of the respective Notes and, when issued, will be registered in the name of Cede & Co. as nominee of the DTC, which will act as Securities Depository for the Notes. The certificates will be on deposit with DTC. DTC will be responsible for maintaining a book-entry system for recording the interests of its participants or transfers of the interests among its participants. The participants will be responsible for maintaining records regarding the beneficial ownership interest in the Notes on behalf of the individual purchasers. Individual purchases may be made in the principal amount of \$5,000 each or any integral multiple thereof through book-entries made on the books and the records of DTC and its participants. Individual purchasers of the Notes will not receive certificates representing their beneficial ownership interest in the Notes, but each book-entry Note owner will receive a credit balance on the books of its nominee, and this credit balance will be confirmed by an initial transaction statement stating the details of the Notes purchased. See "Book-Entry-Only System" herein.

**Redemption Provisions**

The Notes are not subject to redemption prior to maturity.

## **Book-Entry Only System**

The description which follows of the procedures and record keeping with respect to beneficial ownership interest in the Notes, payment of principal and interest and other payments on the Notes to DTC Participants or Beneficial Owners (as defined herein), confirmation and transfer of beneficial ownership interests in the Notes 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 as to the completeness or accuracy of such information.

DTC will act as securities depository of the Notes. The Notes will be issued as fully-registered Notes registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Note certificate for each series will be issued in the aggregate principal amount of the respective Notes and will be deposited with DTC.

DTC, the world's largest securities 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, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's rating of AA+. 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](http://www.dtcc.com).

Purchases of Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of the Notes ("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 Notes are to be accomplished by entries made on the books of Direct and Indirect Participant acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Notes, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all Notes 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 Notes 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 Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by

arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Notes may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Notes, such as redemptions, tenders, defaults, and proposed amendments to the Note documents. For example, Beneficial Owners of Notes may wish to ascertain that the nominee holding the Notes for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Notes unless authorized by a Direct Participant in accordance with DTC's MMI 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 Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Notes 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, 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 Notes held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, or the Township, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the 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 Notes at any time by giving reasonable notice to the Township. Under such circumstances, in the event that a successor depository is not obtained, certificates are required to be printed and delivered.

The Township may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, certificates will be printed and delivered to DTC. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Township believes to be reliable, but Township takes no responsibility for the accuracy thereof.

THE TOWNSHIP WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATION TO SUCH DTC PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE PAYMENTS TO OR PROVIDING OF NOTICE FOR THE DTC PARTICIPANTS, OR THE INDIRECT PARTICIPANTS, OR BENEFICIAL OWNERS. SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE NOTES, AS NOMINEE OF DTC, REFERENCES HEREIN TO THE NOTEHOLDERS OR REGISTERED OWNERS OF THE NOTES (OTHER THAN UNDER THE CAPTION "TAX MATTERS") SHALL MEAN CEDE & CO. AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE NOTES.

### **Discontinuance of Book-Entry-Only System**

If the Township, in their sole discretion, determines that DTC is not capable of discharging its duties, or if DTC discontinues providing its services with respect to the Notes at any time, the Township will attempt to locate another qualified Securities Depository. If the Township fails to find such Securities Depository, or if the Township determines, in their sole discretion, that it is in the best interest of the Township or that the interest of the Beneficial Owners might be adversely affected if the book-entry only system of transfer is continued (the Township undertakes no obligation to make an investigation to determine the occurrence of any events that would permit it to make such determination) the Township shall notify DTC of the termination of the book-entry only system.

In the event that the book-entry only system for the Notes is discontinued, the Township has provided that upon receipt of the Note certificates from DTC and the Participant information, the Township will authenticate (or cause to be authenticated) and deliver definitive Notes to the holders thereof, and the principal of and interest on the Notes will be payable and the Notes may thereafter be transferred or exchanged in the manner described in the certificates so provided.

## **SECURITY AND SOURCE OF PAYMENT**

The Notes are valid and legally binding 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 Notes. The Township is required by law to levy *ad valorem* taxes upon all the taxable property within the Township for the payment of the principal of and the interest due on the Notes without limitation as to rate or amount.

## **INFECTIOUS DISEASE OUTBREAK - COVID-19**

On January 31, 2020, then United States Secretary of Health and Human Services declared a national public health emergency in response to the outbreak of COVID-19, a respiratory disease caused by a newly discovered strain of coronavirus. On March 11, 2020, the World Health Organization declared a pandemic following the global outbreak of COVID-19. On March 13, 2020, then President Trump declared a national emergency to unlock federal funds and assistance to help states and local governments fight the pandemic. Governor Phil Murphy (the "Governor") of the State declared a state of emergency and a public health emergency on March 9, 2020. In response to the COVID-19 pandemic, federal and State legislation and executive orders were implemented to, among other things, provide relief to state and local governments. The pandemic and certain mitigation measures, which altered the behaviors of businesses and people, have had and may continue to have negative impacts on regional, state and local economies. The national public health emergency, the national emergency and the State public health emergency have since ended, while the state of emergency declared by the State and several executive orders signed by the Governor remain in effect.

The American Rescue Plan Act of 2021, H.R. 1319 (the "Plan"), signed into law by President Biden on March 12, 2021, comprises \$1.9 trillion in relief designed to provide funding to address the COVID-19 pandemic and alleviate the economic and health effects of the COVID-19 pandemic.

Generally, according to the Plan, the allowable use of the funds provided to the Township include the following categories: (a) to respond to the public health emergency with respect to COVID-19 or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality; (b) to respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers of the Township that are performing such essential work, or by providing grants to eligible employers that have eligible workers who perform essential work; (c) for the provision of government services to the extent of the reduction in revenue due to the public health emergency relative to revenues collected in the most recent full fiscal year of the Township, prior to the emergency; (d) to make necessary investments in water, sewer or broadband infrastructure.

Based on available information as of the date hereof, the Township has received \$6,949,009.00 from the Plan. The Township received its first installment under the Plan in the amount of \$3,474,504.50 on June 7, 2021, and its second installment under the Plan in the amount of \$3,474,504.50 on June 9, 2022. It utilized some of the funding to continue with COVID-19 testing, vaccinations, food distributions and assisting small businesses. The deadline to commit the funds was December 31, 2024 which was satisfied and to spend the funds is December 31, 2026.

To date, the overall finances and operations of the Township have not been materially adversely affected due to the COVID-19 outbreak. Nonetheless, there can be no assurance regarding the extent to which the COVID-19 pandemic, or any other national health crisis or pandemic, may impact the national, State or local economies in the future, nor how any such event may materially adversely impact governmental entities, including the Township. The Township cannot quantify any such potential impacts at this time.



## CYBER SECURITY

The Township relies on a complex technology environment to conduct its various operations. As a result, the Township faces certain cybersecurity threats at various times including, but not limited to, hacking, phishing, viruses, malware and other attacks on its computing and digital networks and systems. To mitigate the risks of business operations impact and/or damage from cybersecurity incidents or cyberattacks, the Township has invested in multiple forms of cybersecurity and operational safeguards. In addition, the Township maintains certain insurance coverage for cyberattacks and related events. However, there can be no assurance that any existing safety or security measures will provide adequate protection in safeguarding against cybersecurity threats and attacks. Cybersecurity breaches of the Township could cause material disruption of the Township's finances and operations.

## NO DEFAULT

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

## AUTHORIZATION AND PURPOSE OF THE NOTES

The Notes have been authorized pursuant to the Local Bond Law of the State of New Jersey, constituting Chapter 2 of Title 40A of the New Jersey Statutes, as amended (the "Local Bond Law"), the Local Budget Law of the State of New Jersey, constituting Chapter 4 of Title 40A of the New Jersey Statutes, as amended (the "Local Budget Law"), certain bond ordinances and a resolution finally adopted by the Township Council of the Township (the "Township Council") and published in accordance with the requirements of the Local Bond Law.

The Notes are being issued to provide funds to (i) refund, on a current basis, \$15,450,000 aggregate principal amount of the Township's outstanding \$16,000,000 Notes, Series 2024, issued by the Township on September 12, 2024 and maturing on September 11, 2025 (together with \$550,000 of other available funds of the Township), (ii) finance certain previously unfunded capital improvements in the aggregate principal amount of \$6,300,000 and (iii) pay certain costs incurred in connection with the authorization, sale and issuance of the Notes, as authorized by and described in the bond ordinances and resolution set forth below:

Ordinance/ Resolution	Project Name	Amount of Notes
<u>No.</u>		
2016-04	Various Capital Improvements	\$ 35,000
2017-01	Various Capital Improvements	15,000
2018-04	Various Capital Improvements	40,000
2019-04	Various Capital Improvements	355,000
2020-05	Various Capital Improvements	400,000
2021-04	Various Capital Improvements	500,000
2022-06	Various Capital Improvements	2,800,000
2023-03	Various Capital Improvements	4,200,000
2024-05	Various Capital Improvements	4,500,000
2025-09	Various Capital Improvements	2,155,000
2020-06	Various Arena Utility Improvements	15,000
2021-05	Various Arena Utility Improvements	5,000
2024-06	Various Arena Utility Improvements	220,000
2025-08	Various Arena Utility Improvements	60,000
R2024-215	Emergency Appropriation – Settlement of Litigation	6,450,000
	TOTAL:	<u>\$21,750,000</u>

## **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. 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 3½% 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 Township, as annually determined by the State Director of Taxation is included in Appendix A hereto.

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.

As shown in Appendix A hereto, the Township has not exceeded its statutory debt limit as of December 31, 2024. As noted above, the statutory limit is 3½%.

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. Bond anticipation notes for capital improvements may be issued in an aggregate amount not exceeding the amount specified in the ordinance creating such capital expenditure, as it may be amended and supplemented. A local unit's bond anticipation notes may be issued for periods not greater than one year. Generally, bond anticipation notes may not be outstanding for longer than ten years. An additional period may be available following the tenth anniversary date equal to the period from the notes' maturity to the end of the tenth fiscal year in which the notes mature plus 4 months (May 1) in the next following fiscal year from the date of original issuance. Beginning in the third year, the amount of notes that may be issued is decreased by the minimum amount required for the first year's principal payment for a bond issue.

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

The foundation of the New Jersey local finance system is the annual cash basis budget. Every local unit must adopt 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. The local unit is authorized to issue Emergency Notes and Special Emergency Notes pursuant to the Local Budget Law.

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 an anticipated revenue in the budget in an amount in excess of the amount actually realized in cash from the same source during the next preceding fiscal year, unless the Director 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 December 31 of that 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 a local unit. However, with minor exceptions, such appropriations must be included in full in the following year's budget.

The exceptions are certain enumerated quasi-capital projects ("special emergencies") such as ice, snow and flood damage to streets, roads and bridges, which may be amortized over three years, and tax map preparation, re-evaluation programs, revision and codification of ordinances, master plan preparation drainage map preparation for flood control purposes and contractually required severance liabilities, which may be amortized over five years. Of course, emergency appropriations for capital projects may be financed through the adoption of a bond ordinance and amortized over the useful life of the project.

Budget transfers 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 year's 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, limits tax levy increases for those local units 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 the obligation of the Township to levy *ad valorem* taxes upon all taxable 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 three 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. A re-evaluation of all property in the Township was last completed in 1992.

Upon the filing of certified adopted budgets by the Township's Local School District and the County, the tax rate is struck by the 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. 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 June 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 rates and penalties are the highest permitted under New Jersey Statutes. Delinquent taxes open for one year or more are annually included in a tax sale in accordance with New Jersey Statues.

## **Tax Appeals**

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

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

This law regulates the non-budgetary financial activities of local 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's accounts must be performed annually by a licensed registered municipal accountant. The audit, conforming to the Division of Local Government Services' "Requirements of Audit", includes recommendations for improvement of the local unit's financial procedures and must be filed with the report, together with all recommendations made, and must be published in a local newspaper within 30 days of its submission. The entire annual audit report for the year ended December 31, 2024 for the Township is on file with the Clerk and is available for review during business hours.

## **LITIGATION**

In the opinion of Mark M. Roselli, Esq., the Township Attorney, there is no litigation pending or threatened, restraining or enjoining the issuance or delivery of the Notes offered for sale or the levy or collection of any taxes to pay interest on or principal of the Notes, or in any manner questioning the authority of proceedings for the issuance of the Notes or for the levy or collection of said taxes. Moreover, to the best of the knowledge of the Township Attorney, there is no litigation presently pending or threatened that, in the opinion of the Township Attorney, would currently have a material adverse impact on the financial condition of the Township if adversely decided.

## **TAX MATTERS**

### **Exclusion of Interest on the Notes from Gross Income for Federal Income Tax Purposes**

The Internal Revenue Code of 1986, as amended (the "Code"), imposes certain requirements which must be met on the date of issuance and on a continuing basis subsequent to the issuance of the Notes in order to assure that interest on the Notes will be excluded from gross income for Federal income tax purposes under Section 103 of the Code. Failure of the Township to comply with such requirements may cause interest on the Notes to lose the exclusion from gross income for Federal income tax purposes, retroactive to the date of the issuance of the Notes. The Township will make certain representations in its tax certificate, which will be executed on the date of issuance of the Notes, as to various tax requirements. The Township has covenanted to comply with the provisions of the Code applicable to the Notes and has covenanted not to take any action or fail to take any action that would cause the interest on the Notes to lose the exclusion from gross income under Section 103 of the Code or cause interest on the Notes to be treated as an item of tax preference under Section 57 of the Code. Gibbons P.C., Bond Counsel to the Township, has relied upon the representations of the Township made in its tax certificate and has assumed continuing compliance by the Township with the above covenants in rendering its federal income tax opinions with respect to the exclusion of interest on the Notes from gross income for federal income tax purposes and with respect to the treatment of interest on the Notes for the purposes of alternative minimum tax.

Assuming the Township observes its covenants with respect to continuing compliance with the Code, Gibbons P.C., Bond Counsel to the Township, is of the opinion that, under existing law, interest on the Notes is excluded from

the gross income of the owners of the Notes for Federal income tax purposes pursuant to Section 103 of the Code and interest on the Notes is not an item of tax preference under Section 57 of the Code for purposes of computing the alternative minimum tax, however, interest on the Notes is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under the Code.

### **Tax Treatment of Original Issue Premium**

The initial public offering price of the Notes is greater than the principal amount of the Notes payable at maturity. An amount equal to the excess of the purchase price of the Notes over its stated redemption price at maturity constitutes premium on the Notes. A purchaser of the Notes must amortize any premium over the Note’s term using constant yield principles, based on the Note’s yield to maturity. As premium is amortized, the purchaser’s basis of the Notes and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to such purchaser. This will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on the sale or disposition of the Notes prior to its maturity. Even though the purchaser’s basis is reduced, no federal income tax deduction is allowed.

Purchasers of the Notes, whether at the time of initial issuance or subsequent thereto, should consult with their tax advisors with respect to the determination and treatment of premium for federal income tax purposes, and with respect to state and local tax consequences of owning the Notes.

### **Additional Federal Income Tax Consequences**

Prospective purchasers of the Notes should be aware that ownership of, accrual of, receipt of, interest on, or disposition of, tax-exempt obligations, such as the Notes, may have additional Federal income tax consequences for certain taxpayers, including without limitation, taxpayers eligible for the earned income credit, recipients of certain Social Security and certain Railroad Retirement benefits, taxpayers that may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, financial institutions, property and casualty companies, foreign corporations and certain S corporations. Prospective purchasers of the Notes should consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

Bond Counsel expresses no opinion regarding any Federal tax consequences other than its opinions with regard to the exclusion of interest on the Notes from gross income pursuant to Section 103 of the Code and interest on the Notes not constituting an item of tax preference under Section 57 of the Code, and interest on the Notes being included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under the Code. Prospective purchasers of the Notes should consult their tax advisors with respect to all other tax consequences (including, but not limited to, those listed above) of holding the Notes.

### **State Taxation**

Bond Counsel to the Township is of the opinion that, under existing law, interest on the Notes and net gains from the sale of the Notes are exempt from the tax imposed by the New Jersey Gross Income Tax Act.

### **Miscellaneous**

Amendments to federal and state tax laws are proposed from time to time and could be enacted, and court decisions and administrative interpretations may be rendered, in the future. There can be no assurance that any such future amendments or actions will not adversely affect the value of the Notes, the exclusion of interest on the Notes from gross income, alternative minimum taxable income, state taxable income, or any combination from the date of issuance of the Notes or any other date, or that such changes will not result in other adverse federal or state tax consequences.

**ALL POTENTIAL PURCHASERS OF THE NOTES SHOULD CONSULT WITH THEIR TAX ADVISORS WITH RESPECT TO THE FEDERAL, STATE AND LOCAL TAX CONSEQUENCES (INCLUDING BUT NOT LIMITED TO THOSE LISTED ABOVE) OF THE OWNERSHIP OF THE NOTES.**

## **SECONDARY MARKET DISCLOSURE**

The Securities and Exchange Commission (the “SEC”) pursuant to the Securities Exchange Act of 1934, as amended and supplemented (the “Securities Exchange Act”) has adopted amendments to its Rule 15c2-12 (“Rule 15c2-12”) effective July 3, 1995 which generally prohibits a broker, dealer or municipal securities dealer (“Participating Underwriter”) from purchasing or selling municipal securities, such as the Notes, unless the Participating Underwriter has reasonably determined that an issuer of municipal securities or an obligated person has undertaken in a written agreement or contract for the benefit of holders of such securities to provide certain annual financial information and event notices to the Municipal Securities Rulemaking Board (“MSRB”) (the “Continuing Disclosure Requirements”).

On the date of delivery of the Notes, the Township will enter into a Continuing Disclosure Certificate (the “Continuing Disclosure Certificate”) containing the Continuing Disclosure Requirements for the benefit of the beneficial holders of the Notes pursuant to which the Township will agree to comply on a continuing basis with the Continuing Disclosure Requirements of Rule 15c2-12. Specifically, the Township will covenant for the benefit of the holders and beneficial owners of the Notes to provide notices of the occurrence of certain enumerated events. The notices of enumerated events will be filed by the Township with the MSRB. The specific nature of the information to be contained in the notices of enumerated events is set forth in “Appendix C - Form of Continuing Disclosure Certificate”. These covenants have been made in order to assist the Underwriter in complying with Rule 15c2-12.

The Township has previously entered into continuing disclosure undertakings under Rule 15c2-12 in respect of its own obligations and obligations of the Township of Old Bridge Municipal Utilities Authority for which the Township is an obligated person. The Township appointed Phoenix Advisors, Hamilton, New Jersey in May of 2015 to serve as continuing disclosure agent to assist in the filing of certain information with the MSRB as required under its undertakings.

## **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 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 such 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, the issuance, the sale, and the delivery of the Notes are subject to the approval of Gibbons P.C., Newark, New Jersey, Bond Counsel to the Township, whose approving legal opinion

will be delivered with the Notes substantially in the form set forth as Appendix D. Certain legal matters will be passed on for the Township by its counsel, Mark M. Roselli, Esq.

## **UNDERWRITING**

The Notes are being purchased from the Township by \_\_\_\_\_ (the "Underwriter") at a purchase price of \$ \_\_\_\_\_ (representing the par amount of the Notes plus a bid premium in the amount of \$ \_\_\_\_\_). The Underwriter is obligated to purchase all of the Notes if any Notes are purchased. The Underwriter has purchased the Notes in accordance with the Notice of Sale.

The Underwriter intends to offer the Notes to the public initially at the respective offering yield set forth on the front cover page of this Official Statement, which may subsequently change without any requirement of prior notice. The Underwriter reserves the right to join with dealers and other underwriters in offering the respective Notes to the public. The Underwriter may offer and sell the Notes to certain dealers (including dealers depositing bonds into investment trusts) at a yield higher than the public offering yield set forth on the front cover page, and such public offering yield may be changed, from time to time, by the Underwriter without prior notice.

## **RATING**

Moody's Ratings (the "Rating Agency") has assigned a rating of "\_\_\_\_\_" to the Notes.

The rating reflect only the views of the Rating Agency and an explanation of the significance of such rating may only be obtained from the Rating Agency. There can be no assurance that the rating will be maintained for any given period of time or that it may not be raised, lowered or withdrawn entirely if, in the Rating Agency's judgment, circumstances so warrant. Any downward change in, or withdrawal of such rating, may have an adverse effect on the marketability or market price of the Notes.

## **MUNICIPAL ADVISOR**

Phoenix Advisors, a division of First Security Municipal Advisors, Inc., Hamilton, New Jersey (the "Municipal Advisor"), has served as Municipal Advisor to the Township in connection with the issuance of the Notes and has assisted in matters related to the planning, structuring and terms of the Notes. The Municipal Advisor is not obligated to undertake, and has not undertaken, either to make an independent verification of, or to assume responsibility for the accuracy, completeness, or fairness of the information contained in the Official Statement and the Appendices hereto. The Municipal Advisor is an Independent Registered Municipal Advisor pursuant to the Dodd-Frank Act and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities.

## **INDEPENDENT AUDITORS**

The audited financial statements of the Township as of December 31, 2024 and for the year then ended, as included in Appendix B to this Official Statement, have been audited by Holman Frenia Allison, P.C., Lakewood, New Jersey, independent auditors, as stated in its report appearing in Appendix B hereto.

## **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 purchasers of the Notes, by certificates signed by the Director of Finance of the Township, that to her knowledge such descriptions and statements, as of the date of this Official Statement, are true and correct in all material respects and do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements herein, in light of the circumstances under which they were made, not misleading.



Holman Frenia Allison, P.C. has not participated in the review or preparation of this Official Statement and has not verified the accuracy or completeness thereof, except for the audited financial statements appearing in Appendix B hereto, and accordingly, expresses no opinion or other assurance or assumes any responsibility with respect thereto.

