

PRELIMINARY OFFICIAL STATEMENT DATED NOVEMBER 24, 2025

NEW ISSUE

**S&P Global: "SP-1+"
(See "RATING" herein)**

In the opinion of Parker McCay P.A., Mount Laurel, New Jersey, Bond Counsel, assuming continuing compliance by the Township (as hereinafter defined) with certain tax covenants described herein, under existing law, interest on the Notes (as hereinafter defined) is not included for federal income tax purposes in the gross income of the owners thereof pursuant to Section 103 of the Internal Revenue Code of 1986, as amended ("Code"), and will not constitute a tax preference item for purposes of the alternative minimum tax imposed on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on such corporations. In addition, interest on the Notes and any gain from the sale thereof are not included in the gross income of owners thereof under the New Jersey Gross Income Tax Act, as presently executed and construed. See "TAX MATTERS" herein.

\$14,611,000
TOWNSHIP OF MOUNT LAUREL
County of Burlington, New Jersey
BOND ANTICIPATION NOTES OF 2025, SERIES A
(BOOK-ENTRY ONLY) (NON-CALLABLE)

COUPON: ___% YIELD: ___% CUSIP*: _____

Dated: Date of Delivery

Due: December 14, 2026

The \$14,611,000 Bond Anticipation Notes of 2025, Series A ("Notes"), are general obligations of the Township of Mount Laurel, County of Burlington, New Jersey ("Township"), payable from *ad valorem* taxes levied upon all the taxable property within the Township without limitation as to rate or amount, as more fully described herein.

The Notes will be issued as fully registered notes in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York ("DTC"), which will maintain a book-entry system for recording ownership interests of DTC Participants. Individual purchases of beneficial ownership interests in the Notes may be made in book-entry form only on the records of DTC and its Participants and only in the principal amount of \$5,000, or any integral multiple of \$1,000 in excess thereof, or in such amount necessary to issue the principal amount of the Notes. Beneficial Owners of the Notes will not receive certificates representing their interests in the Notes. As long as Cede & Co. is the registered owner, as nominee of DTC, references in this Official Statement to the registered owners shall mean Cede & Co., and not the Beneficial Owners of the Notes.

Principal of and interest on the Notes will be payable by the Township or a duly designated paying agent on the date of maturity. The Notes will bear interest at the rate per annum indicated above, commencing from their date of delivery. While DTC is acting as securities depository for the Notes, the principal of and interest on the Notes will be payable by wire transfer to DTC or its nominee, which is obligated to remit such principal and interest payments to DTC Participants. DTC Participants and Indirect Participants will be responsible for remitting such principal and interest payments to the Beneficial Owners of the Notes. The Notes are not subject to redemption prior to their stated maturity date.

The Notes are authorized to be issued pursuant to: (i) the Local Bond Law, Chapter 169 of the Laws of 1960 of the State of New Jersey, as amended and supplemented ("Local Bond Law"); (ii) bond ordinances 2020-10, 2023-5, 2023-6 and 2025-06, each duly and finally adopted by the Township Council and published in accordance with the requirements of the Local Bond Law; and (iii) a Certificate of Determination and Award executed by the Chief Financial Officer of the Township on December __, 2025.

The Notes are being issued by the Township to provide funds which will be used to: (i) temporarily finance the costs of various capital improvements and the acquisition of property by the repayment at maturity of the principal of certain bond anticipation notes heretofore issued by the Township; (ii) temporarily finance the costs of various capital improvements for which obligations have been authorized, but not yet issued; and (iii) pay certain costs and expenses incidental to the issuance and delivery of the Notes.

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 issued and subject to prior sale, to withdrawal or modification of the offer without notice, and to the approval of legality by the law firm of Parker McCay P.A., Mount Laurel, New Jersey, Bond Counsel to the Township, and certain other conditions described herein. Certain legal matters will be passed upon for the Township by its Solicitor, George M. Morris, Esquire, of the law firm of Parker McCay P.A., Mount Laurel, New Jersey. Phoenix Advisors, a division of First Security Municipal Advisors, Inc., Hamilton, New Jersey has served as Municipal Advisor to the Township in connection with the Notes. The Notes are expected to be available for delivery in definitive form through DTC in New York, New York on or about December 15, 2025.