Gibbons P.C., has not verified the accuracy, completeness or fairness of the information contained herein, except under the heading "TAX MATTERS" and, accordingly, assumes no responsibility therefor and will express no opinion with respect thereto.

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

#### **ADDITIONAL INFORMATION**

Inquiries regarding this Official Statement, including information additional to that contained herein, may be directed to Dawn M. Swoboda, Director of Finance, Township of Old Bridge, 1 Old Bridge Plaza, Old Bridge, New Jersey 08857, telephone (732) 721-5600, or to the Municipal Advisor, Phoenix Advisors, a division of First Security Municipal Advisors, Inc., 2000 Waterview Drive, Suite 101, Hamilton, New Jersey 08691, telephone (609) 291-0130.

#### **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 Notes. 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 Notes made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Township since the date hereof. The information contained in the Official Statement is not guaranteed as to accuracy or completeness.

#### **TOWNSHIP OF OLD BRIDGE**

By: \_\_\_\_\_  
Dawn M. Swoboda,  
Director of Finance

Dated: August \_\_, 2025

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## APPENDIX A

### GENERAL INFORMATION OF THE TOWNSHIP OF OLD BRIDGE

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## **INFORMATION REGARDING THE TOWNSHIP<sup>1</sup>**

The following material presents certain economic and demographic information of the Township of Old Bridge (the “Township”), in the County of Middlesex (the “County”), State of New Jersey (the “State”).

### **General Information**

The Township is a growing community of over 70,000 people located along the eastern border of the County, in the central region of the State. The Township is situated between the Gateway Region, with its tourism, culture and other urban amenities, and the Shore Region, with its beaches, boardwalks, and other amusements. The Township is approximately 41 square miles of total area and is bordered by the Boroughs of Sayreville and Spotswood and the Townships of East Brunswick and Monroe in the County and the Townships of Aberdeen, Manalapan and Marlboro and the Borough of Matawan in the County of Monmouth.

Although the Township is characterized as a primarily residential, a considerable portion of the Township is zoned for commercial and industrial use and has excellent access to the major transportation corridors of the New York City-northern New Jersey metropolitan area. The Township is situated along the Garden State Parkway at milepost 120, approximately 36 miles south of New York City, 10 miles east of the City of New Brunswick, the County seat, and Rutgers University and 15 miles northeast of Princeton. The Township is also only 10 miles from the New Jersey Turnpike. Passenger rail service and buses to New York City are accessible from the Township. Newark-Liberty International Airport is only a 30-minute drive from the Township.

### **Form of Government**

The Township operates under the Mayor-Council Plan of the Optional Municipal Charter Law, N.J.S.A. 40:69A-1 et seq., as amended and supplemented. The Township is governed by a nine (9) member Township Council and a Mayor. The Township Council consists of six (6) individual Ward Council Members and three (3) at-large Council Members, all of whom are elected for staggered terms of four (4) years each. The Mayor is elected for a term of four (4) years. The Township Council has the responsibility for all legislative matters ranging from the enactment of ordinances and adoption of resolution to the representation of general citizens. The Governing Body meets on the second and fourth Tuesdays of each month. The meetings are open to the public and public discussion and comments are allowed and encouraged.

### **Education**

#### *Local School District*

The Township’s public school district provides a full range of educational services appropriate for students in Pre-Kindergarten (Pre-K) through grade twelve (12). The district operates a total of fourteen (14) schools: eleven (11) elementary schools two (2) middle schools

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<sup>1</sup> Source: The Township, unless otherwise indicated.

and one (1) high school. As a Type II school district, the district is governed by a board of education that operates independently of the Township. The board consists of nine (9) members, each of whom are elected directly by the legal voters in the Township to serve terms of three years.

### *Higher Education*

With its centralized location in the State, the Township has the advantage of being located in commuting distance to several universities and colleges, the most prominent of which is Rutgers, The State University of New Jersey, which is approximately 10 minutes away in the City of New Brunswick. Additional universities and colleges located nearby include Middlesex County College, Monmouth University and Brookdale Community College.

### **Pension and Retirement Systems**

Substantially all eligible employees participate in the Public Employees' Retirement System, the Police and Firemen's Retirement System or the Defined Contribution Retirement Program, which have been established by State statute and are administered by the New Jersey Division of Pensions and Benefits (the "Division"). Benefits, contributions, means of funding and the manner of administration are set by State statute. The Division annually charges municipalities and other participating governmental units for their respective contributions to the plans based upon actuarial calculations and the employees contribute a portion of the cost. Each Plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes the financial statements and required supplementary information. This report may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625 or are available online at [www.nj.gov/treasury/pensions/financial-reports.shtml](http://www.nj.gov/treasury/pensions/financial-reports.shtml).

The Public Employees' Retirement System ("PERS") is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A, to provide retirement, death, disability and medical benefits to certain qualified members. Membership is mandatory for substantially all full-time employees of the State or any county, municipality, school district or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or local jurisdiction's pension fund.

The Police and Firemen's Retirement System ("PFRS") is a cost-sharing multiple-employer defined benefit pension plan which was established as of July 1, 1944, under the provisions of N.J.S.A. 43:16A, to provide retirement, death, disability and medical benefits to certain qualified members. Membership is mandatory for substantially all full-time county and municipal police and firemen or officer employees with police powers appointed after June 30, 1944.

The Defined Contribution Retirement Program ("DCRP") is a cost-sharing multiple-employer defined contribution pension fund which was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, and was expanded under the provisions of Chapter 89, P.L. 2009. The DCRP provides eligible employees and their

beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance coverage and disability coverage.

### **Employment and Unemployment Comparisons**

For the following years, the New Jersey Department of Labor reported the following annual average employment information for the Township, the County, and the State:

	<b><u>Total Labor Force</u></b>	<b><u>Employed Labor Force</u></b>	<b><u>Total Unemployed</u></b>	<b><u>Unemployment Rate</u></b>
<b><u>Township</u></b>				
2024	36,310	34,752	1,558	4.3%
2023	36,185	34,743	1,442	4.0
2022	35,472	34,193	1,279	3.6
2021	34,659	32,503	2,156	6.2
2020	34,346	31,188	3,158	9.2
<b><u>County</u></b>				
2024	451,078	430,775	20,303	4.5%
2023	449,456	430,665	18,791	4.2
2022	441,300	425,061	16,239	3.7
2021	434,089	406,494	27,595	6.4
2020	431,854	393,791	38,063	8.8
<b><u>State</u></b>				
2024	4,898,008	4,676,064	221,944	4.5%
2023	4,867,113	4,659,779	207,334	4.3
2022	4,756,002	4,572,879	183,123	3.9
2021	4,654,243	4,342,075	312,168	6.7
2020	4,643,700	4,204,301	439,399	9.5

Source: New Jersey Department of Labor, Office of Research and Planning, Division of Labor Market and Demographic Research, Bureau of Labor Force Statistics, Local Area Unemployment Statistics

### **Income (as of 2023)**

	<b><u>Township</u></b>	<b><u>County</u></b>	<b><u>State</u></b>
Median Household Income	\$100,661	\$109,028	\$101,050
Median Family Income	129,120	130,331	123,892
Per Capita Income	50,982	49,417	53,118

Source: US Bureau of the Census, 2023 American Community Survey 5-Year Estimates

## **Population**

The following tables summarize population increases and the decreases for the Township, the County, and the State.

<b><u>Year</u></b>	<b><u>Township</u></b>		<b><u>County</u></b>		<b><u>State</u></b>	
	<b><u>Population</u></b>	<b><u>% Change</u></b>	<b><u>Population</u></b>	<b><u>% Change</u></b>	<b><u>Population</u></b>	<b><u>% Change</u></b>
2024 est.	70,506	5.43%	890,119	3.12%	9,500,851	2.28%
2020	66,876	2.30	863,162	6.58	9,288,994	5.65
2010	65,375	8.14	809,858	7.96	8,791,894	4.49
2000	60,456	7.05	750,162	11.67	8,414,350	8.85
1990	56,475	9.63	671,780	12.74	7,730,188	4.96

Source: United States Department of Commerce, Bureau of the Census

## **Largest Taxpayers**

The ten largest taxpayers in the Township and their assessed valuations are listed below:

<b><u>Taxpayers</u></b>	<b><u>2024 Assessed Valuation</u></b>	<b><u>% of Total Assessed Valuation</u></b>
Woodhaven Village, Inc.	\$41,859,700	1.14%
Middlesex Builders, Inc.	25,281,100	0.69
Madison Gardens LLC	18,000,000	0.49
Route Nine Plaza LLC	16,000,000	0.44
Nieuw Amsterdam C/O Smith & Kriegman	15,000,000	0.41
Heritage Old Bridge, LLC	14,900,000	0.41
Aldercrest, Inc, Section 2	14,425,600	0.39
Aldercrest, Inc, Section 3	14,425,600	0.39
Aldercrest, Inc, Section 1	14,131,200	0.38
Benster Old Bridge LLC	<u>13,723,100</u>	<u>0.37</u>
<b>Total</b>	<b><u>\$187,746,300</u></b>	<b><u>5.11%</u></b>

Source: Comprehensive Annual Financial Report of the School District and Municipal Tax Assessor



### **Comparison of Tax Levies and Collections**

<b><u>Year</u></b>	<b><u>Tax Levy</u></b>	<b><u>Current Year Collection</u></b>	<b><u>Current Year % of Collection</u></b>
2024	\$212,991,748	\$209,888,367	98.54%
2023	202,552,703	201,959,579	99.71
2022	193,624,391	192,593,168	99.47
2021	188,853,616	187,201,541	99.13
2020	184,024,750	182,389,084	99.11

Source: Annual Audit Reports of the Township

### **Delinquent Taxes and Tax Title Liens**

<b><u>Year</u></b>	<b><u>Amount of Tax Title Liens</u></b>	<b><u>Amount of Delinquent Tax</u></b>	<b><u>Total Delinquent</u></b>	<b><u>% of Tax Levy</u></b>
2024	\$1,276,962	\$4,009,791	\$5,286,753	2.48%
2023	1,200,522	1,196,171	2,396,693	1.18
2022	2,164,402	1,672,431	3,836,833	1.98
2021	2,022,935	1,648,343	3,671,277	1.94
2020	1,893,886	1,755,592	3,649,479	1.98

Source: Annual Audit Reports of the Township

### **Property Acquired by Tax Lien Liquidation**

<b><u>Year</u></b>	<b><u>Amount</u></b>
2024	\$14,110,500
2023	14,110,500
2022	14,110,500
2021	14,110,500
2020	14,110,500

Source: Annual Audit Reports of the Township

### **Tax Rates per \$100 of Net Valuations Taxable and Allocations**

The table below lists the tax rates for Township residents for the past five (5) years.

	<b>Local</b>			
<b><u>Year</u></b>	<b><u>Municipal</u></b>	<b><u>School</u></b>	<b><u>County</u></b>	<b><u>Total</u></b>
2025	\$1.138	\$3.800	\$1.156	\$6.094
2024	1.112	3.337	1.081	5.530
2023	1.092	3.157	1.053	5.302
2022	1.095	3.108	0.978	5.181
2021	1.074	3.055	0.966	5.095

Source: Abstract of Ratables and State of New Jersey – Property Taxes

### **Valuation of Property**

<b><u>Year</u></b>	<b><u>Aggregate Assessed Valuation of Real Property</u></b>	<b><u>Aggregate True Value of Real Property</u></b>	<b><u>Ratio of Assessed to True Value</u></b>	<b><u>Assessed Value of Personal Property</u></b>	<b><u>Equalized Valuation</u></b>
2024	\$3,673,391,100	\$12,175,641,697	30.17%	\$0	\$12,175,641,697
2023	3,620,942,500	10,812,011,048	33.49	2,890,155	10,814,901,203
2022	3,561,673,400	10,089,726,346	35.30	3,129,137	10,092,855,483
2021	3,552,622,500	9,009,948,009	39.43	3,272,251	9,013,220,260
2020	3,521,750,100	8,566,650,693	41.11	3,036,702	8,569,687,395

Source: Abstract of Ratables and State of New Jersey – Table of Equalized Valuations

### **Classification of Ratables**

The table below lists the comparative assessed valuation for each classification of real property within the Township for the past five (5) years.

<b><u>Year</u></b>	<b><u>Vacant Land</u></b>	<b><u>Residential</u></b>	<b><u>Farm</u></b>	<b><u>Commercial</u></b>	<b><u>Industrial</u></b>	<b><u>Apartments</u></b>	<b><u>Total</u></b>
2024	\$84,270,800	\$2,938,761,000	\$7,666,000	\$349,810,700	\$43,512,700	\$249,369,900	\$3,673,391,100
2023	69,047,300	2,897,531,800	7,923,000	356,170,200	43,389,000	246,881,200	3,620,942,500
2022	68,179,800	2,869,674,600	8,297,800	350,362,500	43,389,000	221,769,700	3,561,673,400
2021	68,306,400	2,861,695,000	8,422,300	352,156,700	43,389,900	218,652,200	3,552,622,500
2020	61,106,400	2,856,462,600	8,531,500	350,348,600	43,558,700	201,742,300	3,521,750,100

Source: Abstract of Ratables and State of New Jersey – Property Value Classification

## **Financial Operations**

The following table summarizes the Township's Current Fund budget for the past five (5) fiscal years ending December 31. The following summary should be used in conjunction with the tables in the sourced documents from which it is derived.

### **Summary of Current Fund Budget**

<b><u>Anticipated Revenues</u></b>	<b><u>2021</u></b>	<b><u>2022</u></b>	<b><u>2023</u></b>	<b><u>2024</u></b>	<b><u>2025</u></b>
Fund Balance Utilized	\$6,150,000	\$9,500,000	\$9,500,000	\$11,500,000	\$13,000,000
Miscellaneous Revenues	15,323,930	13,721,248	16,921,661	16,827,768	16,177,595
Receipts from Delinquent Taxes	1,225,000	1,000,000	1,000,000	1,000,000	1,500,000
Amount to be Raised by Taxation	<u>38,213,624</u>	<u>38,998,806</u>	<u>39,563,347</u>	<u>40,834,721</u>	<u>42,704,783</u>
Total Revenue:	<u>\$60,912,554</u>	<u>\$63,220,054</u>	<u>\$66,985,008</u>	<u>\$70,162,489</u>	<u>\$73,382,378</u>
<b><u>Appropriations</u></b>					
General Appropriations	\$46,777,745	\$48,580,775	\$50,933,723	\$53,992,591	\$57,005,016
Operations (Excluded from CAPS)	5,018,256	5,432,237	6,837,253	7,362,796	7,386,535
Deferred Charges and Statutory Expenditures	0	0	255,880	0	0
Judgments	100	100	100	100	100
Capital Improvement Fund	260,000	260,000	760,000	780,000	280,000
Municipal Debt Service	5,366,453	5,436,942	5,278,052	5,457,002	5,590,727
Reserve for Uncollected Taxes	<u>3,490,000</u>	<u>3,510,000</u>	<u>2,920,000</u>	<u>2,570,000</u>	<u>3,120,000</u>
Total Appropriations:	<u>\$60,912,554</u>	<u>\$63,220,054</u>	<u>\$66,985,008</u>	<u>\$70,162,489</u>	<u>\$73,382,378</u>

Source: Annual Adopted Budgets of the Township

## **Fund Balance**

### **Current Fund**

The following table lists the Township's fund balance and the amount utilized in the succeeding year's budget for the Current Fund for the past five (5) fiscal years ending December 31.

<b><u>Year</u></b>	<b><u>Fund Balance - Current Fund</u></b>	
	<b><u>Balance</u></b>	<b><u>Utilized in Budget</u></b>
	<b><u>12/31</u></b>	<b><u>of Succeeding Year</u></b>
2024	\$18,958,893	\$13,000,000
2023	17,252,511	11,500,000
2022	13,578,923	9,500,000
2021	12,860,410	9,500,000
2020	9,036,986	6,150,000

Source: Annual Audit Reports of the Township

Arena & Recreation Utility Operating Fund

The following table lists the Township's fund balance and the amount utilized in the succeeding year's budget for the Arena & Recreation Utility Operating Fund for the past five (5) fiscal years ending December 31.

**Fund Balance - Arena & Rec. Utility Operating Fund**

<b><u>Year</u></b>	<b><u>Balance 12/31</u></b>	<b><u>Utilized in Budget of Succeeding Year</u></b>
2024	\$42,783	\$40,000
2023	100,885	76,363
2022	81,459	70,242
2021	12,091	0
2020	12,091	0

Source: Annual Audit Reports of the Township

Parking Utility Operating Fund

The following table lists the Township's fund balance and the amount utilized in the succeeding year's budget for the Parking Utility Operating Fund for the past five (5) fiscal years ending December 31.

**Fund Balance - Parking Utility Operating Fund**

<b><u>Year</u></b>	<b><u>Balance 12/31</u></b>	<b><u>Utilized in Budget of Succeeding Year</u></b>
2024	\$135,350	\$101,186
2023	104,729	97,081
2022	133,855	120,496
2021	274,965	183,028
2020	214,033	134,339

Source: Annual Audit Reports of the Township

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## **Township Indebtedness as of December 31, 2024**

### **General Purpose Debt**

Serial Bonds	\$20,705,000
Bond Anticipation Notes	9,000,000
Bonds and Notes Authorized but Not Issued	19,175,561
Other Bonds, Notes and Loans	<u>0</u>
Total:	\$48,880,561

### **Local School District Debt**

Serial Bonds	\$18,495,000
Temporary Notes Issued	0
Bonds and Notes Authorized but Not Issued	<u>0</u>
Total:	\$18,495,000

### **Self-Liquidating Debt**

Serial Bonds	\$630,000
Bond Anticipation Notes	0
Bonds and Notes Authorized but Not Issued	301,583
Other Bonds, Notes and Loans	<u>0</u>
Total:	\$931,583

### **TOTAL GROSS DEBT**

**\$68,307,144**

Less: Statutory Deductions	
General Purpose Debt	\$0
Local School District Debt	18,495,000
Self-Liquidating Debt	<u>931,583</u>
Total:	\$19,426,583

### **TOTAL NET DEBT**

**\$48,880,561**

Source: Audit Report of the Township

*[Remainder of page intentionally left blank]*

**Overlapping Debt (as of December 31, 2024)<sup>2</sup>**

<b><u>Name of Related Entity</u></b>	<b><u>Related Entity Debt Outstanding</u></b>	<b><u>Township Percentage</u></b>	<b><u>Township Share</u></b>
Local School District	\$18,495,000	100.00%	\$18,495,000
Old Bridge MUA	23,980,723	100.00%	23,980,723
Old Bridge Redevelopment Agency	3,174,641	100.00%	3,174,641
County	885,879,466	7.76%	<u>68,772,982</u>
Net Indirect Debt			\$114,423,347
Net Direct Debt			<u>48,880,561</u>
Total Net Direct and Indirect Debt			<b><u>\$163,303,907</u></b>
Average of Equalized Assessed Valuation of Real Property (2022, 2023, 2024)			\$11,025,793,030
Net Debt as a % of AEV			0.44%
Gross Debt as a % of AEV			0.62%
Equalized Valuation of Real Property			\$12,175,641,697
Net Debt as a % of Equalized Valuation			0.40%

**Debt Limit**

**Municipal**

Average Equalized Valuation Basis (2022, 2023, 2024)	\$11,025,793,030
Permitted Debt Limitation (3 1/2%)	385,902,756
Less: Net Debt	<u>48,880,561</u>
Remaining Borrowing Power	<u>\$337,022,195</u>
Percentage of Net Debt to Average Equalized Valuation	0.443%

Gross Debt Per Capita based on 2020 population of 66,876	\$1,021
Net Debt Per Capita based on 2020 population of 66,876	\$731

**Local School**

Permitted Debt Limitation (4%)	\$441,031,721
Less: Net Debt	<u>18,495,000</u>
Remaining Borrowing Power	<u>\$422,536,721</u>

Source: Annual Audit Report of the Township

<sup>2</sup> Township percentage of County debt is based on the Township's share of total equalized valuation in the County.

### **Building Permits**

<b><u>Year</u></b>	<b><u>Township of Old Bridge</u></b>
2024	3,866
2023	3,236
2022	3,248
2021	4,079
2020	3,416

Source: Township

### **Litigation**

The status of pending litigation is included in the Notes to Financial Statements of the Township's annual audit report.

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APPENDIX B

FINANCIAL STATEMENTS OF THE  
TOWNSHIP OF OLD BRIDGE

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**TOWNSHIP OF OLD BRIDGE**

**AUDIT REPORT FOR THE YEAR  
ENDED DECEMBER 31, 2024**

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**TOWNSHIP OF OLD BRIDGE  
COUNTY OF MIDDLESEX, NEW JERSEY**

**PART I**

**INDEPENDENT AUDITOR'S REPORTS  
FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES  
FOR THE YEAR ENDED DECEMBER 31, 2024**

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## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members  
of the Council  
Township of Old Bridge  
Old Bridge, New Jersey

### Opinions

We have audited the accompanying financial statements of the various funds and account group of the Township of Old Bridge, which comprise the statements of assets, liabilities, reserves and fund balance – regulatory basis as of December 31, 2024 and 2023, and the related statements of operations and changes in fund balance – regulatory basis for the years then ended and the statements of revenues – regulatory basis and statement of expenditures – regulatory basis for the year ended December 31, 2024, and the related notes to the financial statements.

### Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance – regulatory basis of the Township of Old Bridge, as of December 31, 2024 and 2023, and the results of its operations and changes in fund balance – regulatory basis for the years then ended and the statements of revenues – regulatory basis, statements of expenditures – regulatory basis for the year ended December 31, 2024, in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

### Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township of Old Bridge, as of December 31, 2024 and 2023, or the results of its operations and changes in fund balance for the years then ended.

### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Township of Old Bridge and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles**

As described in Note 1, the financial statements are prepared by the Township of Old Bridge, on the basis of the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

## **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control(s) relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township of Old Bridge's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township of Old Bridge's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

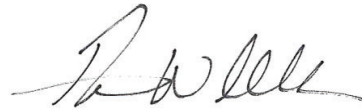


## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2025, on our consideration of the Township of Old Bridge's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township of Old Bridge's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Old Bridge's internal control over financial reporting and compliance.

Respectfully submitted,

**HOLMAN FRENIA ALLISON, P.C.**

A handwritten signature in black ink, appearing to read 'R. W. Allison', written over a faint horizontal line.

Robert W. Allison  
Certified Public Accountant  
Registered Municipal Accountant  
RMA No. 483

Lakewood, New Jersey  
June 30, 2025

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Certified Public Accountants + Advisors

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

Honorable Mayor and Members  
of the Council  
Township of Old Bridge  
Old Bridge, New Jersey

We have audited, in accordance with the 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, the financial statements-regulatory basis of the Township of Old Bridge, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated June 30, 2025. Our report indicated that the Township's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America but rather prepared in accordance with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Township's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

## **Report on Compliance and Other Matters**

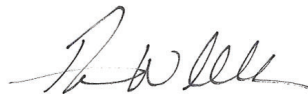
As part of obtaining reasonable assurance about whether the Township's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey in considering the Township of Old Bridge's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

A handwritten signature in black ink, appearing to read 'R. W. Allison', written over a faint horizontal line.

Robert W. Allison  
Certified Public Accountant  
Register Municipal Accountant  
RMA No. 483

Lakewood, New Jersey  
June 30, 2025

**TOWNSHIP OF OLD BRIDGE**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**CURRENT FUND**  
**STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS**  
**DECEMBER 31, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
<u>Assets</u>		
Cash and Cash Equivalents	\$ 35,817,757.75	\$ 38,671,679.79
Change Fund	<u>700.00</u>	<u>700.00</u>
	<u>35,818,457.75</u>	<u>38,672,379.79</u>
Due From State of New Jersey - Senior Citizens' and Veterans' Deductions	<u>85,920.96</u>	<u>92,473.05</u>
Receivables With Full Reserves:		
Delinquent Property Taxes Receivable	4,009,791.29	1,196,171.18
Tax Title Liens Receivable	1,276,961.79	1,200,521.83
Tax Title Lien Receivable - OBMUA	106,516.01	106,516.01
Solid Waste Receivable	3,055.10	3,268.44
Property Acquired for Taxes - Assessed Value	14,110,500.00	14,110,500.00
Revenue Accounts Receivable	40,856.89	26,657.08
Due From:		
Animal Control	<u>28,106.97</u>	<u>-</u>
	<u>19,575,788.05</u>	<u>16,643,634.54</u>
Deferred Charges:		
Special Emergency Authorization	<u>7,000,000.00</u>	<u>-</u>
	<u>7,000,000.00</u>	<u>-</u>
	<u>62,480,166.76</u>	<u>55,408,487.38</u>
Federal and State Grants:		
Cash and Cash Equivalents	891,291.48	3,115,973.62
Federal and State Grants Receivable	<u>6,528,688.06</u>	<u>4,847,416.23</u>
	<u>7,419,979.54</u>	<u>7,963,389.85</u>
Total Assets	<u><u>\$ 69,900,146.30</u></u>	<u><u>\$ 63,371,877.23</u></u>

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

**TOWNSHIP OF OLD BRIDGE**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**CURRENT FUND**  
**STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS**  
**DECEMBER 31, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
<u>Liabilities, Reserves and Fund Balance</u>		
Appropriation Reserves	\$ 3,832,383.16	\$ 4,341,389.74
Reserve for Encumbrances	2,141,347.47	1,393,156.07
Accounts Payable	2,099,861.91	1,491,004.05
Special Emergency Notes	7,000,000.00	-
Other Accounts Payable	463.75	264.19
Due To General Capital	-	500,000.00
Prepaid Taxes	1,173,988.61	1,033,294.09
Tax Overpayments	103,299.57	121,971.27
Due County - Added Omitted	687,501.68	811,094.76
Due To State of New Jersey:		
Code Enforcement Fees	26,835.00	30,047.00
Marriage License Fees	4,625.00	50.00
Burial Permits	-	5.00
Due To Third Parties:		
Outside Liens	13,120.29	142,491.68
Various Reserves	6,862,058.99	11,647,573.53
	<u>23,945,485.43</u>	<u>21,512,341.38</u>
Reserve for Receivables	19,575,788.05	16,643,634.54
Fund Balance	18,958,893.28	17,252,511.46
	<u>62,480,166.76</u>	<u>55,408,487.38</u>
Federal and State Grants:		
Reserve for Federal and State Grants - Appropriated	4,890,899.94	4,182,915.53
Reserve for Encumbrances	2,528,274.21	1,297,316.02
Due General Capital	-	2,472,000.00
Reserve for Federal and State Grants Unappropriated	805.39	11,158.30
	<u>7,419,979.54</u>	<u>7,963,389.85</u>
Total Liabilities, Reserves and Fund Balance	<u>\$ 69,900,146.30</u>	<u>\$ 63,371,877.23</u>

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

**TOWNSHIP OF OLD BRIDGE  
COUNTY OF MIDDLESEX, NEW JERSEY  
CURRENT FUND  
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE  
REGULATORY BASIS  
DECEMBER 31, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 11,500,000.00	\$ 9,500,000.00
Miscellaneous Revenue Anticipated	21,097,866.77	24,528,059.08
Receipts From Delinquent Taxes	1,109,387.63	1,627,602.77
Receipts From Current Taxes	209,888,366.61	201,959,579.42
Non-Budget Revenues	1,782,816.60	812,012.14
Other Credits To Income:		
Unexpended Balance of Appropriation Reserves	3,516,537.82	2,372,875.06
Interfunds Returned	500,000.00	135,209.74
Cancellation of Local School Taxes	-	1.51
Cancellation of Grants Appropriated	71,618.70	28,954.64
Cancellation of Reserve	3,000,000.00	-
Total Revenue	<u>252,466,594.13</u>	<u>240,964,294.36</u>
<u>Expenditures</u>		
Budget Appropriations Within "CAPS":		
Operations:		
Salaries and Wages	27,233,942.00	25,312,811.00
Other Expenses	20,357,587.00	19,375,307.00
Deferred Charges and Statutory Expenditures:		
Other Expenses	6,401,062.00	6,245,605.00
Operations Excluded From "CAPS":		
Operations:		
Salaries and Wages	1,671,554.27	1,413,067.00
Other Expenses	8,018,970.43	7,382,803.86
Capital Improvements	780,000.00	760,000.00
Municipal Debt service	5,456,323.48	5,278,051.27
Deferred Charges - Other	7,000,000.00	255,879.56
Special District Taxes	6,247,758.61	6,102,317.39
Local District School Taxes	122,577,440.00	114,389,158.00
County Taxes	40,403,314.14	38,980,960.84
Reserve for Capital	-	500,000.00
Reserve for Tax Appeals	-	1,000,000.00
Reserve for Tax Court Judgments	-	737,340.37
Reserve for Interlocal - SRO	-	4,666.05
Prior Year National Opioid Settle ment	-	25,973.52
Miscellaneous Results of Operations	18,297.31	1,754.91
Cancellation of Grants Receivable	65,856.10	25,010.00
Interfund Advance - Animal Control	28,106.97	-
Total Expenditures	<u>246,260,212.31</u>	<u>227,790,705.77</u>
Excess in Revenue	6,206,381.82	13,173,588.59
Adjustment To Income Before Fund Balance:		
Expenditures Included Above Which Are		
By Statute Deferred Charges To Budget		
of Succeeding Year:		
Special Emergency Authorization	<u>7,000,000.00</u>	<u>-</u>
	13,206,381.82	13,173,588.59
Fund Balance, January 1	<u>17,252,511.46</u>	<u>13,578,922.87</u>
	30,458,893.28	26,752,511.46
Decreased By:		
Fund Balance Utilized	<u>11,500,000.00</u>	<u>9,500,000.00</u>
Fund Balance, December 31	<u>\$ 18,958,893.28</u>	<u>\$ 17,252,511.46</u>

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

**TOWNSHIP OF OLD BRIDGE  
COUNTY OF MIDDLESEX, NEW JERSEY  
CURRENT FUND  
STATEMENTS OF REVENUES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>Budget</u>	<u>Special N.J.S.A. 40A:4-87</u>	<u>Realized</u>	<u>Excess/ (Deficit)</u>
Fund Balance Utilized	\$ 11,500,000.00	\$ -	\$ 11,500,000.00	\$ -
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	93,000.00	-	125,252.00	32,252.00
Other	65,000.00	-	68,297.30	3,297.30
Fees and Permits:				
Other	150,000.00	-	324,439.00	174,439.00
Fines and Costs:				
Municipal Court	375,000.00	-	540,701.40	165,701.40
Interest and Costs on Taxes	200,000.00	-	331,536.12	131,536.12
Interest on Investments and Deposits	350,000.00	-	1,621,343.20	1,271,343.20
Rent Stabilization Board Fees	30,000.00	-	19,030.00	(10,970.00)
Sports Complex and Recreation Fees	150,000.00	-	222,682.52	72,682.52
In Lieu of Taxes - Old Bridge Rotary Senior Housing	947,400.00	-	403,711.74	(543,688.26)
Cable Television Fees	325,000.00	-	364,867.84	39,867.84
Tower Rental Payments	185,000.00	-	171,020.15	(13,979.85)
Energy Receipts Tax	6,303,667.00	-	6,335,044.40	31,377.40
Consolidated Municipal Property Tax Relief	653,133.00	-	652,994.95	(138.05)
Garden State Trust Pilot	10,464.00	-	12,886.00	2,422.00
Uniform Construction Code Fees	2,100,000.00	-	2,634,198.70	534,198.70
Code Enforcement Fees	135,000.00	-	149,409.66	14,409.66
Public and Private Revenues Offset with Appropriations:				
Municipal Alliance Program	24,689.00	-	24,689.00	-
Recycling Tonnage Grant	-	122,875.60	122,875.60	-
Recycling Enhancement	-	10,000.00	10,000.00	-
Safe and Secure Community Program	45,150.00	-	45,150.00	-
Mental Health: Rec for Ind with Disab	20,000.00	-	20,000.00	-
Title III Middlesex County Office on Aging:				
Education	9,000.00	-	9,000.00	-
Mental Health	3,500.00	-	3,500.00	-
Information Assistance	6,000.00	4,000.00	10,000.00	-
Physical Fitness	6,000.00	4,000.00	10,000.00	-
Transportation Services	18,000.00	-	18,000.00	-
Socialization/Recreation	10,000.00	10,000.00	20,000.00	-
Alcohol Education and Rehab	-	367.75	367.75	-
ARP - Information Assistance	10,000.00	-	10,000.00	-
ARP - Education	10,000.00	-	10,000.00	-
ARP - Physical Activity	10,000.00	-	10,000.00	-
ARP - Socialization/Recreation	15,000.00	-	15,000.00	-
EMG Emergency Preparedness	10,000.00	-	10,000.00	-
Clean Communities Program	-	158,318.73	158,318.73	-
NJDOT Grants- Princeton Road	649,281.00	-	649,281.00	-
Local Recreation Improvement Grant	-	67,000.00	67,000.00	-
National Opioid Settlement	-	139,069.63	139,069.63	-
Body Armor Replacement	7,219.00	7,614.91	14,833.91	-
Drive Sober or Get Pulled Over Grant	-	7,000.00	7,000.00	-
Drunk Driving Enforcement	-	44,150.67	44,150.67	-
Middlesex County Code Blue	50,000.00	-	50,000.00	-
EECBG Grant	-	121,610.00	121,610.00	-
PSAP Upgrades	536,721.00	-	536,721.00	-
CDS Police Techonology	-	1,302,000.00	1,302,000.00	-
NJ Equipment Modernication Program	-	61,730.14	61,730.14	-

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



**TOWNSHIP OF OLD BRIDGE  
COUNTY OF MIDDLESEX, NEW JERSEY  
CURRENT FUND  
STATEMENTS OF REVENUES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>Budget</u>	<u>Special N.J.S.A. 40A:4-87</u>	<u>Realized</u>	<u>Excess/ (Deficit)</u>
Special Items:				
Capital Fund Surplus	300,000.00	-	300,000.00	-
Premium on Bonds & Notes	10,000.00	-	10,000.00	-
Reimbursed Library Expenses	275,000.00	-	319,662.17	44,662.17
Tax Court Judgment	550,000.00	-	550,000.00	-
Interlocal - Gas Boy	275,000.00	-	292,833.53	17,833.53
Interlocal - Bd of Ed	36,000.00	-	36,720.00	720.00
Interlocal - SRO	1,390,884.00	232,469.27	1,623,353.27	-
Interlocal - St Ambrose	48,000.00	17,761.00	50,998.49	(14,762.51)
Interlocal - St Thomas	48,000.00	17,761.00	52,054.71	(13,706.29)
FEMA Reimbursement	188,000.00	-	188,406.59	406.59
Hotel Tax	70,000.00	-	106,125.60	36,125.60
ESIP Incentives	90,000.00	-	90,000.00	-
Total Miscellaneous Revenues	<u>16,794,108.00</u>	<u>2,327,728.70</u>	<u>21,097,866.77</u>	<u>1,976,030.07</u>
Receipts From Delinquent Taxes	<u>1,000,000.00</u>	<u>-</u>	<u>1,109,387.63</u>	<u>109,387.63</u>
Amount To Be Raised By Taxes for Support of Municipal Budget	37,263,418.00	-	39,624,890.86	2,361,472.86
Minimum Library Tax	<u>3,604,963.00</u>	<u>-</u>	<u>3,604,963.00</u>	<u>-</u>
Budget Totals	70,162,489.00	2,327,728.70	76,937,108.26	4,446,890.56
Non-Budget Revenues	<u>-</u>	<u>-</u>	<u>1,782,816.60</u>	<u>1,782,816.60</u>
	<u>\$ 70,162,489.00</u>	<u>\$ 2,327,728.70</u>	<u>\$ 78,719,924.86</u>	<u>\$ 6,229,707.16</u>

Analysis of Realized Revenues

## Allocation of Current Tax Collections:

Revenue from Collections:		\$ 209,888,366.61
Allocated to:		
Local District School Taxes	\$ 122,577,440.00	
County Taxes	40,403,314.14	
Special District Taxes	<u>6,247,758.61</u>	
		<u>169,228,512.75</u>
		40,659,853.86
Add: Reserve for Uncollected Taxes		<u>2,570,000.00</u>
Amount To Be Raised By Taxes for Support of Municipal Budget		<u>\$ 43,229,853.86</u>
<u>Receipts From Delinquent Taxes</u>		
Delinquent Taxes		<u>\$ 1,109,387.63</u>

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

**TOWNSHIP OF OLD BRIDGE  
COUNTY OF MIDDLESEX, NEW JERSEY  
CURRENT FUND  
STATEMENTS OF REVENUES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

Miscellaneous Revenue Not Anticipated:

Proceeds From Auction	\$ 19,402.00
Bus Shelter Franchise	12,718.95
Refund Of Prior Year Exp	1,110,186.43
PERS Refund	84,058.65
Returned Check Fee	1,135.00
Miscellaneous	130,928.83
Vending Mach Commissions	1,332.84
Electric Utility Charges	23,720.48
Billboard Rental	17,254.91
PSE&G Land Lease	24,000.00
Electric Charging Station Revenue	1,091.57
Duplicate Bills	3,540.00
Misc Tax Receipts	73,503.86
Lien Cancellation Fee	1,350.00
Certificate Of Redemption Fee	75.00
Sr/Vet Admin Costs Reimb	5,890.73
Credit Card Fees	12,021.17
Searches	50.00
Solid Waste User Fees	213.34
Disability Refunds	2,176.02
Insurance Reimb	20,953.98
G. Bush Bldg - Hall Rent	7,918.00
Sr ID Picture Fees	1,465.00
Health Copies	2,318.00
Gun Permits	116,176.50
Alarm Permits	900.00
Police Reports	20,740.00
Online Payment Fee	587.00
Bullet Casing Reimbursement	1,004.50
Property List	2,265.00
Pilot Admin Fee	1,289.60
Road Openings	6,000.00
Planning & Engineering Salaries	74,924.24
Clothing Bin Permit	1,225.00
Copies - Planning	400.00
	<hr/>
	\$ 1,782,816.60
	<hr/>

**TOWNSHIP OF OLD BRIDGE  
COUNTY OF MIDDLESEX, NEW JERSEY  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Appropriations		Expended			Unexpended
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Balance Cancelled
OPERATIONS WITHIN "CAPS"						
GENERAL GOVERNMENT:						
ADMINISTRATIVE AND EXECUTIVE:						
Office of the Mayor:						
Salaries and Wages	\$ 90,014.00	\$ 90,014.00	\$ 87,061.05	\$ -	\$ 2,952.95	\$ -
Other Expenses	7,300.00	7,300.00	4,290.98	1,144.44	1,864.58	-
Office of the Business Administrator:						
Salaries and Wages	267,128.00	267,128.00	247,357.31	-	19,770.69	-
Other Expenses	168,500.00	168,500.00	77,177.84	48,574.33	42,747.83	-
Office of Economic Development:						
Salaries and Wages	85,190.00	85,190.00	85,071.22	-	118.78	-
Other Expenses	3,500.00	3,500.00	360.03	-	3,139.97	-
Annual Audit:						
Other Expenses	75,000.00	75,000.00	75,000.00	-	-	-
Grant Writing Consultant:						
Other Expenses	50,000.00	50,000.00	48,000.00	2,000.00	-	-
Division of Human Resources:						
Salaries and Wages	311,877.00	311,877.00	270,126.70	-	41,750.30	-
Other Expenses	112,980.00	112,980.00	105,118.68	2,487.11	5,374.21	-
Redevelopment Agency:						
Other Expenses	78,500.00	78,500.00	78,500.00	-	-	-
Elections:						
Salaries and Wages	8,000.00	8,000.00	6,931.14	-	1,068.86	-
Other Expenses	48,700.00	48,700.00	42,484.87	-	6,215.13	-
Governing Body:						
Salaries and Wages	55,000.00	55,000.00	54,537.58	-	462.42	-
Other Expenses	900.00	900.00	301.21	-	598.79	-
Office of the Clerk:						
Salaries and Wages	315,860.00	315,860.00	297,213.49	-	18,646.51	-
Other Expenses	98,350.00	98,350.00	73,678.13	14,262.46	10,409.41	-
Office of Tax Assessor:						
Salaries and Wages	411,979.00	411,979.00	411,905.47	-	73.53	-
Other Expenses	94,300.00	94,300.00	25,868.89	33,575.41	34,855.70	-
Group Insurance:						
Other Expenses	8,674,798.00	8,674,798.00	7,004,111.40	825,829.35	844,857.25	-
Liability Insurance						
Other Expenses	2,078,114.00	2,078,114.00	2,018,877.77	-	59,236.23	-
Worker's Compensation Insurance						
Other Expenses	155,000.00	155,000.00	155,000.00	-	-	-
Historical Committee:						
Other Expenses	500.00	500.00	-	-	500.00	-
Rent Stabilization Board:						
Salaries and Wages	2,200.00	2,200.00	1,861.42	-	338.58	-
Other Expenses	3,000.00	3,000.00	2,781.00	219.00	-	-
TV Studio:						
Salaries and Wages	73,416.00	73,416.00	57,144.86	-	16,271.14	-
Other Expenses	17,205.00	17,205.00	14,081.60	3,085.53	37.87	-
Environmental Commission:						
Other Expenses	2,250.00	2,250.00	-	-	2,250.00	-
Open Space Committee:						
Other Expenses	250.00	250.00	-	-	250.00	-
Cultural Arts:						
Other Expenses	11,500.00	11,500.00	3,281.61	626.26	7,592.13	-
Human Relations Commission:						
Salaries and Wages	1,200.00	1,200.00	-	-	1,200.00	-
Other Expenses	1,000.00	1,000.00	-	-	1,000.00	-
Celebration of Public Events:						
Other Expenses	4,000.00	4,000.00	3,032.89	200.00	767.11	-
Ethics Board:						
Other Expenses	3,000.00	3,000.00	600.00	2,400.00	-	-