BID PROPOSALS FOR THE NOTES WILL BE RECEIVED BY THE TOWNSHIP ON TUESDAY, DECEMBER 2, 2025 UNTIL 11:00 AM BY EMAIL: BMORRIS@MUNIADVISORS.COM OR ELECTRONICALLY VIA THE PARITY ELECTRONIC BID SUBMISSION SYSTEM. FOR MORE DETAILS ON HOW TO BID PLEASE VIEW THE NOTICE OF SALE POSTED AT WWW.MUNIHUB.COM.

* Registered trademark of the American Bankers Association. CUSIP data herein are provided by CUSIP Global Services, which is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. The CUSIP number listed above is being provided solely for the convenience of noteholders 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 is subject to being changed after the issuance of the Notes as a result of procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of the Notes.

This is a Preliminary Official Statement, complete with the exception for the specific information permitted to be omitted by Rule 15c2-12 of the Securities and Exchange Commission. The Township has authorized distribution of this Preliminary Official Statement to prospective purchasers and others. In accordance with Rule 15c2-12, this Preliminary Official Statement is deemed final. Upon the sale of the Notes described herein, the Township will deliver a final Official Statement within seven business days following such sale.

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, NEW JERSEY**

Mayor and Township Council

Nikitas Moustakas, Esq., Mayor
Stephen Steglik, Deputy Mayor
Fozia Janjua
Silvia Catalan-Culnan
Curtis Green

Township Manager/Clerk

Meredith Riculfy

Chief Financial Officer

Tara Krueger

Solicitor

George M. Morris, Esquire
Parker McCay, P.A.
Mount Laurel, New Jersey

Auditor

Mercadien, P.C.
Hamilton, New Jersey

Bond Counsel

Parker McCay P.A.
Mount Laurel, New Jersey

Municipal Advisor

Phoenix Advisors,
a division of First Security Municipal Advisors, Inc.
Hamilton, New Jersey

The information which is set forth herein has been provided by Township of Mount Laurel, County of Burlington, New Jersey (“Township”), The Depository Trust Company and by other sources which are believed to be reliable by the Township, but the information provided by such sources is not guaranteed as to accuracy or completeness by the Township. Certain general and financial information concerning the Township is contained in Appendices “A” and “B” to this Official Statement. Such information has been furnished by the Township.

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

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

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Notes in any jurisdiction in which it is unlawful for any person to make such an offer, solicitation or sale.

Upon issuance, the Notes will not be registered under the Securities Act of 1933, as amended, will not be listed on any stock or other securities exchange and neither the Securities and Exchange Commission nor any other federal, State, municipal or other governmental entity will have passed upon the accuracy or adequacy of this Official Statement.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVER ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE NOTES AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME WITHOUT PRIOR NOTICE.

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.

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OFFICIAL STATEMENT
Relating to
\$14,611,000
TOWNSHIP OF MOUNT LAUREL
County of Burlington, New Jersey
BOND ANTICIPATION NOTES OF 2025, SERIES A
(BOOK-ENTRY ONLY) (NON-CALLABLE)

INTRODUCTION

This Official Statement, which includes the cover page and the appendices attached hereto, has been prepared by the Township of Mount Laurel in the County of Burlington, New Jersey ("Township"), in connection with the sale and the issuance of its \$14,611,000 Bond Anticipation Notes of 2025, Series A ("Notes"). This Official Statement has been executed by and on behalf of the Township by the Chief Financial Officer and may be distributed in connection with the sale of the Notes.