**TOWNSHIP OF OLD BRIDGE  
COUNTY OF MIDDLESEX, NEW JERSEY  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Appropriations		Expended			Unexpended Balance Cancelled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
DEPARTMENT OF FINANCE:						
Division of Treasury:						
Salaries and Wages	363,747.00	363,747.00	356,172.20	-	7,574.80	-
Other Expenses	1,300.00	1,300.00	45.45	-	1,254.55	-
Tax Collection:						
Salaries and Wages	168,888.00	168,888.00	167,173.49	-	1,714.51	-
Other Expenses	20,250.00	20,250.00	8,219.60	122.00	11,908.40	-
Data Processing:						
Salaries and Wages	355,014.00	355,014.00	354,592.94	-	421.06	-
Other Expenses	292,706.00	292,706.00	186,842.05	36,833.06	69,030.89	-
Purchasing:						
Salaries and Wages	53,078.00	53,078.00	51,875.13	-	1,202.87	-
Other Expenses	78,365.00	78,365.00	63,749.55	9,146.72	5,468.73	-
Liquidation of Tax Title Liens:						
Other Expenses	1,000.00	1,000.00	-	-	1,000.00	-
Interest - Tax Appeal/Tax Title Lien Redemption:						
Other Expenses	1,000.00	1,000.00	-	-	1,000.00	-
DEPARTMENT OF MUNICIPAL COURT:						
Salaries and Wages	390,774.00	390,774.00	388,941.77	-	1,832.23	-
Other Expenses	249,355.00	249,355.00	221,304.55	9,329.86	18,720.59	-
DEPARTMENT OF LAW:						
Salaries and wages	52,530.00	52,530.00	52,529.88	-	0.12	-
Other Expenses	452,250.00	452,250.00	384,299.80	49,224.58	18,725.62	-
Legal Settlements	5,000.00	5,000.00	-	-	5,000.00	-
DEPARTMENT OF PARKS/RECREATION/SOCIAL SERVICES:						
Division of Parks and Recreation:						
Salaries and Wages	1,691,779.00	1,691,779.00	1,675,445.36	-	16,333.64	-
Other Expenses	210,900.00	210,900.00	153,458.10	31,199.37	26,242.53	-
Food Bank:						
Other Expenses	1,000.00	1,000.00	694.67	-	305.33	-
Division of Senior Services						
Salaries and Wages	446,859.00	446,859.00	434,726.47	-	12,132.53	-
Other Expenses	27,850.00	27,850.00	19,142.99	4,533.73	4,173.28	-
Division of Health and Human Services:						
Other Expenses	191,056.00	191,056.00	191,055.35	-	0.65	-
DEPARTMENT OF PUBLIC SAFETY:						
Department of Police:						
Salaries and Wages	16,238,974.00	16,238,974.00	15,503,423.85	-	735,550.15	-
Other Expenses	308,521.00	308,521.00	201,943.91	55,038.04	51,539.05	-
POLICE DEPT - MIS	494,852.00	494,852.00	381,403.21	47,696.02	65,752.77	-
Office of Emergency Management:						
Salaries and Wages	70,000.00	70,000.00	69,997.98	-	2.02	-
Other Expenses	12,701.00	12,701.00	9,816.61	1,562.00	1,322.39	-
Purchasing of Police Vehicles CH.PL 1985						
Other Expenses	100.00	100.00	-	-	100.00	-
First Aid Organization Contribution:						
Other Expenses	120,000.00	120,000.00	120,000.00	-	-	-
Targeted Enforcement						
Salaries and Wages	130,000.00	130,000.00	109,878.64	-	20,121.36	-
Women's Advocacy Group:						
Other Expenses	750.00	750.00	-	-	750.00	-
Animal Control Warden:						
Other Expenses	360,000.00	360,000.00	360,000.00	-	-	-

**TOWNSHIP OF OLD BRIDGE**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**CURRENT FUND**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	Appropriations		Expended			Unexpended
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Balance Cancelled
DEPARTMENT OF COMMUNITY DEVELOPMENT:						
Division of Engineering:						
Salaries and Wages	543,521.00	543,521.00	465,219.44	-	78,301.56	-
Other Expenses	60,100.00	60,100.00	11,171.32	17,559.99	31,368.69	-
Division of Planning and Development:						
Salaries and Wages	319,547.00	319,547.00	250,257.34	-	69,289.66	-
Other Expenses	25,650.00	25,650.00	948.20	5,791.80	18,910.00	-
Planning Board:						
Other Expenses	1,100.00	1,100.00	276.16	-	823.84	-
Zoning Board:						
Other Expenses	1,000.00	1,000.00	-	-	1,000.00	-
DEPARTMENT OF PUBLIC WORKS:						
Division of Road Repair and Maintenance:						
Salaries and Wages	1,680,645.00	1,680,645.00	1,622,009.65	-	58,635.35	-
Other Expenses	194,500.00	194,500.00	145,255.34	21,816.49	27,428.17	-
Division of Vehicle Maintenance:						
Salaries and Wages	372,619.00	372,619.00	354,979.79	-	17,639.21	-
Other Expenses	426,350.00	426,350.00	354,425.81	61,690.23	10,233.96	-
Division of Building Maintenance:						
Salaries and Wages	267,996.00	267,996.00	237,360.99	-	30,635.01	-
Other Expenses	293,764.00	293,764.00	237,116.79	47,526.43	9,120.78	-
Sanitation and Recycling:						
Other Expenses	1,348,800.00	1,348,800.00	1,026,237.46	210,901.99	111,660.55	-
Snow Removal:						
Salaries and Wages	200,000.00	200,000.00	77,936.52	-	122,063.48	-
Other Expenses	509,000.00	509,000.00	205,143.97	36,683.03	267,173.00	-
UNIFORM CONSTRUCTION CODE - APPROPRIATIONS						
OFFSET BY DEDICATED REVENUES (N.J.A.C. 5:23-4.17):						
Department of Community Development:						
Uniform Construction Code:						
Salaries and Wages	1,721,108.00	1,721,108.00	1,616,652.97	-	104,455.03	-
Other Expenses	752,270.00	752,270.00	658,845.05	6,436.61	86,988.34	-
Division of Code Enforcement:						
Salaries and Wages	394,999.00	394,999.00	329,379.14	-	65,619.86	-
Other Expenses	57,450.00	57,450.00	5,774.00	-	51,676.00	-
UNCLASSIFIED:						
Utilities:						
Gasoline	470,000.00	470,000.00	371,542.81	2,114.43	96,342.76	-
Electricity	460,000.00	460,000.00	390,800.81	56,768.46	12,430.73	-
Telephone	195,000.00	195,000.00	167,761.24	23,047.64	4,191.12	-
Natural Gas	100,000.00	100,000.00	52,621.24	2,278.76	45,100.00	-
Heating Oil	5,000.00	5,000.00	-	-	5,000.00	-
Street Lighting	465,000.00	465,000.00	408,487.40	52,680.51	3,832.09	-
Water and Sewage	130,000.00	130,000.00	93,037.92	26,962.08	10,000.00	-
Employee Termination	150,000.00	150,000.00	150,000.00	-	-	-
Private Community Reimbursement	325,000.00	325,000.00	-	239,850.00	85,150.00	-
Total Operations - Within "CAPS"	47,571,529.00	47,571,529.00	41,951,732.05	1,991,197.72	3,628,599.23	-
Contingent	20,000.00	20,000.00	-	-	20,000.00	-
Total Operations Including Contingent - Within "CAPS"	47,591,529.00	47,591,529.00	41,951,732.05	1,991,197.72	3,648,599.23	-
Detail:						
Salaries and Wages	27,233,942.00	27,233,942.00	25,787,763.79	-	1,446,178.21	-
Other Expenses	20,357,587.00	20,357,587.00	16,163,968.26	1,991,197.72	2,202,421.02	-

**TOWNSHIP OF OLD BRIDGE  
COUNTY OF MIDDLESEX, NEW JERSEY  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES - WITHIN "CAPS"</u>						
Deferred charges:						
Other expenses	9,820.00	9,820.00	9,820.00	-	-	-
Statutory expenditures:						
Contribution To:						
Public Employees' Retirement System	1,395,258.00	1,395,258.00	1,382,763.06	-	12,494.94	-
Police and Fireman's Retirement System	3,824,262.00	3,824,262.00	3,741,896.25	82,365.75	-	-
Social Security System (O.A.S.I.)	1,096,722.00	1,096,722.00	973,820.60	-	122,901.40	-
Unemployment Compensation Insurance	75,000.00	75,000.00	75,000.00	-	-	-
Total Deferred Charges and Statutory Expenditures - Within "CAPS"	6,401,062.00	6,401,062.00	6,183,299.91	82,365.75	135,396.34	-
Total General Appropriations for Municipal Purposes - Within "CAPS"	53,992,591.00	53,992,591.00	48,135,031.96	2,073,563.47	3,783,995.57	-
<u>OPERATIONS - EXCLUDED FROM "CAPS"</u>						
Maintenance of Free Public Library (Ch. 82, P.L. 1985):						
Other Expenses	3,604,963.00	3,604,963.00	3,604,962.96	-	0.04	-
Length of Service Program Award:						
Other Expenses	50,000.00	50,000.00	-	50,000.00	-	-
Shared Service Agreements:						
Interlocal Agreement - Gasboy:						
Other Expenses	275,000.00	275,000.00	275,000.00	-	-	-
Interlocal Agreement - Emergency Management:						
Other Expenses	1,500.00	1,500.00	-	-	1,500.00	-
Interlocal Agreement - Peer Recovery:						
Other Expenses	25,000.00	25,000.00	-	-	25,000.00	-
Interlocal Agreement - School Resource Officer						
Salaries and Wages	1,100,658.00	1,333,127.27	1,333,127.27	-	-	-
Other Expenses	290,226.00	290,226.00	272,442.00	17,784.00	-	-
Interlocal Agreement - St. Ambrose School Security						
Salaries and Wages	48,000.00	65,761.00	52,137.57	-	13,623.43	-
Interlocal Agreement - St. Thomas School Security						
Salaries and Wages	48,000.00	65,761.00	57,496.88	-	8,264.12	-
Interlocal Agreement - Bd of Ed - Garage						
Other Expenses	36,000.00	36,000.00	36,000.00	-	-	-
<u>PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES:</u>						
SFSP Fire District Payments:						
Other Expenses	22,053.00	22,053.00	22,053.00	-	-	-
Alcohol Education & Rehabilitation:						
Other Expenses	-	367.75	367.75	-	-	-
Municipal Alliance Program:						
Salaries and Wages	9,876.00	9,876.00	9,876.00	-	-	-
Other Expenses	20,986.00	20,986.00	20,986.00	-	-	-
Clean Communities Program:						
Other Expenses	-	158,318.73	158,318.73	-	-	-

**TOWNSHIP OF OLD BRIDGE  
COUNTY OF MIDDLESEX, NEW JERSEY  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Appropriations		Expended			Unexpended Balance Cancelled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
Matching Fund for Grants:						
Other Expenses	10,000.00	10,000.00	10,000.00	-	-	-
Info and Assistance Grant						
Salaries and Wages	6,000.00	10,000.00	10,000.00	-	-	-
Transportation Grant:						
Salaries and Wages	18,000.00	18,000.00	18,000.00	-	-	-
Recycling Tonnage:						
Other Expenses	-	122,875.60	122,875.60	-	-	-
Rec for Ind with Disab						
Other Expenses	24,000.00	24,000.00	24,000.00	-	-	-
Physical Fitness:						
Other Expenses	6,000.00	10,000.00	10,000.00	-	-	-
Mental Health						
Other Expenses	3,500.00	3,500.00	3,500.00	-	-	-
Emergency Management Preparedness						
Other Expenses	10,000.00	10,000.00	10,000.00	-	-	-
Recycling Enhancement Grant						
Other Expenses	-	10,000.00	10,000.00	-	-	-
Body Armor Grant:						
Other Expenses	7,219.00	14,833.91	14,833.91	-	-	-
Socialization/Recreation Grant						
Other Expenses	10,000.00	20,000.00	20,000.00	-	-	-
Education						
Other Expenses	9,000.00	9,000.00	9,000.00	-	-	-
ARP - Education						
Other Expenses	10,000.00	10,000.00	10,000.00	-	-	-
ARP - Information & Asst						
Other Expenses	10,000.00	10,000.00	10,000.00	-	-	-
ARP - Physical Activity						
Other Expenses	10,000.00	10,000.00	10,000.00	-	-	-
ARP - Socialization/Recreation						
Other Expenses	15,000.00	15,000.00	15,000.00	-	-	-
Local Recreation Improvement						
Other Expenses	-	67,000.00	67,000.00	-	-	-
National Opioid Settlement						
Other Expenses	-	139,069.63	139,069.63	-	-	-
EECBG Grant						
Other Expenses	-	121,610.00	121,610.00	-	-	-
NJDOT:						
Princeton Road Resurfacing	649,281.00	649,281.00	649,281.00	-	-	-
Safe and Secure Community Program:						
Salaries and Wages	300,551.00	300,551.00	300,551.00	-	-	-
Other Expenses	145,262.00	145,262.00	145,262.00	-	-	-
CDS-Police Technology Upgrades:						
Other Expenses	-	1,302,000.00	1,302,000.00	-	-	-
Middlesex County Code Blue:						
Other Expenses	50,000.00	50,000.00	50,000.00	-	-	-
PSAP Upgrades:						
Other Expenses	536,721.00	536,721.00	536,721.00	-	-	-
DWI Grant						
Other Expenses	-	44,150.67	44,150.67	-	-	-
Drive Sober or Get Pulled Over:						
Other Expenses	-	7,000.00	7,000.00	-	-	-
NJ Equipment Modernization Program						
Other Expenses	-	61,730.14	61,730.14	-	-	-
<b>Total Operations - Excluded From "CAPS"</b>	<b>7,362,796.00</b>	<b>9,690,524.70</b>	<b>9,574,353.11</b>	<b>67,784.00</b>	<b>48,387.59</b>	<b>-</b>
Detail:						
Salaries and Wages	1,435,085.00	1,671,554.27	1,671,554.27	-	-	-
Other Expenses	3,761,820.00	8,018,970.43	7,902,798.84	67,784.00	48,387.59	-

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

**TOWNSHIP OF OLD BRIDGE  
COUNTY OF MIDDLESEX, NEW JERSEY  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Appropriations		Expended			Unexpended
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Balance Cancelled
<u>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS":</u>						
Capital Improvement Fund	280,000.00	280,000.00	280,000.00	-	-	-
Acquisition and Improvement of Open Space/Parks	500,000.00	500,000.00	500,000.00	-	-	-
Total Capital Improvements - Excluded From "CAPS"	780,000.00	780,000.00	780,000.00	-	-	-
<u>MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS":</u>						
Payment of Bond Principal	4,545,000.00	4,545,000.00	4,545,000.00	-	-	-
Interest on Bonds	729,002.00	729,002.00	729,002.00	-	-	-
Interest on Notes	183,000.00	183,000.00	182,321.48	-	-	678.52
Total Municipal Debt Service - Excluded From "CAPS"	5,457,002.00	5,457,002.00	5,456,323.48	-	-	678.52
<u>DEFERRED CHARGES - EXCLUDED FROM "CAPS"</u>						
Special Emergency Authorizations	-	7,000,000.00	7,000,000.00	-	-	-
Total Deferred Charges - Excluded From "CAPS"	-	7,000,000.00	7,000,000.00	-	-	-
Judgements	100.00	100.00	-	-	-	100.00
Total General Appropriations for Municipal Purposes - Excluded From "CAPS"	13,599,898.00	22,927,626.70	22,810,676.59	67,784.00	48,387.59	778.52
Subtotal General Appropriations	67,592,489.00	76,920,217.70	70,945,708.55	2,141,347.47	3,832,383.16	778.52
Reserve for Uncollected Taxes	2,570,000.00	2,570,000.00	2,570,000.00	-	-	-
Total General Appropriations	\$ 70,162,489.00	\$ 79,490,217.70	\$ 73,515,708.55	\$ 2,141,347.47	\$ 3,832,383.16	\$ 778.52

Original Budget	\$ 70,162,489.00
Appropriation by 40A:4-87	2,327,728.70
Special Emergency	7,000,000.00
	<u>\$ 79,490,217.70</u>

Cash Disbursed	\$ 60,012,522.12
Reserve for Uncollected Taxes	2,570,000.00
Deferred Charge	7,000,000.00
Reserve for Appropriated Grants	3,933,186.43
	<u>\$ 73,515,708.55</u>



**TOWNSHIP OF OLD BRIDGE**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**TRUST FUND**  
**STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS**  
**DECEMBER 31, 2024 AND 2023**

	<u>Reference</u>	<u>2024</u>	<u>2023</u>
<u>Assets</u>			
Animal Control Fund:			
Cash		\$ 12,920.42	\$ 80,584.74
Change Fund		100.00	100.00
Deferred Charge for Overexpenditure of Reserve		15,340.35	-
		<u>28,360.77</u>	<u>80,684.74</u>
Unemployment Insurance:			
Cash		11,378.11	15,728.81
		<u>11,378.11</u>	<u>15,728.81</u>
Confiscated Fund:			
Cash		102,155.98	100,270.72
		<u>102,155.98</u>	<u>100,270.72</u>
Woodhaven Special Escrow:			
Cash		4,352,079.07	4,016,034.06
		<u>4,352,079.07</u>	<u>4,016,034.06</u>
Open Space:			
Cash		855,712.25	1,124,674.46
		<u>855,712.25</u>	<u>1,124,674.46</u>
Community Development Block Grant:			
Cash		23,059.58	2,624.64
Due From Housing and Urban Development		686,065.49	524,913.53
		<u>709,125.07</u>	<u>527,538.17</u>
Trust - Other Funds:			
Cash		44,018,176.56	24,169,495.33
		<u>44,018,176.56</u>	<u>24,169,495.33</u>
Length of Service Award Program "LOSAP":			
Investments in LOSAP		1,032,165.38	922,840.32
		<u>1,032,165.38</u>	<u>922,840.32</u>
Total Assets		<u>\$ 51,109,153.19</u>	<u>\$ 30,957,266.61</u>

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

**TOWNSHIP OF OLD BRIDGE**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**TRUST FUND**  
**STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS**  
**DECEMBER 31, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
<u>Liabilities and Reserves</u>		
Animal Control Fund:		
Reserve for Expenditure	\$ -	\$ 30,040.52
Due To State of New Jersey	253.80	90.00
Due to Current	28,106.97	50,554.22
	<hr/> 28,360.77	<hr/> 80,684.74
Unemployment Insurance:		
Reserve for Unemployment Insurance Benefits	11,378.11	15,728.81
	<hr/>	<hr/>
Confiscated Fund:		
Reserve for Expenditures	102,155.98	100,270.72
	<hr/>	<hr/>
Woodhaven Special Escrow:		
Reserve for Woodhaven Special Escrow	4,352,079.07	4,016,034.06
	<hr/>	<hr/>
Open Space:		
Reserve for Open Space	855,712.25	1,124,674.46
	<hr/>	<hr/>
Community Development Block Grant:		
Reserve for Community Development Block Grant	709,125.07	527,538.17
	<hr/>	<hr/>
Trust - Other Funds:		
Various Reserves	44,018,176.56	24,169,495.33
	<hr/>	<hr/>
	44,018,176.56	24,169,495.33
	<hr/>	<hr/>
Length of Service Award Program "LOSAP":		
Reserve for LOSAP Funds	1,032,165.38	922,840.32
	<hr/>	<hr/>
Total Liabilities and Reserves	<u>\$ 51,109,153.19</u>	<u>\$ 30,957,266.61</u>

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

**TOWNSHIP OF OLD BRIDGE  
COUNTY OF MIDDLESEX, NEW JERSEY  
GENERAL CAPITAL FUND  
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2024 AND 2023**

<u>Assets</u>	<u>2024</u>	<u>2023</u>
Cash and Cash Equivalents	\$ 4,836,472.16	\$ 3,958,159.81
Due from State of NJ - CDBG	872,569.63	879,700.74
Due From Grant Fund	-	2,472,000.00
Due From Housing and Urban Development	2,250,000.00	2,250,000.00
Due From State of NJ - Green Acres	2,200,000.00	2,200,000.00
Due From Current	-	500,000.00
Deferred Charges To Future Taxation:		
Funded	20,705,000.00	25,546,867.23
Unfunded	28,175,560.76	14,866,734.08
Total Assets	<u>\$ 59,039,602.55</u>	<u>\$ 52,673,461.86</u>
 <u>Liabilities, Reserves and Fund Balance</u>		
General Serial Bonds	\$ 20,705,000.00	\$ 25,250,000.00
Infrastructure Loan Payable	-	296,867.23
Bond Anticipation Notes Payable	9,000,000.00	6,100,000.00
Reserve to Pay ESIP Bonds	3,448.14	93,448.14
Improvement Authorizations:		
Funded	4,489,180.31	4,981,935.05
Unfunded	17,266,453.61	9,866,398.10
Encumbrances Payable	5,472,003.14	4,286,695.99
Capital Improvement Fund	7,340.00	62,240.00
Reserve for Premium from Notes and Bonds	129,047.29	11,047.29
Reserve for Highpointe Traffic Light	60,000.00	60,000.00
Reserve for Acquisition of Property	1,000,000.00	500,000.00
Fund Balance	907,130.06	1,164,830.06
Total Liabilities, Reserves and Fund Balance	<u>\$ 59,039,602.55</u>	<u>\$ 52,673,461.86</u>

There were bonds and notes authorized but not issued on December 31, 2024 of \$19,175,560.76 and on December 31, 2023 of \$8,766,734.08.