DESCRIPTION OF THE NOTES

The Notes shall be dated and shall bear interest from their date of delivery and shall mature on the date and in the amount shown on the front cover page hereof. The Notes shall bear interest, payable at maturity, at the rate shown on the front cover page hereof. Interest on the Notes shall be calculated on the basis of twelve (12) thirty (30) day months in a three hundred sixty (360) day year. The Notes are not subject to redemption prior to maturity.

The Notes will be issued as fully registered notes in book-entry only form, if applicable, and when issued, will be registered in the name of and held by Cede & Co., as nominee of DTC. DTC will act as securities depository for the Notes. Principal of and interest on the Notes will be payable by the Township or a duly designated paying agent on the date of maturity by wire transfer of immediately available funds to DTC or its nominee. Purchases of beneficial interests in the Notes will be made in book-entry only form, without certificates, in denominations of \$5,000, or any integral multiple of \$1,000 in excess thereof, or in such amount necessary to issue the principal amount of the Notes, through book entries made on the books and records of DTC and its participants. Under certain circumstances, such beneficial interests in the Notes are exchangeable for one or more fully registered Note certificates in authorized denominations.

The Note certificates will be on deposit with DTC, if applicable. DTC will be responsible for maintaining a book-entry system for recording the interests of its participants and transfers of the interests among its participants. The participants will be responsible for maintaining records regarding the beneficial ownership interests in the Notes on behalf of the individual purchasers. Individual purchasers of the Notes will not receive certificates representing their beneficial ownership interests in the Notes, but each book-entry 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. So long as DTC or its nominee, Cede & Co., is the registered owner of the Notes, payments of the principal of and interest on the Notes will be made by the Township or a duly designated paying agent 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. See "BOOK-ENTRY ONLY SYSTEM" herein.

AUTHORIZATION AND PURPOSE OF THE NOTES

The Notes are authorized to be issued pursuant to: (i) the Local Bond Law, Chapter 169 of the Laws of 1960 of the State of New Jersey, as amended and supplemented ("Local Bond Law"); (ii) bond ordinances 2020-10, 2023-05, 2023-06 and 2025-06 (collectively, the "Bond Ordinances"), each duly and finally adopted by the Township Council and published in accordance with the requirements of the Local Bond Law; and (iii) a Certificate of Determination and Award executed by the Chief Financial Officer of the Township on December __, 2025.

The Notes are being issued by the Township to provide funds which will be used to: (i) temporarily finance the costs of various capital improvements and the acquisition of property by the repayment at maturity of the principal of certain bond anticipation notes heretofore issued by the Township; (ii) temporarily finance the costs of various capital improvements for which obligations have been authorized, but not yet issued; and (iii) pay certain costs and expenses incidental to the issuance and delivery of the Notes.

<u>Ordinance Number</u>	<u>Description</u>	<u>Amount Authorized</u>	<u>Prior Notes Outstanding</u>	<u>Amount of Notes to be Issued</u>
2020-10	Various Capital Improvements	\$5,700,000	\$1,197,000	\$1,197,000
2023-05	Property Acquisition for Municipal Building	5,700,000	5,700,000	5,700,000
2023-06	Various Capital Improvements	5,339,950	5,339,000	5,339,000
2025-06	Various Capital Improvements	2,375,000	0	2,375,000
	Total:	\$19,114,950	\$12,236,000	\$14,611,000

BOOK-ENTRY ONLY SYSTEM

General

The description which follows of the procedures and recordkeeping 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 such terms are defined or used 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 concerning these matters.

DTC will act as securities depository for the Notes. The Notes will be issued as fully registered securities 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 certificate will be issued for each maturity of the Notes, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a

member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. 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 a 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.

Purchases of Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC's records. The ownership interest of each actual purchaser of each Note ("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 Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the 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 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 effect 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 the 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. Beneficial Owners of the Notes may wish to ascertain that the nominee holding the Notes for their benefit has agreed to obtain and transmit notices to Beneficial Owners, or 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.