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

**TOWNSHIP OF OLD BRIDGE  
COUNTY OF MIDDLESEX, NEW JERSEY  
GENERAL CAPITAL FUND  
STATEMENT OF FUND BALANCE - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2024**

Balance December 31, 2023	\$ 1,164,830.06
Increased By:	
Improvement Authorizations Cancelled	<u>42,300.00</u>
	1,207,130.06
Decreased By:	
Utilized in Current Fund Budget as Revenue	<u>300,000.00</u>
Balance, December 31, 2024	<u><u>\$ 907,130.06</u></u>

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

**TOWNSHIP OF OLD BRIDGE  
COUNTY OF MIDDLESEX, NEW JERSEY  
ARENA AND RECREATION UTILITY FUND  
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2024 AND 2023**

<u>Assets</u>	<u>2024</u>	<u>2023</u>
Operating Fund:		
Cash and Cash Equivalents	\$ 92,248.31	\$ 124,286.58
Change Fund	800.00	800.00
	<u>93,048.31</u>	<u>125,086.58</u>
Deferred Charges:		
Overexpenditure	-	138.96
	<u>-</u>	<u>138.96</u>
Total Operating Fund	<u>93,048.31</u>	<u>125,225.54</u>
Capital Fund:		
Cash and Cash Equivalents	19,837.65	38,634.17
Fixed Capital	3,648,013.77	3,648,013.77
Fixed Capital Authorized and Uncompleted	276,200.00	15,000.00
	<u>3,944,051.42</u>	<u>3,701,647.94</u>
Total Capital Fund	<u>3,944,051.42</u>	<u>3,701,647.94</u>
Total Assets	<u>\$ 4,037,099.73</u>	<u>\$ 3,826,873.48</u>
<u>Liabilities, Reserves and Fund Balances</u>		
Operating Fund:		
Appropriation Reserves	\$ 18,158.42	\$ 4,093.91
Reserve for Encumbrances	27,135.31	14,382.64
Sales Tax Payable	13.49	15.22
Accounts Payable	-	202.50
Accrued Interest on Bonds and Notes	4,957.62	5,646.58
	<u>50,264.84</u>	<u>24,340.85</u>
Subtotal	<u>50,264.84</u>	<u>24,340.85</u>
Fund Balance	<u>42,783.47</u>	<u>100,884.69</u>
Total Operating Fund	<u>93,048.31</u>	<u>125,225.54</u>
Capital Fund:		
General Serial Bonds	630,000.00	740,000.00
Improvement Authorizations:		
Unfunded	105,630.04	15,000.00
Reserve for Encumbrances	160,573.44	-
Reserve for Amortization	2,993,655.74	2,883,655.74
Capital Improvement Fund	45,999.29	54,799.29
Fund Balance	8,192.91	8,192.91
	<u>3,944,051.42</u>	<u>3,701,647.94</u>
Total Capital Fund	<u>3,944,051.42</u>	<u>3,701,647.94</u>
Total Liabilities, Reserves and Fund Balances	<u>\$ 4,037,099.73</u>	<u>\$ 3,826,873.48</u>

There were bonds and notes authorized but not issued on December 31, 2024 of \$301,582.77 and on December 31, 2023 of \$40,382.77.

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

**TOWNSHIP OF OLD BRIDGE  
COUNTY OF MIDDLESEX, NEW JERSEY  
ARENA AND RECREATION UTILITY FUND  
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE -  
REGULATORY BASIS  
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 76,363.00	\$ 70,272.00
Arena Fees	630,149.99	670,628.35
Miscellaneous Revenues Not Anticipated	3,813.27	5,828.01
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	9,096.02	3,039.25
Miscellaneous results of operations	-	265.16
Cancelled Accounts Payable	202.50	-
	<hr/>	<hr/>
Total Revenue	719,624.78	750,032.77
	<hr/>	<hr/>
<u>Expenditures</u>		
Budget Appropriations:		
Operating	518,743.00	472,712.00
Capital Improvements	5,000.00	5,000.00
Deferred Charges and Statutory Expenditures	47,090.00	43,974.00
Debt Service	130,530.00	138,447.04
Due Current Fund - Accounts Payable Cancelled	-	201.62
	<hr/>	<hr/>
Total Expenditures	701,363.00	660,334.66
	<hr/>	<hr/>
Excess in Revenue	18,261.78	89,698.11
Adjustment to Income Before Fund Balance:		
Expenditure Included Above Which Are By		
Statute Deferred Charges to Budget of		
Succeeding Year:		
Overexpenditure - Accrued Interest	-	138.96
	<hr/>	<hr/>
Balance, January 1	100,884.69	81,458.58
	<hr/>	<hr/>
	119,146.47	171,156.69
Decreased by		
Fund Balance Utilized	76,363.00	70,272.00
	<hr/>	<hr/>
Balance, December 31	<u>\$ 42,783.47</u>	<u>\$ 100,884.69</u>

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

**TOWNSHIP OF OLD BRIDGE  
COUNTY OF MIDDLESEX, NEW JERSEY  
ARENA AND RECREATION UTILITY CAPITAL FUND  
STATEMENT OF FUND BALANCE - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

Balance, December 31, 2024 and 2023

\$ 8,192.91

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

**TOWNSHIP OF OLD BRIDGE**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**ARENA AND RECREATION UTILITY FUND**  
**STATEMENT OF REVENUES - REGULATORY BASIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	Anticipated <u>Revenue</u>	<u>Realized</u>	Excess/ <u>(Deficit)</u>
Operating Surplus Anticipated	\$ 76,363.00	\$ 76,363.00	\$ -
Arena Fees	625,000.00	630,149.99	5,149.99
Miscellaneous Revenues Not Anticipated	-	3,813.27	3,813.27
	<hr/>		
Total Miscellaneous Revenues	\$ 701,363.00	\$ 710,326.26	\$ 8,963.26
	<hr/>		
<u>Analysis of Miscellaneous Revenues Not Anticipated</u>			
Interest on Investments		\$ 3,813.27	
		<hr/>	

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



**TOWNSHIP OF OLD BRIDGE  
COUNTY OF MIDDLESEX, NEW JERSEY  
ARENA AND RECREATION UTILITY FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>Original Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>
Operating:					
Salaries and Wages	\$ 283,793.00	\$ 283,793.00	\$ 267,176.39	\$ -	\$ 16,616.61
Other Expenses	234,950.00	234,950.00	207,529.21	27,135.31	285.48
	518,743.00	518,743.00	474,705.60	27,135.31	16,902.09
Capital Improvements:					
Capital Improvement Fund	5,000.00	5,000.00	5,000.00	-	-
	5,000.00	5,000.00	5,000.00	-	-
Deferred Charges and Statutory Expenditures:					
Contribution To:					
Public Employees' Retirement System	25,590.00	25,590.00	25,586.00	-	4.00
Social Security System (O.A.S.I.)	21,500.00	21,500.00	20,247.67	-	1,252.33
	47,090.00	47,090.00	45,833.67	-	1,256.33
Debt Service:					
Payment of Bond Principal	110,000.00	110,000.00	110,000.00	-	-
Interest on Bonds	20,530.00	20,530.00	20,530.00	-	-
	130,530.00	130,530.00	130,530.00	-	-
	\$ 701,363.00	\$ 701,363.00	\$ 656,069.27	\$ 27,135.31	\$ 18,158.42
Disbursed			\$ 635,539.27		
Accrued Interest on Bonds			20,530.00		
			\$ 656,069.27		

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

**TOWNSHIP OF OLD BRIDGE  
COUNTY OF MIDDLESEX, NEW JERSEY  
PARKING UTILITY FUND  
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2024 AND 2023**

<u>Assets</u>	<u>2024</u>	<u>2023</u>
Operating Fund:		
Cash and Cash Equivalents	\$ 186,080.26	\$ 157,939.14
Total Operating Fund	186,080.26	157,939.14
Capital Fund:		
Cash and Cash Equivalents	1,067,958.36	1,033,458.36
Fixed Capital	1,141,026.29	1,141,026.29
Fixed Capital Authorized and Uncompleted	200,000.00	150,000.00
Total Capital Fund	2,408,984.65	2,324,484.65
Total Assets	\$ 2,595,064.91	\$ 2,482,423.79
<u>Liabilities, Reserves and Fund Balance</u>		
Operating Fund:		
Appropriation Reserves	\$ 43,146.91	\$ 51,396.86
Reserve for Encumbrances	6,493.82	812.83
Accounts Payable	1,000.00	1,000.00
Processing Fees Payable	90.00	-
Subtotal	50,730.73	53,209.69
Fund Balance	135,349.53	104,729.45
Total Operating Fund	186,080.26	157,939.14
Capital Fund:		
Improvement Authorizations:		
Funded	72,938.20	96,284.65
Reserve for Encumbrances	72,846.45	-
Reserve for Amortization	1,141,026.29	1,141,026.29
Reserve for Deferred Amortization	200,000.00	150,000.00
Capital Improvement Fund	922,173.71	937,173.71
Total Capital Fund	2,408,984.65	2,324,484.65
Total Liabilities, Reserves and Fund Balance	\$ 2,595,064.91	\$ 2,482,423.79

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

**TOWNSHIP OF OLD BRIDGE  
COUNTY OF MIDDLESEX, NEW JERSEY  
PARKING UTILITY FUND  
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE  
REGULATORY BASIS  
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
<u>Revenue and Other Income Realized</u>		
Surplus Anticipated	\$ 97,081.00	\$ 120,496.00
Parking Permits	32,872.53	27,154.97
Parking Meter Fees	74,095.40	58,674.91
Unexpended Balance of Appropriation Reserves	51,518.71	52,990.28
Miscellaneous Revenue Not Anticipated	49,214.44	15,387.37
Miscellaneous Results of Operations	-	162.50
	<u>304,782.08</u>	<u>274,866.03</u>
Total Revenue		
<u>Expenditures</u>		
Operating	129,505.00	121,841.00
Capital Improvements	35,000.00	50,000.00
Statutory Expenditures	12,576.00	11,655.00
	<u>177,081.00</u>	<u>183,496.00</u>
Total Expenditures		
Excess in Revenue	127,701.08	91,370.03
Balance, January 1	104,729.45	133,855.42
	232,430.53	225,225.45
Decreased By:		
Fund Balance Utilized	97,081.00	120,496.00
	<u>97,081.00</u>	<u>120,496.00</u>
Balance, December 31	<u>\$ 135,349.53</u>	<u>\$ 104,729.45</u>

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

**TOWNSHIP OF OLD BRIDGE  
COUNTY OF MIDDLESEX, NEW JERSEY  
PARKING UTILITY FUND  
STATEMENT OF REVENUES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess</u>
Fund Balance Utilized	\$ 97,081.00	\$ 97,081.00	\$ -
Parking Permits	25,000.00	32,872.53	7,872.53
Parking Meter Fees	55,000.00	74,095.40	19,095.40
Miscellaneous Revenues Not Anticipated	-	49,214.44	49,214.44
	<hr/>		
Total Revenues	\$ 177,081.00	\$ 253,263.37	\$ 76,182.37
	<hr/> <hr/>		

Analysis of Miscellaneous Revenue Not Anticipated

Interest Earnings	\$	48,402.44
Miscellaneous		812.00
		<hr/>
	\$	49,214.44
		<hr/>

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

**TOWNSHIP OF OLD BRIDGE  
COUNTY OF MIDDLESEX, NEW JERSEY  
PARKING UTILITY FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserve for Encumbrances</u>	<u>Reserved</u>
Operating:					
Salaries and Wages	\$ 68,711.00	\$ 68,711.00	\$ 51,127.84	\$ -	\$ 17,583.16
Other Expenses	60,794.00	60,794.00	30,641.81	6,493.82	23,658.37
	<u>129,505.00</u>	<u>129,505.00</u>	<u>81,769.65</u>	<u>6,493.82</u>	<u>41,241.53</u>
Capital Improvements:					
Capital Improvement Fund	35,000.00	35,000.00	35,000.00	-	-
	<u>35,000.00</u>	<u>35,000.00</u>	<u>35,000.00</u>	<u>-</u>	<u>-</u>
Statutory Expenditures:					
Public Employees' Retirement System	7,320.00	7,320.00	7,319.00	-	1.00
Social Security (O.A.S.I.)	5,256.00	5,256.00	3,351.62	-	1,904.38
	<u>12,576.00</u>	<u>12,576.00</u>	<u>10,670.62</u>	<u>-</u>	<u>1,905.38</u>
	<u>\$ 177,081.00</u>	<u>\$ 177,081.00</u>	<u>\$ 127,440.27</u>	<u>\$ 6,493.82</u>	<u>\$ 43,146.91</u>

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

**TOWNSHIP OF OLD BRIDGE  
COUNTY OF MIDDLESEX, NEW JERSEY  
GOLF UTILITY FUND  
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2024 AND 2023**

<u>Assets</u>	<u>2024</u>	<u>2023</u>
Operating Fund:		
Cash and Cash Equivalents	\$ 100,714.17	\$ -
Total Assets	<u>\$ 100,714.17</u>	<u>\$ -</u>
 <u>Liabilities, Reserves and Fund Balance</u>		
Operating Fund:		
Appropriation Reserves	\$ 100,000.00	\$ -
Subtotal	<u>100,000.00</u>	<u>-</u>
Fund Balance	<u>714.17</u>	
Total Liabilities, Reserves and Fund Balance	<u>\$ 100,714.17</u>	<u>\$ -</u>

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

**TOWNSHIP OF OLD BRIDGE  
COUNTY OF MIDDLESEX, NEW JERSEY  
GOLF UTILITY FUND  
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE  
REGULATORY BASIS  
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
<u>Revenue and Other Income Realized</u>		
Developer Contribution	\$ 100,000.00	\$ -
Miscellaneous Revenues Not Anticipated	<u>714.17</u>	<u>-</u>
Total Revenue	<u>100,714.17</u>	<u>-</u>
<u>Expenditures</u>		
Operating	25,000.00	-
Capital Improvements	<u>75,000.00</u>	<u>-</u>
Total Expenditures	<u>100,000.00</u>	<u>-</u>
Excess in Revenue	<u>714.17</u>	<u>-</u>
Balance, January 1	<u>-</u>	<u>-</u>
	714.17	-
Balance, December 31	<u><u>\$ 714.17</u></u>	<u><u>\$ -</u></u>

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

**TOWNSHIP OF OLD BRIDGE  
COUNTY OF MIDDLESEX, NEW JERSEY  
GOLF UTILITY FUND  
STATEMENT OF REVENUES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess</u>
Developer Contribution	\$ 100,000.00	\$ 100,000.00	\$ -
Miscellaneous Revenues Not Anticipated	-	714.17	714.17
	<hr/>		
Total Revenues	\$ 100,000.00	\$ 100,714.17	\$ 714.17
	<hr/> <hr/>		

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



**TOWNSHIP OF OLD BRIDGE  
COUNTY OF MIDDLESEX, NEW JERSEY  
GOLF UTILITY FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>Budget</u>	Budget After <u>Modification</u>	<u>Reserved</u>
Operating:			
Other Expenses	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00
	<u>25,000.00</u>	<u>25,000.00</u>	<u>25,000.00</u>
Capital Improvements:			
Capital Improvement Fund	<u>75,000.00</u>	<u>75,000.00</u>	<u>75,000.00</u>
	<u>75,000.00</u>	<u>75,000.00</u>	<u>75,000.00</u>
	<u>\$ 100,000.00</u>	<u>\$ 100,000.00</u>	<u>\$ 100,000.00</u>

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

**TOWNSHIP OF OLD BRIDGE**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**GENERAL FIXED ASSETS ACCOUNT GROUP**  
**STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE -**  
**REGULATORY BASIS**  
**DECEMBER 31, 2024 AND 2023**

	Balance December 31, <u>2024</u>	Balance December 31, <u>2023</u>
General Fixed Assets:		
Land	\$ 49,590,900.00	\$ 49,590,900.00
Buildings	30,274,095.74	30,274,095.74
Equipment & Vehicles	17,321,351.04	16,479,915.18
	<hr/>	<hr/>
Total General Fixed Assets	\$ 97,186,346.78	\$ 96,344,910.92
	<hr/> <hr/>	<hr/> <hr/>
Investment in General Fixed Assets	\$ 97,186,346.78	\$ 96,344,910.92
	<hr/> <hr/>	<hr/> <hr/>

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

**TOWNSHIP OF OLD BRIDGE  
COUNTY OF MIDDLESEX**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

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**TOWNSHIP OF OLD BRIDGE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 1. Summary of Significant Accounting Policies**

**Description of Financial Reporting Entity**

The Township of Old Bridge, County of Middlesex, New Jersey (hereafter referred to as the "Township") is governed by the Township form of government, with a mayor and a 9-member Township Council. Administrative responsibilities are assigned to the Business Administrator. Policy is determined by Council and the Manager is responsible for carrying out such policy.

**Component Units** - GASB Statement 14, as amended by GASB Statements 39, 61, 80, 90 and 97, establishes criteria to be used in determining the component units, which should be included in the financial statements of a primary government. The financial statements of the Township are not presented in accordance with GAAP (as discussed below). If the provisions of these GASB statements had been complied with, the financial statements of the following component units would have been either blended or discretely presented with the financial statements of the Township, the primary government:

Old Bridge Redevelopment Authority  
Old Bridge Municipal Utilities Authority

**Basis of Accounting, Measurement Focus and Basis of Presentation** - The financial statements of the Township contain all funds and account groups in accordance with the "Requirements of Audit" as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. The principles and practices established by the Requirements of Audit 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. Generally, the financial statements are presented using the flow of current financial resources measurement focus and modified accrual basis of accounting with minor exceptions as mandated by these "Requirements". In addition, the prescribed accounting principles previously referred to differ in certain respects from accounting principles generally accepted in the United States of America applicable to local government units. The more significant differences are explained further in this note.

In accordance with the "Requirements", the Township accounts for its financial transactions through the use of separate funds, which are described as follows:

**Current Fund** – This fund accounts for revenues and expenditures for governmental operations of a general nature, including federal and state grant funds.

**Trust Funds** – These funds account for receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

**General Capital Fund** – This fund accounts for receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund.

**Utility Operating and Capital Funds** – These funds account for utility operations that are financed through user fees. The funds are operated on a basis similar to private business enterprises where the intent is that the costs of providing the utility to the general public be financed through user fees. Operations relating to the acquisition of capital facilities for utility purposes are recorded in the Utility Capital Fund.

**General Fixed Asset Account Group** – The Fixed Asset Account Group of accounts is utilized to account for property, land, buildings, and equipment that have been acquired by other funds of the Township.

**TOWNSHIP OF OLD BRIDGE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 1. Summary of Significant Accounting Policies (continued)**

**Budgets and Budgetary Accounting** - The Township must adopt an annual budget for its Current and Utility Fund in accordance with *N.J.S.A.40A:4* et seq. *N.J.S.A.40A:4-5* requires the governing body to introduce and approve the annual municipal budget no later than February 10<sup>th</sup> of each year. At introduction, the governing body must fix the time and place for a public hearing on the budget and must advertise the time and place at least ten days prior to the hearing in a newspaper published and circulating in the municipality. The public hearing must not be held less than twenty-eight days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with *N.J.S.A.40A:4-9*. Amendments to adopted budgets, if any are detailed in the statements of revenues and expenditures.

An extension of the statutory dates for introduction, approval and adoption of the municipal budget may be granted by the Director of Local Government Services, with the permission of the Local Finance Board. Budgets are adopted on the same basis of accounting utilized for the preparation of the Township's financial statements. Once a budget is approved it may be amended after November 1, by a resolution adopted by the governing body.

**Cash, Cash Equivalents and Investments** - Cash and Cash equivalents include petty cash, change funds and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Under GAAP, investments are reported at fair value but under regulatory basis of accounting, investments are stated at cost with the exception of LOSAP investments which are reported at fair value. Therefore unrealized gains or losses on investments have not been recorded.

New Jersey municipal units are required by *N.J.S.A.40A:5-14* to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or in the New Jersey Cash Management Fund. *N.J.S.A.40A:5-15.1* provides a list of investments, which may be purchased by New Jersey municipal units. In addition, other State statutes permit investments in obligations issued by local utilities and other state agencies.

*N.J.S.A.17:9-41* et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the Governmental Units.

The cash management plan adopted by the Township requires it to deposit funds in public depositories protected from loss under the provisions of the Act.

**Interfunds** - Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed. Interfund receivables in the Current Fund are recorded with offsetting reserves, which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves.

**TOWNSHIP OF OLD BRIDGE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 1. Summary of Significant Accounting Policies (continued)**

**Inventories and Supplies** - The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various statements of assets, liabilities, reserves and fund balance.

**General Fixed Assets** – Accounting for governmental fixed assets, as required by *N.J.A.C.5:30-5.6*, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and Budget Circular A-87 (Attachment B, Section 19), except that the useful life of such property is at least five years. The Township has adopted a capitalization threshold of \$5,000.00, the maximum amount allowed by the Circular. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. In some instances, assets are valued at the assessed valuation of the property at the time of acquisition, which approximates fair value. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at their acquisition value as of the date of the transaction. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the capital funds until such time as the construction is completed and put into operation. The Township is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements, and transfers of fixed assets. In addition, a statement of general fixed assets, reflecting the activity for the year, must be included in the Township's basic financial statements.

The regulations require that general fixed assets, whether constructed or acquired through purchase, grant or gift be included in the aforementioned inventory. In addition, property management standards must be maintained that includes accurate records indicating asset description, source, ownership, acquisition cost and date, the percentage of federal participation (if any), and the location, use, and condition of the asset. Periodically, physical inventories must be taken and reconciled with these records. All fixed assets must be adequately controlled to safeguard against loss, damage, or theft.

**Utility Fixed Assets** – Property and equipment purchases by a utility fund are recorded in the utility capital account at cost and are adjusted for disposition. The amounts shown do not represent replacement cost or current value. The reserve for amortization and deferred reserve for amortization in the utility capital fund represent the cost of the utility fixed assets reduced by the outstanding balances of bonds, loans, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

**Foreclosed property** – Foreclosed Property or "Property Acquired for Taxes" is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. Ordinarily it is the intention of the Township to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason the value of foreclosed property has not been included in the General Fixed Assets Account Group. If such property is converted to a municipal use, it will be recorded in the General Fixed Assets Account Group.

**Deferred Charges** – The recognition of certain expenditures is deferred to future periods. These expenditures or deferred charges are generally overexpenditures of legally adopted budget appropriations or emergency appropriations made in accordance with *N.J.S.A.40A:4-46* et seq. Deferred charges are subsequently raised as items of appropriation in budgets of succeeding years.

**TOWNSHIP OF OLD BRIDGE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 1. Summary of Significant Accounting Policies (continued)**

**Fund Balance** – Fund Balance included in the Current and Utility Operating Fund represent the amount available for anticipation as revenue in future year's budgets, with certain restrictions.

**Revenues** – are recorded when received in cash except for certain amounts, which are due from other governmental units. Revenue from Federal and State grants are realized when anticipated as such in the Township's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the Township's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Township, which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenues when received.