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

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 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 or agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, agent, or the Township, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Township or agent, disbursement of such payments to Direct Participants is 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 or the agent. Under such circumstances, in the event that a successor depository is not obtained, Note certificates are required to be printed and delivered.

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

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

Discontinuation of Book-Entry Only System

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

In the event 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 Note 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. Unless paid from other sources, the Notes are payable from *ad valorem* taxes to be levied upon all the taxable real property within the Township without limitation as to rate or amount. However, the enforceability of rights or remedies with respect to such Notes may be limited by bankruptcy, moratorium or similar laws relating to the enforcement of creditors' rights or to the application of general principles of equity by a court of competent jurisdiction.

The Township may pledge only its own credit and taxing power in respect of the Notes, and has no power to pledge the credit or taxing power of the State of New Jersey ("State") or any other political subdivision thereof, nor shall the Notes be deemed to be obligations of said State or any other political subdivision thereof, nor shall said State or any other political subdivision thereof be liable for the payment of principal of or interest on the Notes.

GENERAL INFORMATION REGARDING THE TOWNSHIP

General

The Township is located in the County of Burlington, New Jersey ("County"). General information concerning the Township, including economic, financial, demographic and other relevant data, is set forth in Appendix "A" to this Official Statement.

Financial

Appendix "B" to this Official Statement contains audited financial statements of the Township for the years ended December 31, 2024 and 2023. The audited financial statements were provided by Mercadien, P.C., Hamilton, New Jersey ("Auditor"), and is included herein in reliance upon the authority of such firm. The Auditor has consented to the inclusion of their report in this Official Statement. Copies of the complete reports of audit may be obtained upon request to the office of the Chief Financial Officer of the Township.

CERTAIN PROVISIONS OF THE LAWS OF THE STATE OF NEW JERSEY AND THE UNITED STATES RELATING TO GENERAL OBLIGATION DEBT

Local Bond Law

General – The Local Bond Law governs the issuance of bonds and notes by counties and municipalities for the financing of capital improvements. Among its provisions are the following: (i) the power and obligation to pay any and all bonds and notes issued pursuant to the Local Bond Law shall be unlimited; (ii) the county or municipality shall levy *ad valorem* taxes upon all taxable property therein for the payment of the principal of and interest on such bonds and notes without limitation as to rate or amount; (iii) generally, a down payment that is not less than five percent (5%) of the amount of debt obligations authorized must be appropriated in addition to the amount of debt obligations authorized; (iv) all non-special-assessment bonds shall mature within the period of usefulness or average period of usefulness of the improvements being financed; and (v) after issuance, all bonds and notes shall be conclusively presumed to be fully authorized and issued by all of the laws of the State, and all persons shall be estopped from questioning their sale, execution or delivery.

Debt Limits – The authorized bonded indebtedness of the Township is limited by statute, subject to the exceptions noted below, to an amount equal to three and one-half percent (3.5%) of its equalized valuation basis. The equalized valuation basis of the Township is set by statute as the average for the last three years of the equalized value of all taxable real property and improvements as annually determined by the State Board of Taxation. Certain categories of debt are permitted by statute to be deducted for purposes of computing the statutory debt limit.

Bonds, notes and long-term loans are included in the computation of debt for the statutory debt limit. The Township, including the issuance of the Notes, will not exceed its three and one-half percent (3.5%) debt limit.

Exceptions to Debt Limits - Extensions of Credit – The Township may exceed its debt limit with the approval of the State Department of Community Affairs, Division of Local Government Services, Local Finance Board ("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 make certain other statutory determinations, approval may be granted.

In addition, debt in excess of the statutory limit may be issued by the Township to fund certain notes, to provide for purposes in an amount not exceeding two-thirds (2/3) of the amount budgeted in such fiscal year for the retirement of outstanding obligations (exclusive of utility and assessment obligations).

Short-Term Financing – When approved by bond ordinance, the Township may issue bond anticipation notes to temporarily finance capital improvements. Such notes may not be issued in an aggregate amount exceeding that specified by the ordinance. The notes may not be issued for periods of more than one year, renewable with the final maturity occurring no later than the first day of the fifth month following the close of the tenth fiscal year next following the date of the original note. After the third year, the amount of the notes that may be renewed annually must be decreased by the minimum amount required for the first year's principal payment for the bond issue in anticipation of which the notes are issued.

Refunding Bonds – Refunding bonds may be issued pursuant to the Local Bond Law for the purpose of paying, funding or refunding outstanding bonds, including emergency appropriations, the actuarial liabilities of a non-state administered public employee pension system and amounts owing to others for taxes levied in the local unit, or any renewals or extensions thereof, and for paying the cost of issuance of refunding bonds.

Local Fiscal Affairs Law

The Local Fiscal Affairs Law, Chapter 5 of Title 40A of the State Statutes, as amended and supplemented ("Local Fiscal Affairs Law"), governs audits, auditors, public moneys and financial statements of local governmental units, including the Township.

Each municipality is required to cause an annual audit of its books, accounts and financial transactions to be made and completed within six months after the close of its fiscal year by either a Registered Municipal Accountant or, by agreement with the Director ("Director") of the Division of Local Government Services ("Division") in the Department of Community Affairs, by qualified employees of the Division.

An independent examination of the Township's books, accounts and financial transactions must be performed annually by a Registered Municipal Accountant who is licensed by the State Board of Public Accountants. The audit, conforming to the Division's "Requirements of Audit", includes recommendations for improvement of the municipality's financial procedures and must be filed with the report, together with all recommendations made. A Summary of Audit, together with recommendations, 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 is on file with the Chief Financial Officer and is available for review during business hours.

The Local Fiscal Affairs Law also requires that the chief financial officer of the municipality file annually with the Director a verified statement of the financial condition of the municipality as of the close of the fiscal year to be made not later than February 10 for December 31 fiscal year end municipalities and August 10 for June 30 fiscal year end municipalities.

The Local Budget Law

The Local Budget Law, Chapter 4 of Title 40A of the State, as amended and supplemented ("Local Budget Law"), governs the budgeting and appropriation of funds by local governmental units.

The Local Budget Law requires local governmental units to adopt a "cash basis" budget in such form that there will be sufficient cash collected to meet all debt service requirements, necessary operations of the local governmental units for the fiscal year and any mandatory payments required to be met during the fiscal year.

No budget shall be adopted unless the Director shall have previously certified his approval thereof.

Each local governmental unit must include in its budget an appropriation for the payment of debt service. The Director is required to examine such appropriation to determine whether it is properly set forth, in addition to determining whether all estimates of revenue contained in the budget are reasonable, accurate and correctly stated.

A statute passed in 1976, as amended (N.J.S.A. 40A:4-45.1 et seq.), commonly known as the "Cap Law", imposed limitations on increases in municipal appropriations subject to various exceptions. On August 20, 1990, the Governor signed into law P.L. 1990, c. 89, which revised and made permanent the "Cap Law". Since its inception, the "Cap Law" has been amended and modified several times, most recently on July 13, 2010. While the revised "Cap Law" is more restrictive on the ability of a municipality to increase its overall appropriations, it does not limit the obligation of the Township to levy *ad valorem* taxes upon all taxable real property within the Township to pay debt service on the Notes. The Cap Law provides that a municipality shall limit any increase of its budget to 2.5% or the index rate, whichever is less, over the previous year's final appropriations subject to certain exceptions. The "index rate" is the rate of annual percentage increase in the Implicit Price Deflator for State and Local Government Purchases of Goods and Services computed by the United States, Department of Commerce. Among the exceptions to the limitations imposed by the Cap Law are capital expenditures; debt service; 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.

Additionally, legislation constituting P.L. 2010, c. 44, was adopted on July 13, 2010, which, among other things, imposes a two percent (2%) cap on the tax levy that municipalities, counties, fire districts and solid waste collection districts may impose, with very limited exceptions and subject to certain adjustments.