**Property Tax Revenues** – are collected in quarterly installments due February 1, May 1, August 1 and November 1. The amount of tax levied includes not only the amount required in support of the Township's annual budget, but also the amounts required in support of the budgets of the County of Middlesex, Fire Districts and Old Bridge School District. Unpaid property taxes are subject to tax sale in accordance with statutes.

**County Taxes** – The municipality is responsible for levying, collecting and remitting County taxes for the County of Middlesex. Operations is charged for the amount due the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10<sup>th</sup> of the current year. In addition, operations is charged for the County share of Added and Omitted Taxes certified to the County Board of Taxation by October 10<sup>th</sup> of the current year and due to be paid to the County by February 15<sup>th</sup> of the following year.

**School Taxes** – The municipality is responsible for levying, collecting and remitting school taxes for the Old Bridge School District. Operations are charged for the full amount required to be raised from taxation to operate the local school district July 1 to June 30.

**Deferred School Taxes** – School taxes raised in advance in the Current Fund for a school fiscal year (July 1 to June 30) which remain unpaid at December 31 of the calendar year levied may be deferred to fund balance to the extent of not more than 50% of the annual levy providing no requisition has been made by the school district for such amount.

**Reserve for Uncollected Taxes** – The inclusion of the "Reserve for Uncollected Taxes" appropriation in the Township's annual budget protects the Township from taxes not paid currently. The Reserve, the minimum amount of which is determined on the percentage of collections experienced in the immediate preceding year, with certain exceptions, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations.

**Expenditures** – are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed as required by Technical Accounting Directive No. 85-1. When an expenditure is paid, the amount encumbered is simultaneously liquidated in its original amount. Encumbrances are offset by an account entitled reserve for encumbrances. The reserve is classified as a cash liability under New Jersey municipal accounting. At December 31, this reserve represents the portion of appropriation reserves that has been encumbered and is subject to the same statutory provisions as appropriation reserves. Appropriations for interest payments on outstanding general capital bonds and notes are provided on the cash basis. Appropriations for interest payments on outstanding utility capital bonds and notes are provided on the accrual basis.



**TOWNSHIP OF OLD BRIDGE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 1. Summary of Significant Accounting Policies (continued)**

**Appropriation Reserves** – Appropriation reserves covering unexpended appropriation balances are automatically created at year-end and recorded as liabilities, except for amounts, which may be cancelled by the governing body. Appropriation reserves and reserve for encumbrances at current year end are available until December 31<sup>st</sup> of the succeeding year to meet specific claims, commitments or contracts incurred during the preceding year. Any unspent balances at this time are lapsed appropriation reserves and recorded as income.

**Long-Term Debt** - Long-Term Debt relative to the acquisition of capital assets, is recorded as a liability in the General and Utility Capital Fund. Where an improvement is a “local improvement”, i.e. assessable upon completion, long-term debt associated with that portion of the cost of the improvement to be funded by assessments is transferred to the Trust Fund upon the confirmation of the assessments or when the improvement is fully and permanently funded.

**Compensated Absences** – Expenditures relating to obligations for unused vested accumulated vacation and sick leave are not recorded until paid; however, municipalities may establish and budget reserve funds subject to NJSA 40A:4-39 for the future payment of compensated absences.

**Recent Accounting Pronouncements** – The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB adopts accounting statements to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America (GAAP). The municipalities in the State of New Jersey do not prepare their financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements.

Accounting Pronouncements Adopted in Current Year

The following GASB Statements became effective for the fiscal year ended December 31, 2024:

- Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2023. Management has determined that the implementation of this Statement did not have a significant impact on the Township’s financial statements.
- Statement No. 101, *Compensated Absences*. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023. Implementation of this Statement resulted in additional footnote disclosures on the Township’s financial statements. See Note 13.

Accounting Pronouncements Effective in Future Reporting Periods

The following accounting pronouncements will become effective in future reporting periods:

- Statement No. 102, *Certain Risk Disclosures*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024.
- Statement No. 103, *Financial Reporting Model Improvements*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025.
- Statement No. 104, *Disclosure of Certain Capital Assets*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

Management has not yet determined the potential impact these Statements will have on the Township’s financial statements.

**TOWNSHIP OF OLD BRIDGE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 2. Deposits and Investments**

The Township is governed by the deposit and investment limitations of New Jersey state law.

**Deposits**

**Custodial Credit Risk Related to Deposits** - Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits may not be returned. Although the Township does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA is a supplemental insurance program set forth by the New Jersey Legislature to protect the deposits of local governmental agencies. The program is administered by the Commissioner of the New Jersey Department of Banking and Insurance. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public funds owned by the Township in excess of FDIC insured amounts are protected by GUDPA. However,

GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds or funds that may pass to the Township relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below.

As of December 31, 2024, the Township's bank balance of \$92,922,192.90 was insured or collateralized as follows:

Insured under FDIC and GUDPA	\$ 42,894,750.99
Uninsured and Uncollateralized	<u>50,027,441.91</u>
	<u><u>\$ 92,922,192.90</u></u>

**Investments**

Under the regulatory basis of accounting, investments are measured at cost in the Township's financial statements. However, had the financial statements been prepared in accordance with generally accepted accounting principles (GAAP), investments would be reported at fair value (except for fully benefit-responsive investment contracts, which would be reported at contract value). Contract value is the relevant measure for the portion of the Length of Service Awards Program (LOSAP) Plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants normally would receive if they were to initiate permitted transactions under the terms of the LOSAP Plan.

**Investments at Fair Value** – The fair value measurements of investments are required to be reported based on the hierarchy established by GAAP. Under GAAP, investments are required to be categorized based on the fair value of inputs of Levels 1, 2 and 3. Under Level 1 inputs, investments are required to be categorized based on quoted market prices in active markets for identical investments. Level 2 inputs are based primarily on using observable measurement criteria, including quoted market prices of similar investments in active and inactive markets and other observable corroborated factors. Level 3 inputs are assets measured at fair value on a recurring basis using significant unobservable measurement criteria based on the best information available. As of December 31, 2024, the Township had no investments held at Level 2 or 3.

**TOWNSHIP OF OLD BRIDGE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 2. Deposits and Investments (continued)**

**Investments (continued)**

Following is a description of the valuation methodologies used for investments measured at fair value.

*Money Market Funds:* Valued at the quoted NAV of shares held by the Township at year-end.

*Mutual Funds:* Valued at quoted market prices which represent the net asset value ("NAV") shares held by the Township at year-end.

The Township's fair value, hierarchy level and maturities of its investments at December 31, 2024 was as follows:

<u>Investment Type</u>	<u>Carrying Value</u>	<u>Fair Value as of December 31, 2024</u>		<u>Investment Maturities (in Less Than 1 Year)</u>
		<u>Level 1</u>	<u>Total</u>	
Certificate of Deposit	\$ 1,146,883.73	\$ 1,146,883.73	\$ 1,146,883.73	\$ -
Money Markets	11,835.18	11,835.18	11,835.18	11,835.18
Mutual Funds	885,444.42	885,444.42	885,444.42	885,444.42
	<u>\$ 2,044,163.33</u>	<u>\$ 2,044,163.33</u>	<u>\$ 2,044,163.33</u>	<u>\$ 2,044,163.33</u>
<u>Fund</u>				
Trust Fund - LOSAP	\$ 2,044,163.33	\$ 2,044,163.33	\$ 2,044,163.33	\$ 2,044,163.33
	<u>\$ 2,044,163.33</u>	<u>\$ 2,044,163.33</u>	<u>\$ 2,044,163.33</u>	<u>\$ 2,044,163.33</u>

Investments at Contract Value - The Township held a fully benefit-responsive investment contract with the Lincoln Financial (Lincoln) totaling \$134,885.78 as of December 31, 2024. Lincoln maintains the contributions in the group fixed annuity contract (fixed account). The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The traditional investment contract held by the Township is a guaranteed investment contract. The contract issuer is contractually obligated to repay the principal and interest at a specified interest rate that is guaranteed to the LOSAP Plan. The Township's ability to receive amounts due in accordance with the fully benefit-responsive investment contract is dependent on the contract issuer's ability to meet its financial obligations. The fixed account continues in-force until they are terminated by Lincoln or the LOSAP Plan and do not define a maturity date.

No events are probable of occurring that might limit the ability of the LOSAP Plan to transact at contract value with the contract issuer and also limit the ability of the LOSAP Plan to transact at contract value with participants. This contract meets the fully benefit-responsive investment contract criteria and therefore is reported at contract value. The total Trust Fund LOSAP value held by the Township at December 31, 2024 was as followed:

Trust Fund - LOSAP (Fair Value)	\$ 897,279.60
Trust Fund - LOSAP (Contract Value)	134,885.78
	<u>\$ 1,032,165.38</u>

**TOWNSHIP OF OLD BRIDGE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 2. Deposits and Investments (continued)**

**Investments (continued)**

Custodial credit risk related to Investments - This is the risk that in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the Township will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Other than the rules and regulations promulgated by N.J.S.A. 40A:5-15.1, the Township has no investment policy to limit exposure to custodial credit risk.

Interest rate risk - This is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Other than the rules and regulations promulgated by N.J.S.A. 40A:5-15.1, the Township does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit risk - Credit risk is the risk that an issuer to an investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. Government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Other than the rules and regulations promulgated by N.J.S.A. 40A: 5-15.1, the Township's investment policies place no limit in the amount the Township may invest in any one issuer. More than 5% of the Township's investments are in LOSAP. These investments represent 100% of the Township's total investments.

**Note 3. Property Taxes**

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

**Comparison Schedule of Tax Rates**

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Tax Rate	<u>\$ 5.530</u>	<u>\$ 5.302</u>	<u>\$ 5.181</u>
Apportionment of Tax Rate:			
Municipal	1.112	1.092	1.095
County	1.081	1.053	0.978
Local School	3.337	3.157	3.108

**Net Valuation Taxable**

<u>Year</u>	<u>Amount</u>
2024	\$ 3,673,391,100.00
2023	3,623,832,655.00
2022	3,564,802,537.00

**TOWNSHIP OF OLD BRIDGE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 3. Property Taxes (continued)**

**Comparison of Tax Levies and Collections**

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage Of Collection</u>
2024	\$ 212,991,747.86	\$ 209,888,366.61	98.54%
2023	202,552,702.68	201,959,579.42	99.71%
2022	193,624,391.45	192,593,168.27	99.47%

**Delinquent Taxes and Tax Title Liens**

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage Of Tax Levy</u>
2024	\$ 1,276,961.79	\$ 4,009,791.29	\$ 5,286,753.08	2.48%
2023	1,200,521.83	1,196,171.18	2,396,693.01	1.18%
2022	2,164,401.80	1,672,430.85	3,836,832.65	2.02%

**Number of Tax Title Liens**

<u>Year</u>	<u>Number</u>
2024	51
2023	52
2022	54

**Note 4. Property Acquired By Tax Title Lien Liquidation**

The value of properties acquired by liquidation of tax title liens based on the last assessed valuation of such properties as of December 31, 2024 was as follows:

<u>Year</u>	<u>Amount</u>
2024	\$ 14,110,500.00
2023	14,110,500.00
2022	14,110,500.00

**TOWNSHIP OF OLD BRIDGE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 5. Fund Balances Appropriated**

The following schedule details the amount of fund balances available at the end of the current year and two previous years and the amounts utilized in the subsequent year's budgets:

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
<b>Current Fund:</b>			
2024	\$ 18,958,893.28	\$ 13,000,000.00	68.57%
2023	17,252,511.46	11,500,000.00	66.66%
2022	13,578,922.87	9,500,000.00	69.96%
<b>Arena Utility Operating Fund:</b>			
2024	\$ 42,783.47	\$ 40,000.00	93.49%
2023	100,884.69	76,363.00	75.69%
2022	81,458.58	70,242.00	86.23%
<b>Parking Utility Operating Fund:</b>			
2024	\$ 135,349.53	\$ 101,186.00	74.76%
2023	104,729.45	97,081.00	92.70%
2022	133,855.42	120,496.00	90.02%
<b>Golf Utility Operating Fund:</b>			
2024	\$ 714.17	\$ -	0.00%

**Note 6. Disaggregated Receivable and Payable Balances**

There are no significant components of receivable and payable balances reported in the financial statements.

**Note 7. Interfund Receivables, Payables and Transfers**

The following interfund balances were recorded in the various statements of assets liabilities, reserves and fund balances at December 31, 2024:

<b>Fund</b>	<b>Interfund Receivable</b>	<b>Interfund Payable</b>
Current Fund	\$ 28,106.97	\$ -
Animal Control Trust	-	28,106.97
	<u>\$ 28,106.97</u>	<u>\$ 28,106.97</u>

**TOWNSHIP OF OLD BRIDGE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 7. Interfund Receivables, Payables and Transfers (Continued)**

The interfund receivables and payables above predominately resulted from payment made by certain funds on behalf of other funds. All interfund balances are expected to be repaid within one year.

The following is a summary of interfund transfers during the year ended December 31, 2024:

Fund	Transfers In	Transfers Out
Current Fund	\$ -	\$ 707,126.40
State and Federal Grant Fund	427,126.40	2,472,000.00
Capital Fund	2,752,000.00	-
Arena Utility Operating Fund	-	5,000.00
Arena Utility Capital Fund	5,000.00	-
	<u>\$ 3,184,126.40</u>	<u>\$ 3,184,126.40</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them (i.e. interest earning), (2) provide cash flow to other funds to temporary finance expenditures that are on a reimbursable basis (i.e. grants), (3) when no bank account exists for a fund, and (4) utilizing surplus or fund balance from one fund as budgeted revenue in another.

**Note 8. Fixed Assets**

The following is a summary of changes in the General Fixed Assets Account Group for the year ended December 31, 2024.

	Balance December 31, <u>2023</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2024</u>
Land	\$ 49,590,900.00	\$ -	\$ -	\$ 49,590,900.00
Buildings and Improvements	30,274,095.74	-	-	30,274,095.74
Machinery & Equipment	16,479,915.18	846,593.71	5,157.85	17,321,351.04
	<u>\$ 96,344,910.92</u>	<u>\$ 846,593.71</u>	<u>\$ 5,157.85</u>	<u>\$ 97,186,346.78</u>

**TOWNSHIP OF OLD BRIDGE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 9. Pension Obligations**

As of the date of this report, the New Jersey Division of Pension and Benefits has not provided updated actuarial valuations for PERS or PFRS pension obligations for the year ended June 30, 2024. The New Jersey Division of Pension and Benefits will post these reports on their website as they are made available. The footnotes below includes the most current information made publicly available, which had a reporting date of June 30, 2023.

**A. Public Employees' Retirement System (PERS)**

**Plan Description** - The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PERS, please refer to Division's Annual Comprehensive Financial Report (ACFR) which can be found at <http://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

The vesting and benefit provisions are set by *N.J.S.A. 43:15A*. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service.

The following represents the membership tiers for PERS:

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 or more years of service credit before age 62 and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

**Basis of Presentation** - The schedules of employer and nonemployer allocations and the schedules of pension amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PERS or its participating employers. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PERS or the participating employers. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of PERS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.



**TOWNSHIP OF OLD BRIDGE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 9. Pension Obligations (continued)**

**A. Public Employees' Retirement System (PERS) (continued)**

**Contributions** - The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For the fiscal year 2023, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. For the year ended December 31, 2023, the Township's contractually required contribution to PERS plan was \$1,812,838.

**Components of Net Pension Liability** - At December 31, 2023, the Township's proportionate share of the PERS net pension liability was \$19,646,306. The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2023. The Township's proportion measured as of June 30, 2023, was 0.1356379369% which was a decrease of .0024642582% from its proportion measured as of June 30, 2022.

**Balances at June 30, 2024 and June 30, 2023**

	<u>12/31/2023</u>	<u>12/30/2022</u>
Actuarial valuation date (including roll forward)	June 30, 2023	June 30, 2022
Deferred Outflows of Resources	\$ 454,872	\$ 1,846,208
Deferred Inflows of Resources	2,323,156	4,529,346
Net Pension Liability	19,646,306	20,841,522
Township's portion of the Plan's total Net Pension Liability	0.13564%	0.13810%

**Pension Expense and Deferred Outflows/Inflows of Resources** - At December 31, 2023, the Township's proportionate share of the PERS expense/(credit), calculated by the plan as of the June 30, 2023 measurement date is \$(197,232). This expense/(credit) is not recognized by the Township because of the regulatory basis of accounting as described in Note 1, but as previously mentioned the Township contributed \$1,812,838 to the plan in 2023.

**TOWNSHIP OF OLD BRIDGE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 9. Pension Obligations (continued)**

**A. Public Employees' Retirement System (PERS) (continued)**

At December 31, 2023, the Township reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 187,844	\$ 80,308
Changes of Assumptions	43,159	1,190,650
Net Difference between Projected and Actual Earnings on Pension Plan Investments	90,474	-
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	<u>133,395</u>	<u>1,052,198</u>
	<u>\$ 454,872</u>	<u>\$ 2,323,156</u>

The following is a summary of the deferred outflows of resources and deferred inflows of resources related to PERS that will be recognized in future periods:

<u>Year Ending December 30,</u>	<u>Amount</u>
2024	\$ (1,221,012)
2025	(762,715)
2026	625,288
2027	(328,549)
2028	<u>(181,296)</u>
	<u>\$ (1,868,284)</u>

**Special Funding Situation** – Under N.J.S.A. 43:15A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The legislation which legally obligates the State, are Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001.

The amounts contributed on behalf of the local participating employers under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability to report in the financial statements of the local participating employers related to this legislation. At December 31, 2023, the State's proportionate share of the PERS expense, associated with the Township, calculated by the plan as of the June 30, 2023 measurement date was \$61,269.

**TOWNSHIP OF OLD BRIDGE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 9. Pension Obligations (continued)**

**A. Public Employees' Retirement System (PERS) (continued)**

**Actuarial Assumptions** - The total pension asset/(liability) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

Inflation:

Price	2.75%
Wage	3.25%

Salary Increases:

2.75 - 6.55%  
Based on Years of Service

Investment Rate of Return 7.00%

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

**Long-Term Expected Rate of Return** - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2023 are summarized in the following table:

**TOWNSHIP OF OLD BRIDGE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 9. Pension Obligations (continued)**

**A. Public Employees' Retirement System (PERS) (continued)**

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	28.00%	8.98%
Non-U.S. Developed Markets Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markets Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%
	<u>100.00%</u>	

**Discount Rate** - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

**TOWNSHIP OF OLD BRIDGE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 9. Pension Obligations (continued)**

**A. Public Employees' Retirement System (PERS) (continued)**

**Sensitivity of the Township's proportionate share of the Net Pension Liability to Changes in the Discount Rate** - The following presents the Township's proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
Township's Proportionate Share of the Net Pension Liability	<u>\$ 25,790,931</u>	<u>\$ 19,646,306</u>	<u>\$ 14,723,029</u>

**B. Police and Firemen's Retirement System (PFRS)**

As of the date of this report, the New Jersey Division of Pension and Benefits has not provided updated actuarial valuations for pension obligations for the year ended June 30, 2024. The New Jersey Division of Pension and Benefits will post these reports on their website as they are made available. The footnote below includes the most current information made publicly available, which had a reporting date of June 30, 2023.

**Plan Description** – The State of New Jersey, Police and Firemen's Retirement System (PFRS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PFRS, please refer to the Division's Annual Comprehensive Financial Report (ACFR) which can be found at <http://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

The vesting and benefit provisions are set by N.J.S.A. 43:16A. PFRS provides retirement as well as death and disability benefits. All benefits vest after ten years of service, except disability benefits which vest after four years of service.

The following represents the membership tiers for PFRS:

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to May 22, 2010.
2	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
3	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service, as defined, up to 30 years plus 1% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (tiers 1 and 2 members) and 60% (tier 3 members) of final compensation plus 1 % for each year if creditable service over 25 years but not to exceed 30 years. Members may elect deferred retirement benefits after achieving ten years of service, in which case benefits would begin at age 55 equal to 2% of final compensation for each year of service.

**TOWNSHIP OF OLD BRIDGE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 9. Pension Obligations (continued)**

**B. Police and Firemen's Retirement System (PFRS) (continued)**

**Basis of Presentation** - The schedule of employer and nonemployer allocations and the schedule of pension amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PFRS, its participating employers or the State as a nonemployer contributing entity. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PFRS, the participating employers, or the State. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of PFRS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

**Contributions** - The contribution policy for PFRS is set by *N.J.S.A. 43:16A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. For fiscal year 2021, the State contributed an amount less than the actuarially determined amount. The Local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PFRS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. For the year ended December 31, 2023, the Township's contractually required contributions to PFRS plan was \$3,967,184.

**Net Pension Liability and Pension Expense** - At December 31, 2023 the Township's proportionate share of the PFRS net pension liability was \$32,927,072. The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2022, to the measurement date of June 30, 2023. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2023. The Township's proportion measured as of June 30, 2023, was 0.29801538%, which was an increase of 0.0028832% from its proportion measured as of June 30, 2022.

**Balances at December 31, 2023 and December 31, 2022**

	<u>12/31/2023</u>	<u>12/31/2022</u>
Actuarial valuation date (including roll forward)	June 30, 2023	June 30, 2022
Deferred Outflows of Resources	\$ 4,267,602	\$ 6,034,617
Deferred Inflows of Resources	4,595,417	7,552,902
Net Pension Liability	32,927,072	33,781,877
Township's portion of the Plan's total net pension Liability	0.29802%	0.29513%

**TOWNSHIP OF OLD BRIDGE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 9. Pension Obligations (continued)**

**B. Police and Firemen's Retirement System (PFRS) (continued)**

**Pension Expense and Deferred Outflows/Inflows of Resources** – At December 31, 2023, the Township's proportionate share of the PFRS expense, calculated by the plan as of the June 30, 2023 measurement date was \$1,922,362. This credit is not recognized by the Township because of the regulatory basis of accounting as described in Note 1, but as previously mentioned the Township contributed \$3,967,184 to the plan in 2023.