Exclusions from the two percent (2%) tax levy cap include: (i) increases required to be raised by taxation for capital expenditures, including debt service as defined by law; (ii) increases in pension contributions and accrued liability for pension contributions in excess of 2.0%; (iii) increases in health care costs equal to that portion of the actual increase in total health care costs for the budget year that is in excess of 2.0% of the total health care costs in the prior year, but is not in excess of the product of the total health care costs in the prior year and the average percentage increase of the State Health Benefits Program, P.L.1961, c.49 (C.52:14-17.25 et seq.), as annually determined by the Division of Pensions and Benefits in the Department of the Treasury; and (iv) and extraordinary costs incurred by a local unit directly related to a declared emergency, as defined by regulation promulgated by the Commissioner of the Department of Community Affairs, in consultation with the Commissioner of Education, as appropriate. The amendments to the tax levy sections of the "Cap Law" (specifically, N.J.S.A. 40A:4-45-46) in 2010 no longer permit municipalities, counties, fire districts and solid waste collection districts to request approval from the Local Finance Board for a waiver to increase the amount to be raised by taxation in excess of the two percent (2%) cap. However, counties, municipalities, fire districts and solid waste collection districts may request, through a public question submitted to the voters, an increase in the amount to be raised by taxes above the two percent (2%) tax levy cap. Such approval must be achieved by an affirmative vote in excess of fifty percent (50%) of those voting on such public question.

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

Miscellaneous Revenues

N.J.S.A. 40A:4-26 provides that: "No miscellaneous revenues from any source shall be included as an anticipated revenue in the budget in an amount in excess of the amount actually realized in cash from the same source during the next preceding fiscal year, unless the Director shall determine upon application by the governing body that the facts clearly warrant the expectation that such excess amount will actually be realized in cash during the fiscal year and shall certify such determination, in writing, to the local unit." Such determination may be made by the governing body and the Chief Financial Officer in any year during which the municipality is subject to local examination.

No budget or amendment shall be adopted unless the Director has previously certified the approval of such anticipated revenues.

Real Estate Taxes

Receipts from Delinquent Taxes – Revenues are permitted by N.J.S.A. 40A:4-29 to be anticipated in the annual budget for collection of delinquent taxes of prior years. The maximum amount permitted to be anticipated is determined by applying the collection rate of the prior year's delinquent taxes to the total amount of delinquent taxes outstanding at the beginning of the current year.

Current Year Tax Levy and Reserve for Uncollected Taxes – The current year's taxes to be levied are determined by adding the sums of the cash required from taxes to support the municipal, school, county and special district budgets, if any, together with the amount of an appropriation required to be included in the annual municipal budget entitled "Reserve for Uncollected Taxes", less the total of anticipated revenues. The inclusion of the "Reserve for Uncollected Taxes" appropriation in the current year's budget protects the municipality from taxes currently unpaid. The "Reserve for Uncollected Taxes" is required to be, at a minimum, an amount sufficient to provide for the same percentage of uncollected taxes in the current year as was experienced in the immediately preceding year, the average of the previous three years in accordance with P.L. 2000, c. 126, or the previous year collection percentage after reducing the previous year levy by tax appeal judgments of the county tax board pursuant to

R.S.54:3-21 et seq., or the State tax court pursuant to R.S.54:48-1 et seq. in accordance with Chapter 56 of P.L. 2010.

N.J.S.A. 40A:4-41 provides with regard to current taxes that: "Receipts from the collection of taxes levied or to be levied in the municipality, or in the case of a county for general county purposes and payable in the fiscal year, shall be anticipated in an amount which is not in excess of the percentage of taxes levied and payable during the next preceding fiscal year which was received in cash by the last day of such preceding fiscal year."