At December 31, 2023, the Township had deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 1,409,871	\$ 1,570,329
Changes of Assumptions	71,068	2,223,366
Net Difference between Projected and Actual Earnings on Pension Plan Investments	1,676,914	-
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	<u>1,109,749</u>	<u>801,722</u>
	<u>\$ 4,267,602</u>	<u>\$ 4,595,417</u>

The following is a summary of the deferred outflows of resources and deferred inflows of resources related to PFRS that will be recognized in future periods:

<u>Year Ending December 31,</u>	<u>Amount</u>
2024	\$ (1,219,802)
2025	(1,168,132)
2026	2,040,126
2027	(108,563)
2028	122,342
Thereafter	<u>6,214</u>
	<u>\$ (327,815)</u>



**TOWNSHIP OF OLD BRIDGE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 9. Pension Obligations (continued)**

**B. Police and Firemen's Retirement System (PFRS) (continued)**

**Special Funding Situation** – Under N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The legislation which legally obligates the state is as follows: Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed on behalf of the local participating employers under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability to report in the financial statements of the local participating employers related to this legislation.

Additionally, the State's proportionate share of the PFRS net pension liability attributable to the Township is \$6,067,196 as of December 31, 2023. The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2022, to the measurement date of June 30, 2023. The State's proportion of the net pension liability associated with the Township was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. The State's proportion measured as of June 30, 2023 was 0.29801559%, which was an increase of 0.00288328% from its proportion measured as of June 30, 2022, which is the same proportion as the Township's. At December 31, 2023, the Township's and the State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

Township's Proportionate Share of Net Pension Liability	\$ 32,927,072
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Township	<u>6,067,196</u>
	<u>\$ 38,994,268</u>



**TOWNSHIP OF OLD BRIDGE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 9. Pension Obligations (continued)**

**B. Police and Firemen's Retirement System (PFRS) (continued)**

At December 31, 2023, the State's proportionate share of the PFRS expense, associated with the Township, calculated by the plan as of the June 30, 2023 measurement date was \$690,131.

**Actuarial Assumptions** - The total pension asset/(liability) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through	All future years 3.25 - 16.25%
	Based on Years of Service
Investment Rate of Return	7.00%

Employee mortality rates were based on the Pub-2010 amount-weighted mortality table with a 105.6% adjustment for males and 102.5% adjustment for females. For healthy annuitants, mortality rates were based on the Pub-2010 amount-weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females. Disability rates were based on the Pub-2010 amount-weighted mortality table with a 152.0% adjustment for males and 109.3% adjustment for females. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

**TOWNSHIP OF OLD BRIDGE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 9. Pension Obligations (continued)**

**B. Police and Firemen's Retirement System (PFRS) (continued)**

**Long-Term Expected Rate of Return** - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2023 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	28.00%	8.98%
Non-U.S. Developed Markets Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markets Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%
	<u>100.00%</u>	

**Discount Rate** - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

**TOWNSHIP OF OLD BRIDGE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 9. Pension Obligations (continued)**

**B. Police and Firemen's Retirement System (PFRS) (continued)**

**Sensitivity of the Township's proportionate share of the Net Pension Liability to Changes in the Discount Rate** - The following presents the Township's proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
Township's Proportionate Share of the Net Pension Liability	\$ 45,878,109	\$ 32,927,072	\$ 22,141,952
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Township	<u>8,453,576</u>	<u>6,067,196</u>	<u>4,079,912</u>
	<u>\$ 54,331,685</u>	<u>\$ 38,994,268</u>	<u>\$ 26,221,864</u>

**Related Party Investments** - The Division of Pensions and Benefits does not invest in securities issued by the Township.

**Note 10. Postemployment Benefits Other Than Pensions**

As of the date of this report, the New Jersey Division of Pension and Benefits has not provided updated actuarial valuations for pension obligations for the year ended June 30, 2024. The New Jersey Division of Pension and Benefits will post these reports on their website as they are made available. The footnote below includes the most current information made publicly available, which had a reporting date of June 30, 2023.

**General Information about the OPEB Plan**

The State Health Benefit Local Government Retired Employees Plan (the Plan) is a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. For additional information about the Plan, please refer to the State of New Jersey (the State), Division of Pensions and Benefits' (the Division) Annual Comprehensive Financial Report (ACFR), which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

**TOWNSHIP OF OLD BRIDGE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 10. Postemployment Benefits Other Than Pensions (continued)**

The Plan provides medical and prescription drug to retirees and their covered dependents of the participating employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees. Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations agreement.

In accordance with Chapter 330, P.L. 1997, which is codified in N.J.S.A 52:14-17.32i, the State provides medical and prescription coverage to local police officers and firefighters, who retire with 25 years of service or on a disability from an employer who does not provide postretirement medical coverage. Local employers were required to file a resolution with the Division in order for their employees to qualify for State-paid retiree health benefits coverage under Chapter 330. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

**Basis of Presentation**

The schedule of employer and nonemployer allocations and the schedule of OPEB amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of its participating employers or the State as a nonemployer contributing entity. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of the participating employers or the State. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of the Plan to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

**TOWNSHIP OF OLD BRIDGE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 10. Postemployment Benefits Other Than Pensions (continued)**

**Allocation Methodology**

GASB Statement No. 75 requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB (benefit) expense. The special funding situation's and nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB (benefit) expense are based on separately calculated total OPEB liabilities. For the special funding situation and the nonspecial funding situation, the total OPEB liabilities for the year ended June 30, 2023 were \$3,461,898,890 and \$11,427,677,896 respectively. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB (benefit) expense are further allocated to employers based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2022 through June 30, 2023. Employer and nonemployer allocation percentages have been rounded for presentation purposes; therefore, amounts presented in the schedule of OPEB amounts by employer and nonemployer may result in immaterial differences.

**Net OPEB Liability**

The total OPEB liability as of June 30, 2023 was determined by an actuarial valuation as of June 30, 2022, which was rolled forward to June 30, 2023. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

**Salary Increases\*:**

**Public Employees' Retirement System (PERS)**

Rate for all future years 2.75% to 6.55% based on years of service

**Police and Firemen's Retirement System (PFRS)**

Rate for all future years 3.25% to 16.25% based on years of service

**Police and Firemen's Retirement System (PFRS)**

Rate for all future years

**Mortality:**

**PERS**

Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021.

**PERS**

Pub-2010 Safety classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021.

\* - Salary Increases are based on years of service within the respective plan.

**OPEB Obligation and OPEB (benefit) Expense** - The State's proportionate share of the total Other Post-Employment Benefits Obligations, attributable to the Township's as of June 30, 2023 was \$71,394,962. The Township's proportionate share was \$0.

**TOWNSHIP OF OLD BRIDGE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 10. Postemployment Benefits Other Than Pensions (continued)**

The OPEB Obligation was measured as of June 30, 2023, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. The State's proportionate share of the OPEB Obligation associated with the Township was based on projection of the State's long-term contributions to the OPEB plan associated with the Township relative to the projected contributions by the State associated with all participating Municipalities, actuarially determined. At June 30, 2023, the State proportionate share of the OPEB Obligation attributable to the Township was 0.475789990%, which was an increase from 0.00% of its proportion measured as of June 30, 2022.

For the fiscal year ended June 30, 2023, the State of New Jersey recognized an OPEB (benefit) expense in the amount of \$10,759,296 for the State's proportionate share of the OPEB (benefit) expense attributable to the Township. This OPEB (benefit) expense was based on the OPEB plans June 30, 2023 measurement date.

Actuarial assumptions used in the July 1, 2022 valuation were based on the results of the PFRS and PERS experience studies prepared for July 1, 2018 to June 30, 2021.

100% of active members are considered to participate in the Plan upon retirement.

*Health Care Trend Assumptions*

For Pre-Medicare medical benefits, the trend rate is initially 6.50% and decreases to a 4.5% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 14.8% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO, the trend is increasing to 17.4% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.5% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

*Discount Rate*

The discount rate for June 30, 2022 was 3.65%. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**TOWNSHIP OF OLD BRIDGE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 10. Postemployment Benefits Other Than Pensions (continued)**

***Sensitivity of Net OPEB Liability to Changes in the Discount Rate***

The following presents the collective net OPEB liability of the participating employers as of June 30, 2023, calculated using the discount rate as disclosed above as well as what the collective net OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current rate:

	At 1% Decrease (2.65%)	At Discount Rate (3.65%)	At 1% Increase (4.65%)
State of New Jersey's Proportionate Share of Total OPEB Obligation Associated with The Township	\$ 82,698,122.80	\$ 71,394,962.00	\$ 62,303,312.56
State of New Jersey's Total Nonemployer OPEB Liability	17,382,355,978.00	15,006,539,477.00	13,095,561,553.00

***Sensitivity of Net OPEB Liability to Changes in the Healthcare Trend Rate:***

The following presents the net OPEB liability as of June 30, 2023, calculated using the healthcare trend rate as disclosed above as well as what the net OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with The Township	\$ 60,677,316.98	\$ 71,394,962.00	\$ 85,116,822.91
State of New Jersey's Total Nonemployer OPEB Liability	12,753,792,805.00	15,006,539,477.00	17,890,743,651.00

**TOWNSHIP OF OLD BRIDGE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 10. Postemployment Benefits Other Than Pensions (continued)**

**Additional Information** – The following is a summary of the collective balances of the local group at June 30, 2023:

**Collective Balances at December 31, 2023 and December 31, 2022**

	<u>12/31/2023</u>	<u>12/31/2022</u>
Actuarial valuation date (including roll forward)	June 30, 2023	June 30, 2022
Collective Deferred Outflows of Resources	\$ 9,133,524,491.00	\$ 7,897,070,518.00
Collective Deferred Inflows of Resources	14,817,220,551.00	13,408,600,309.00
Collective Net OPEB Liability	15,006,539,477.00	16,149,595,478.00
 Township's Portion	 0.475759%	 0.000000%

The collective amounts reported as a deferred outflow of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30:	
2024	\$ (1,702,483,126)
2025	(1,394,440,795)
2026	(754,368,466)
2027	(353,621,247)
2028	(713,799,887)
Thereafter	<u>(764,982,539)</u>
	 <u><u>\$ (5,683,696,060)</u></u>

*Changes in Proportion*

The previous amounts do not include employer specific deferred outflows of resources and deferred inflow of resources related to the changes in proportion. These amounts should be recognized (amortized) by each employer over the average remaining service lives of all plan members, which is 7.89, 7.82, 7.82, 7.87, 8.05, 8.14 and 8.04 years for the 2023, 2022, 2021, 2020, 2019, 2018 and 2017 amounts, respectively.



**TOWNSHIP OF OLD BRIDGE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 10. Postemployment Benefits Other Than Pensions (continued)**

**Changes in the Total OPEB Liability**

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2023 (measurement date June 30, 2022) is as follows:

Service Cost	\$ 597,135,801
Interest on the Total OPEB Liability	581,375,849
Change of Benefit Terms	23,039,435
Differences Between Expected and Actual Experience	(2,123,324,630)
Changes of Assumptions	255,103,873
Contributions From the Employer	(431,386,179)
Contributions From Non-Employer Contributing Entity	(55,614,980)
Net Investment Income	(2,001,914)
Administrative Expense	<u>12,616,744</u>
Net Change in Total OPEB Liability	(1,143,056,001)
Total OPEB Liability (Beginning)	<u>16,149,595,478</u>
Total OPEB Liability (Ending)	<u><u>\$ 15,006,539,477</u></u>

**Special Funding Situation**

Under Chapter 330, P.L. 1997, the State shall pay the premium or periodic charges for the qualified local police and firefighter retirees and dependents equal to 80 percent of the premium or periodic charge for the category of coverage elected by the qualified retiree under the State managed care plan or a health maintenance organization participating in the program providing the lowest premium or periodic charge. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan, there is no net OPEB liability, deferred outflows of resources or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net OPEB liability that is associated with the local participating employer.

**TOWNSHIP OF OLD BRIDGE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 10. Postemployment Benefits Other Than Pensions (continued)**

The participating employer allocations included in the supplemental schedule of employer special funding allocations and the supplemental schedule of special funding amounts by employer for each employer are provided as each employer is required to record in their financial statements, as an expense and corresponding revenue, their proportionate share of the OPEB expense allocated to the State of New Jersey under the special funding situation and include their proportionate share of the collective net OPEB liability in their respective notes to their financial statements. For this purpose, the proportionate share was developed based on eligible plan members subject to the special funding situation. This data takes into account active members from both participating and non-participating employer locations and retired members currently receiving OPEB benefits.

Additionally, the State's proportionate share of the OPEB liability attributable to the Township is \$886,090 as of December 31, 2023. The OPEB liability was measured as of June 30, 2023. The total OPEB liability used to calculate the OPEB liability was determined using update procedures to roll forward the total OPEB liability from an actuarial valuation as of July 1, 2022, to the measurement date of June 30, 2023. The State's proportion of the OPEB liability associated with the Township was based on a projection of the Township's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating members, actuarially determined. The State's proportion measured as of June 30, 2023 was 0.0253959968%, which was a decrease of 0.5767940046% from its proportion measured as of June 30, 2022, which is the same proportion as the Township's. At December 31, 2023, the Township's and the State of New Jersey's proportionate share of the OPEB liability were as follows:

State of New Jersey's		
Proportionate Share of OPEB Liability		
Associated with the Township	\$	886,090.00

At December 31, 2023, the State's proportionate share of the OPEB expense/(credit), associated with the Township, calculated by the plan as of the June 30, 2023 measurement date was (\$160,665).

**TOWNSHIP OF OLD BRIDGE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 11. Municipal Debt**

The following schedule represents the Township's summary of debt, as filed in the Township's Annual Debt Statement required by the Local Bond Law of New Jersey for the current and two previous years:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
<b>Issued:</b>			
General:			
Bonds, Notes and Loans	\$ 29,705,000.00	\$ 31,646,867.23	\$ 30,291,918.86
Arena Utility:			
Bonds, Notes and Loans	630,000.00	740,000.00	850,000.00
Total Debt Issued	<u>30,335,000.00</u>	<u>32,386,867.23</u>	<u>31,141,918.86</u>
<b>Authorized but not issued:</b>			
General:			
Bonds, Notes and Loans	19,175,560.76	8,766,734.08	7,636,970.59
Arena Utility:			
Bonds, Notes and Loans	301,582.77	40,382.77	40,382.77
Total Authorized But Not Issued	<u>19,477,143.53</u>	<u>8,807,116.85</u>	<u>7,677,353.36</u>
<b>Total Gross Debt</b>	<u>49,812,143.53</u>	<u>41,193,984.08</u>	<u>38,819,272.22</u>
<b>Deductions:</b>			
Arena Utility:			
Self-Liquidating Debt	931,582.77	-	-
Total Deductions	<u>931,582.77</u>	<u>-</u>	<u>-</u>
<b>Total Net Debt</b>	<u>\$ 48,880,560.76</u>	<u>\$ 41,193,984.08</u>	<u>\$ 38,819,272.22</u>

Summary of Statutory Debt Condition - Annual Debt Statement

The following schedule is a summary of the previous schedule and is prepared in accordance with the required method of setting up the Annual Debt Statement:

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School Debt	\$ 18,495,000.00	\$ 18,495,000.00	\$ -
General Debt	48,880,560.76	-	48,880,560.76
Utility Debt	931,582.77	931,582.77	-
	<u>\$ 68,307,143.53</u>	<u>\$ 19,426,582.77</u>	<u>\$ 48,880,560.76</u>

**TOWNSHIP OF OLD BRIDGE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 11. Municipal Debt (continued)**

Net Debt \$48,880,560.76 divided by the average Equalized Valuation Basis per N.J.S.A 40A:2-2 as amended, \$11,025,793,030.33, equals 0.443%. New Jersey statute 40A:2-6, as amended, limits the debt of a Municipality to 4.0% of the last three preceding year's average equalized valuations of real estate, including improvements and the assessed valuation of Class II Railroad Property.

The remaining borrowing power in dollars at December 31, 2024 is calculated as follows:

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

4.0% of Equalized Valuation Basis (Municipal)	\$ 441,031,721.21
Net Debt	<u>48,880,560.76</u>
Remaining Borrowing Power	<u><u>\$ 392,151,160.45</u></u>

Self-Liquidating Utility Calculation per N.J.S.A. 40A:2-46

Arena Utility Cash Receipts From Fees, Rents or Other Charges for the Year	\$ 706,512.99
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Deductions:

Operating and Maintenance Costs	\$ 565,833.00
Debt Service	<u>130,530.00</u>

Total Deductions	<u>696,363.00</u>
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Excess/(Deficit) in Revenue	<u><u>\$ 10,149.99</u></u>
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\*If Excess in Revenues all Utility Debt is Deducted

**TOWNSHIP OF OLD BRIDGE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 11. Municipal Debt (continued)**

**General Debt**

**A. Serial Bonds Payable**

On March 5, 2014, the Township issued \$9,800,000.00 of General Obligation Bonds. The General Obligation Bonds were issued at interest rates varying from 2.00% to 2.50% and matured on March 15, 2024.

On October 28, 2015, the Township issued \$3,700,000.00 of Energy Saving Improvement Bonds. The General Obligation Bonds were issued at interest rates varying from 2.00% to 3.125% and mature on August 1, 2035.

On March 30, 2017, the Township issued \$19,520,000.00 of General Obligation Bonds. The General Obligation Bonds were issued at interest rates varying from 2.00% to 3.00% and mature on April 1, 2026.

On March 27, 2019, the Township issued \$8,050,000.00 of General Obligation Bonds. The General Obligation Bonds were issued at interest rates varying from 2.00% to 3.00% and mature on April 1, 2031.

On April 13, 2022, the Township issued \$11,500,000.00 of General Obligation Bonds. The General Obligation Bonds were issued at interest rates varying from 2.00% to 4.00% and mature on October 1, 2033.

Principal and interest due on the outstanding bonds is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 3,765,000.00	\$ 636,726.24	\$ 4,401,726.24
2026	3,770,000.00	541,251.24	4,311,251.24
2027	1,937,000.00	453,726.24	2,390,726.24
2028	1,947,000.00	384,346.24	2,331,346.24
2029	1,962,000.00	314,666.24	2,276,666.24
2030-2034	7,019,000.00	608,895.20	7,627,895.20
2035	305,000.00	9,531.24	314,531.24
<hr/>			
	\$ 20,705,000.00	\$ 2,949,142.64	\$ 23,654,142.64
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**TOWNSHIP OF OLD BRIDGE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 11. Municipal Debt (continued)**

**B. Bond Anticipation Notes Payable – Short Term Debt**

The Township may from time to time issue Bond Anticipation Notes. The purpose of these short-term borrowings is to provide resources for general capital construction, acquisitions or improvement projects and other purposes permitted by State Local Bond Law NJSA 40A:2 et. seq. At December 31, 2024 there was \$9,000,000.00 in bond anticipation notes outstanding.

<u>Description</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Rate</u>	Balance December 31, <u>2024</u>
Series 2024 A	9/12/2024	9/11/2025	4.00%	<u>\$ 9,000,000.00</u>
				<u><u>\$ 9,000,000.00</u></u>

**C. Special Emergency Notes Payable – Short Term Debt**

The Township may from time to time issue Special Emergency Notes. The purpose of these short-term borrowings is to provide resources for special emergencies, as permitted by State Local Bond Law NJSA 40A:2 et. seq. At December 31, 2024 there was \$7,000,000.00 in special emergency notes outstanding.

<u>Description</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Rate</u>	Balance December 31, <u>2024</u>
Special Emergency Note	9/12/2024	9/11/2025	4.00%	<u>\$ 7,000,000.00</u>
				<u><u>\$ 7,000,000.00</u></u>

**D. Bonds and Notes Authorized But Not Issued**

As of December 31, 2024, the Township had \$19,175,560.76 in various General Capital bonds and notes authorized but not issued.

**Arena Utility Debt**

**A. Serial Bonds Payable**

On March 30, 2017, the Township issued \$480,000.00 of Utility Revenue Bonds. The Bonds were issued at interest rates varying from 2.00% to 3.00% and mature on April 1, 2026.

On March 27, 2019, the Township issued \$400,000.00 of Utility Revenue Bonds. The General Obligation Bonds were issued at interest rates varying from 2.00% to 3.00% and mature on April 1, 2031.

On April 13, 2022, the Township issued \$285,000.00 of Utility Revenue Bonds. The General Obligation Bonds were issued at interest rates varying from 2.00% to 4.00% and mature on October 1, 2033.

**TOWNSHIP OF OLD BRIDGE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 11. Municipal Debt (continued)**

Principal and interest due on the outstanding bonds is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 115,000.00	\$ 18,605.00	\$ 133,605.00
2026	120,000.00	15,755.00	135,755.00
2027	68,000.00	12,930.00	80,930.00
2028	68,000.00	10,610.00	78,610.00
2029	68,000.00	8,290.00	76,290.00
2030-2031	191,000.00	12,360.00	203,360.00
	<u>\$ 630,000.00</u>	<u>\$ 78,550.00</u>	<u>\$ 708,550.00</u>

**B. Bond Anticipation Notes Payable – Short Term Debt**

The Township may from time to time issue Bond Anticipation Notes. The purpose of these short-term borrowings is to provide resources for general capital construction, acquisitions or improvement projects and other purposes permitted by State Local Bond Law NJSA 40A:2 et. seq. At December 31, 2024 there were no bond anticipation notes outstanding.

**C. Bonds and Notes Authorized But Not Issued**

As of December 31, 2024 the Township had \$301,582.77 in various Utility bonds and notes authorized but not issued.

**D. Summary of Principal Debt**

A summary of the changes in long-term and short-term debt of the Township is as follows:

	Balance December 31, <u>2023</u>	Accrued/ <u>Increases</u>	Retired/ <u>Decreases</u>	Balance December 31, <u>2024</u>	Balance Due Within <u>One Year</u>
Current:					
Special Emergency Notes	\$ -	\$ 7,000,000.00	\$ -	\$ 7,000,000.00	\$ 7,000,000.00
	<u>\$ -</u>	<u>\$ 7,000,000.00</u>	<u>\$ -</u>	<u>\$ 7,000,000.00</u>	<u>\$ 7,000,000.00</u>
General Capital:					
General Bonds	\$ 25,250,000.00	\$ -	\$ 4,545,000.00	\$ 20,705,000.00	\$ 3,765,000.00
Bond Anticipation Notes	6,100,000.00	9,000,000.00	6,100,000.00	9,000,000.00	9,000,000.00
Authorized But Not Issued	8,766,734.08	13,345,100.00	2,936,273.32	19,175,560.76	-
NJEIT Loans	296,867.23	-	296,867.23	-	-
	<u>\$ 40,413,601.31</u>	<u>\$ 22,345,100.00</u>	<u>\$ 13,878,140.55</u>	<u>\$ 48,880,560.76</u>	<u>\$ 12,765,000.00</u>
Arena Utility Capital:					
Utility Bonds	\$ 740,000.00	\$ -	\$ 110,000.00	\$ 630,000.00	\$ 115,000.00
Authorized But Not Issued	40,382.77	261,200.00	-	301,582.77	-
	<u>\$ 780,382.77</u>	<u>\$ 261,200.00</u>	<u>\$ 110,000.00</u>	<u>\$ 931,582.77</u>	<u>\$ 115,000.00</u>

**TOWNSHIP OF OLD BRIDGE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 11. Municipal Debt (continued)**

**E. Debt Guaranteed by the Township**

In order to assist the Old Bridge Municipal Utilities Authority and Old Bridge Redevelopment Agency (together the Agencies) with the financing of governmental loan programs to be undertaken by the Agencies, the Township, with passing of a resolution, is authorized to guaranty unconditionally the punctual payment of principal and interest on any obligations of the Agencies. The Township has the power and the obligation to cause the levy of ad valorem taxes upon all the taxable property within the jurisdiction of the Township without limitation as to rate or amount for the payment of its obligations under each this guaranty. At December 31, 2024 the debt guaranteed by the Township on behalf of the Agencies is as follows:

<u>Type of Obligation Guaranteed</u>	<u>Balance December 31, 2024</u>
Old Bridge Redevelopment Agency Bonds and Notes	\$ 3,174,641.44
Old Bridge Municipal Utilities Authority Bonds and Notes	<u>23,980,723.00</u>
Total	<u>\$ 27,155,364.44</u>

**Note 12. Deferred Compensation Salary Account**

The Township offers its employees a Deferred Compensation Plan in accordance with Internal Revenue Code Section 457 which has been approved by the Director of the Division of Local Government Services. The Plan, available to all full time employees at their option, permits employees to defer a portion of their salary to future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency. Amounts deferred under Section 457 plans must be held in trust for the exclusive benefits of participating employees and not be accessible by the Township or its creditors. Since the Township does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Township's financial statements.

**Note 13. Accrued Sick, Vacation and Compensation Time**

GASB Statement No. 101, *Compensated Absences*, requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. The liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

As discussed in Note 1 and in accordance with accounting principles prescribed by the State of New Jersey, the cash basis of accounting is followed for recording the Township's liability related to unused vacation, sick pay and compensation time. The Township permits certain employees, within limits, to accumulate unused vacation, sick pay and compensation time, which may be taken as time off or paid at a later date at an agreed upon rate. In accordance with New Jersey accounting principles, this unused accumulated absence amount is not reported as a liability in the accompanying financial statements.



**TOWNSHIP OF OLD BRIDGE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 13. Accrued Sick, Vacation and Compensation Time (continued)**

Under current policies and in accordance with N.J.S.A. 40A:9-10.2, unused sick leave is paid at an agreed upon rate upon separation of employment. Excess unused sick leave above the statutory cap is not paid out upon separation and lapses unless used. However, a liability is recognized under GASB 101 to the extent such leave is expected to be used as time off. It is estimated that accrued benefits for compensated absences, in accordance with GASB Statement No. 101, are valued at \$5,366,821.10 at December 31, 2024.

This estimate includes leave that is expected to be paid upon separation from service, and sick leave and compensation time to the extent that such leave is more likely than not to be used by employees as paid time off, based on historical usage patterns.

The Township adopted GASB Statement No. 101 during the year ended December 31, 2024. As a result, the compensated absences liability disclosed above reflects the revised recognition criteria under this standard.

**Note 14. Risk Management**

The Township is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

**Joint Insurance Pool**

The Township is a member of the Middlesex County Municipal Joint Insurance Fund. The Fund provides the Township with the following primary coverage and limits:

Worker's Compensation	\$1,000,000
Commercial General Liability	\$20,000,000
Law Enforcement Professional Liability	\$10,000,000
Bodily Injury & Property Damage Liability (Auto)	\$10,000,000
Environmental Legal Liability	Various
Crime	\$1,000,000

Contributions to the Funds are payable in two installments and are based on actuarial assumptions determined by the Funds' actuaries. The Fund publishes its own financial report for the year ended December 31, 2024 which can be obtained on the Fund's website.

**New Jersey Unemployment Compensation Insurance**

The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Reimbursement Method". Under this plan, the Township is required to reimburse the New Jersey Unemployment Trust Fund, dollar-for-dollar, for unemployment benefits paid to its former employees who were laid off or furloughed and charged to its account with the State. The Township is billed quarterly for amounts due to the State. The following is a summary of Township contributions, reimbursements to the State for benefits paid and the ending balance of the Township's unemployment trust fund for the current and previous two years:

<u>Year</u>	<u>Contributions</u>	<u>Interest Earned</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2024	\$ 89,162.00	\$ 393.40	\$ 93,906.10	\$ 11,378.11
2023	87,062.95	160.22	89,692.94	15,728.81
2022	71,516.28	131.63	79,985.84	18,198.58

**TOWNSHIP OF OLD BRIDGE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 15. Contingencies**

Grantor Agencies

The Township receives financial assistance from the State of New Jersey and the U.S. government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by grantors. As a result of these audits, costs previously reimbursed could be disallowed and require repayment to the grantor agency. As of December 31, 2024 the Township estimates that no material liabilities will result from such audits.

Litigation

The Township is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the Township, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

Tax Appeals

Losses arising from tax appeals are recognized at the time a decision is rendered by an administrative or judicial body; however, municipalities may establish reserves transferred from tax collections or by budget appropriation for future payments of tax appeal losses. There are no significant pending tax appeals as of December 31, 2024.

**Note 16. Length of Service Awards Program**

The Township's length of service awards program ("LOSAP") is reported in the Township's trust fund Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis. The LOSAP provides tax deferred income benefits to active volunteer firefighters and emergency medical personnel.

The tax deferred income benefits for the active volunteer firefighters and emergency medical personnel serving the residents of the Township come from contributions made solely by the governing body of the Township, on behalf of those volunteers who meet the criteria of a plan created by that governing body. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

**Contributions** - If an active member meets the year of active service requirement, a length of service awards program must provide a benefit between the minimum contribution of \$100 and a maximum contribution of \$1,150.00 per year. While the maximum amount is established by statute, it is subject to periodic increases that are related to the consumer price index (N.J.S.A. 40A:14-185(f)). The Division of Local Government Services of the State of New Jersey will issue the permitted maximum annually. Participants direct the investment of the contributions into various investment options offered by the Plan. The Township has no authorization to direct investment contributions on behalf of eligible volunteers nor has the ability to purchase or sell investment options offered by the Plan. The types of investment options, and the administering of such investments, rests solely with the plan administrator.

**TOWNSHIP OF OLD BRIDGE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Note 16. Length of Service Awards Program (continued)**

**Participant Accounts** - Each participant's account is credited with the Township's contribution and Plan earnings, and charged with administrative expenses. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. The Township has placed the amounts deferred, including earnings, in a trust maintained by a third-party administrator for the exclusive benefit of the plan participants and their beneficiaries. Such funds, although subject to the claims of the Township's creditors until distributed as benefit payments, are not available for funding the operations of the Township. The funds may also be used to pay the administrative fees charged by the Plan Administrator. Lincoln Financial Group ("Plan Administrator"), an approved Length of Service Awards Program provider, is the administrator of the Plan. The Township's practical involvement in administering the Plan is essentially limited to verifying the eligibility of each participant and remitting the funds to the Plan Administrator.

**Vesting** - Benefits, plus actual earnings thereon, are one hundred percent (100%) vested after five (5) years of service.

**Payment of Benefits** - Upon retirement or disability, participants may select various payout options, which include lump sum, periodic, or annuity payments. In the case of death, with certain exceptions, any amount invested under the participant's account is paid to the beneficiary or the participant's estate. In the event of an unforeseeable emergency, as outlined in the Plan document, a participant or a beneficiary entitled to vested accumulated deferrals may request the local plan administrator to payout a portion of vested accumulated deferrals. During the year ended December 31, 2024 payouts of \$54,121.67 were made to vested participants.

**Forfeited Accounts** – During the year ended December 31, 2024, no accounts were forfeited.

**Plan Information** - Additional information about the Township's length of service awards program can be obtained by contacting the Plan Administrator.

**Note 17. Subsequent Events**

Management has reviewed and evaluated all events and transactions that occurred between December 31, 2024 and June 30, 2025, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements.

On April 8, 2025 the Township adopted an ordinance providing an appropriation of \$6,105,000 for Various Improvements in and by the Township and authorizing the issuance of \$5,086,600 bonds or notes of the Township for financing part of the appropriation.

On April 8, 2025 the Township adopted an ordinance providing an appropriation of \$75,000 for Various Improvements in and by the Township and authorizing the issuance of \$71,200 bonds or notes of the Township for financing part of the appropriation.

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## APPENDIX C

### FORM OF CONTINUING DISCLOSURE CERTIFICATE

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## **CONTINUING DISCLOSURE UNDERTAKING**

This Continuing Disclosure Undertaking (the “Undertaking”) dated as of September 1, 2025 by the Township of Old Bridge, in the County of Middlesex, New Jersey, a public body corporate and politic of the State of New Jersey (the “Issuer”) is executed and delivered in connection with the issuance of the Issuer’s \$21,750,000 Notes, Series 2025, consisting of \$15,000,000 General Improvement Notes, Series 2025, \$300,000 Arena Utility Notes, Series 2025 and \$6,450,000 Emergency Notes, Series 2025 (collectively, the “Notes”). Capitalized terms used in this Undertaking shall have the respective meanings specified above or in Article IV hereof.

### **ARTICLE I**

#### **THE UNDERTAKING**

Section 1.1. Purpose. This Undertaking shall constitute a written undertaking for the benefit of the holders of the Notes, and is being executed and delivered solely to assist the successful bidder in complying with subsection (b)(5) of the Rule.

Section 1.2. Disclosure Event Notices. If a Disclosure Event occurs, the Issuer shall provide, in a timely manner not in excess of ten business days following the occurrence of any of the Disclosure Events, a Disclosure Event Notice to the MSRB.

Section 1.3. Additional Disclosure Obligations. The Issuer acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Issuer, and that under some circumstances compliance with this Undertaking, without additional disclosures or other action, may not fully discharge all duties and obligations of the Issuer under such laws.

Section 1.4. Additional Information. Nothing in this Undertaking shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Undertaking or any other means of communication, or including any other information in any Disclosure Event Notice, in addition to that which is required by this Undertaking. If the Issuer chooses to include any information in any Disclosure Event Notice in addition to that which is specifically required by this Undertaking, the Issuer shall have no obligation under this Undertaking to update such information or include it in any future Disclosure Event Notice.

### **ARTICLE II**

#### **OPERATING RULES**

Section 2.1. Disclosure Event Notices. Each Disclosure Event Notice shall be so captioned and shall prominently state the title, date and CUSIP numbers of the Notes.

Section 2.2. Transmission of Notices. Unless otherwise required by law and, in the Issuer’s sole determination, subject to technical and economic feasibility, the Issuer shall employ

such methods of notice transmission as shall be requested or recommended by the herein-designated recipients of the Issuer's notices.

### **ARTICLE III**

#### **TERMINATION, AMENDMENT AND ENFORCEMENT**

Section 3.1. Termination. (a) The Issuer's obligations under this Undertaking shall terminate upon a legal defeasance, prior redemption or payment in full of all of the Notes.

(b) This Undertaking, or any provision hereof, shall be null and void in the event that the Issuer (1) receives an opinion of Counsel, addressed to the Issuer, to the effect that those portions of the Rule which require this Undertaking, or any of the provisions hereof, do not or no longer apply to the Notes, whether because such portions of the Rule are invalid, have been repealed, or otherwise, as shall be specified in such opinion and (2) delivers copies of such opinion to the MSRB.

Section 3.2. Amendment. (a) This Undertaking may be amended, in writing, without the consent of the holders of the Notes (except to the extent required under clause (4)(ii) below), if all of the following conditions are satisfied: (1) such amendment is made in connection with a change in circumstances that arises from a change in legal (including regulatory) requirements, a change in law (including rules or regulations) or in interpretations thereof, or a change in the identity, nature or status of the Issuer or the type of business conducted thereby, (2) this Undertaking as so amended would have complied with the requirements of the Rule as of the date of this Undertaking, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, (3) the Issuer shall have received an opinion of Counsel, addressed to the Issuer, to the same effect as set forth in clause (2) above, (4) either (i) the Issuer shall have received an opinion of Counsel or a determination by a person, in each case unaffiliated with the Issuer (such as bond counsel) and acceptable to the Issuer, addressed to the Issuer, to the effect that the amendment does not materially impair the interests of the holders of the Notes or (ii) the holders of the Notes consent to the amendment to this Undertaking and (5) the Issuer shall have delivered copies of such opinion(s) and amendment to the MSRB.

(b) In addition to subsection (a) above, this Undertaking may be amended and any provision of this Undertaking may be waived, in writing, without the consent of the holders of the Notes, if all of the following conditions are satisfied: (1) an amendment to the Rule is adopted, or a new or modified official interpretation of the Rule is issued, after the effective date of this Undertaking which is applicable to this Undertaking, (2) the Issuer shall have received an opinion of Counsel, addressed to the Issuer, to the effect that performance by the Issuer under this Undertaking as so amended or giving effect to such waiver, as the case may be, will not result in a violation of the Rule and (3) the Issuer shall have delivered copies of such opinion and amendment to the MSRB.

Section 3.3. Benefit; Third-Party Beneficiaries; Enforcement. (a) The provisions of this Undertaking shall inure solely to the benefit of the holders from time to time of the Notes, except that beneficial owners of Notes shall be third-party beneficiaries of this Undertaking.



(b) Except as provided in this subsection (b), the provisions of this Undertaking shall create no rights in any person or entity. The obligations of the Issuer to comply with the provisions of this Undertaking shall be enforceable (i) in the case of enforcement of obligations to provide notices, by any holder of outstanding Notes, or (ii) in the case of challenges to the adequacy of the notices so provided, by the holders of not less than a majority in aggregate principal amount of the Notes at the time outstanding. The holders' rights to enforce the provisions of this Undertaking shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the Issuer's obligations under this Undertaking. In consideration of the third-party beneficiary status of beneficial owners of Notes pursuant to subsection (a) of this Section, beneficial owners shall be deemed to be holders of Notes for purposes of this subsection (b).

(c) Any failure by the Issuer to perform in accordance with this Undertaking shall not constitute a default with respect to the Notes.

(d) This Undertaking shall be construed and interpreted in accordance with the laws of the State, and any suits and actions arising out of this Undertaking shall be instituted in a court of competent jurisdiction in the State; provided, however, that to the extent this Undertaking addresses matters of federal securities laws, including the Rule, this Undertaking shall be construed in accordance with such federal securities laws and official interpretations thereof.

## **ARTICLE IV**

### **DEFINITIONS**

Section 4.1. Definitions. The following terms used in this Undertaking shall have the following respective meanings:

(1) "Counsel" means Gibbons P.C. or other nationally recognized bond counsel or counsel expert in federal securities laws.

(2) "Disclosure Event" means any of the following events with respect to the Notes, whether relating to the Issuer or otherwise:

- (i) principal and interest delinquencies;
- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue

(IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

- (vii) modifications to rights of Bondholders; if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) defeasances;
- (x) release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership or similar event of the Issuer;
- (xiii) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material.
- (xv) incurrence of a financial obligation (as defined in the Rule) of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Issuer, any of which affect security holders, if material; and
- (xvi) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Issuer, any of which reflect financial difficulties.

(3) “Disclosure Event Notice” means notice of a Disclosure Event.

(4) “MSRB” means the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to Rule 15c2-12. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) website of the MSRB, currently located at <http://emma.msrb.org>.

(5) “Official Statement” means the “final official statement”, as defined in paragraph (f)(3) of the Rule.

(6) “Rule” means Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934 (17 CFR Part 240, §240.15c2-12), as in effect on the date of this Undertaking and as may be amended from time to time, including any official interpretations thereof issued either before or after the effective date of this Undertaking which are applicable to this Undertaking.

(7) “SEC” means the United States Securities and Exchange Commission.

(8) “State” means the State of New Jersey.

**IN WITNESS WHEREOF**, the Issuer has caused this Undertaking to be executed by its Chief Financial Officer as of the date first above written.

**TOWNSHIP OF OLD BRIDGE,  
COUNTY OF MIDDLESEX, NEW JERSEY**

By: \_\_\_\_\_

Name: Dawn M. Swoboda

Title: Chief Financial Officer

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APPENDIX D

FORM OF APPROVING OPINION OF BOND COUNSEL

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**[FORM OF BOND COUNSEL OPINION]**

September \_\_, 2025

Mayor and Township Council  
Township of Old Bridge  
Municipal Building  
One Old Bridge Plaza  
Old Bridge, New Jersey 08857

Dear Mayor and Council Members:

We have examined certified copies of the proceedings of the Township Council of the Township of Old Bridge, in the State of New Jersey (the "Township"), including ordinances, affidavits and certificates delivered by officials of the Township, and other proofs submitted to us relative to the issuance and sale of \$21,750,000 Notes, Series 2025, consisting of \$15,000,000 General Improvement Notes, Series 2025, \$300,000 Arena Utility Notes, Series 2025 and \$6,450,000 Emergency Notes, Series 2025 (collectively, the "Notes"). The Notes are issued in registered form without coupons, are dated the date of delivery, bear interest at the rate of \_\_\_\_\_ and \_\_\_\_\_ Hundredths Percent (\_\_\_\_\_% ) per annum and are payable at maturity on September 9, 2026. The Notes are issued pursuant to the Local Bond Law, constituting Chapter 2 of Title 40A of the New Jersey Statutes (the "Local Bond Law"), the Local Budget Law, constituting Chapter 4 of Title 40A of the New Jersey Statutes (the "Local Budget Law"), and various bond ordinances and a resolution each in all respects duly approved and published as required by law. The Notes are not subject to redemption prior to maturity.

The Notes are temporary obligations issued in anticipation of the issuance of bonds.

We have examined the Local Bond Law, the Local Budget Law and such other laws and originals (or copies certified or otherwise identified to our satisfaction) of such instruments, certificates and documents as we deem necessary to render the opinions set forth herein. In such examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity to the original documents of all documents submitted to us as copies.

Based upon the foregoing and subject to the qualifications set forth herein, we are of the opinion that:

1. The aforementioned proceedings and proofs show lawful authority for the issuance and sale of the Notes pursuant to the Local Bond Law, the Local Budget Law and other applicable provisions of law, and that the Notes have been duly authorized, executed and delivered and are valid and legally binding obligations of the Township.

2. The Township has the power and is obligated to levy *ad valorem* taxes upon all the taxable property within the Township for the payment of the principal of and interest on the Notes, without limitation as to rate or amount.

3. Under existing law, interest on the Notes is excluded from the gross income of the owners of the Notes for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and interest on the Notes is not an item of tax preference under Section 57 of the Code for purposes of computing alternative minimum tax, however, interest on the Notes is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under the Code. We express no opinion regarding any other Federal income tax consequences arising with respect to the Notes .

4. Under existing law, interest on the Notes and any net gains on the sale thereof are exempt from the tax imposed by the New Jersey Gross Income Tax Act.

With respect to our federal income tax opinion, we note that the Code imposes certain requirements that must be met on the date of issuance and on a continuing basis subsequent to the issuance of the Notes in order for interest on the Notes to be excluded from gross income for Federal income tax purposes pursuant to Section 103 of the Code. The Township has made certain representations and covenants in its tax certificate, which is executed on the date of issuance of the Notes, as to various tax requirements. In addition, the Township has covenanted to comply with the provisions of the Code applicable to the Notes and has covenanted not to take any action or fail to take any action to be taken which would cause the interest on the Notes to lose the exclusion from gross income for Federal income tax purposes under Section 103 of the Code or cause interest on the Notes to be treated as an item of tax preference under Section 57 of the Code. With your permission, we have relied upon the representations made in the tax certificate and have assumed continuing compliance by the Township with the above covenants in rendering our federal tax opinion with respect to the exclusion of interest on the Notes from gross income for Federal income tax purposes and with respect to interest on the Notes not constituting an item of tax preference.

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



Our opinion concerning the enforceability of the Notes is subject to federal and state laws regarding bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights and remedies generally (including, without limitation, laws relating to fraudulent conveyance, and by general principles of law and equity (regardless of whether enforcement is considered or sought in proceedings at law or in equity) and by limitation on remedial rights under applicable law). Their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

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

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

Very truly yours,

Gibbons P.C.

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