Another provision requires that an additional amount (the "reserve for uncollected taxes") be added to the tax levy required for all current budget appropriations and school and county taxes of the current fiscal year. The reserve requirement is calculated as follows:

$$\frac{\text{Levy Required for Current Budget, School and County Taxes}}{\text{Prior Year's Percentage of Current Tax Collections (or Lesser \%)}} = \text{Total Taxes to be Levied}$$

Deferral of Current Expenses

Emergency appropriations (i.e., those made after the adoption of the budget and determination of the tax rate for an unforeseen event or purpose) may be authorized by the governing body of the local governmental units. With minor exceptions, however, such appropriations must be included in full in the following year's budget. When such appropriations exceed three percent (3%) of the adopted operating budget, consent of the Director of Local Government Services must be obtained.

The exceptions are certain enumerated projects to cover the cost of the extraordinary expense for the repair or reconstruction of streets, roads or bridges, or other public property damaged by snow, ice, frost or flood, where such expense was not foreseen at the time of the adoption of the budget, which may be amortized over three (3) years; and tax map preparations, revision of ordinances, revaluations, master plan preparation, studies and planning necessary for the installation and construction of a sanitary sewer system, and payments of accumulated sick and vacation time which may be amortized over five (5) years.

Budget Transfers

Budget transfers provide a degree of flexibility and afford a control mechanism. Transfers between major appropriation accounts are prohibited until the last two (2) months of the year and, although subaccounts within an appropriation are not subject to the same year-end transfer restriction, they are subject to internal review and approval.

Operations of Utilities

Municipal public utilities are supported by the revenues generated by the respective operations of the utilities in addition to the general taxing power upon real property. For each utility, there is established a separate budget. The anticipated revenues and appropriations for each utility are set forth in the separate budget. The budget is required to be balanced and to provide fully for debt service. The regulations regarding anticipation of revenues and deferral of charges apply equally to the budgets of the utilities. Deficits or anticipated deficits in utility operations which cannot be funded from utility surplus, if any, are required to be raised in the "Current" or operating budget. The Township does not operate an internal utility.

Capital Budget

In accordance with the Local Budget Law, each local unit shall prepare and adopt a capital budget, in conjunction with its annual operating budget, for any year in which it proposes to undertake a capital project. Every local unit which adopts a capital budget must also adopt a three (3) year capital program unless the local unit's population exceeds 10,000 where a six (6) year capital program is required.

Related Constitutional and Statutory Provisions

In the general election of January 2, 1976, as amended by the general election of January 6, 1984, the following Article 8, Section 1, Paragraph 7, with respect to a state income tax, was added to the State Constitution:

No tax shall be levied on personal incomes of individuals, estates and trusts of this State unless the entire net receipts therefrom shall be received into the treasury, placed in a perpetual fund and be annually appropriated, pursuant to formulas established from time to time by the Legislature, to the several counties, municipalities and school districts of this State exclusively for the purpose of reducing or offsetting property taxes. In no event, however, shall a tax so levied on personal income be levied on payments received under the Federal Social Security Act, the Federal Railroad Retirement Act, or any federal law which substantially reenacts the provisions of either of those laws.

A progressive state income tax is currently in effect in the State.

The State Constitution may only be amended after: (i) approval of a proposed amendment by three-fifths (3/5) of all of the members of each house of the State Legislature and approval by a majority vote in a statewide referendum; or (ii) approval in two successive legislative years by a majority of all of the members of each house and approval by a majority vote in a statewide referendum. Amendments failing to receive voter approval may not be resubmitted for voter approval before the third succeeding general election after such disaffirmance.

Rights and Remedies of Owners of Bonds

The State Municipal Finance Commission Act, Chapter 27 of Title 52 of the State Statutes, as amended and supplemented ("Act"), provides that when it has been established, by court proceedings, that a municipality has defaulted for over sixty days in the payment of the principal of or interest on any of its outstanding bonds or notes, the Local Finance Board (which, pursuant to the Act, is constituted the Municipal Finance Commission and shall hereinafter be referred to as the "Commission") shall take control of the fiscal affairs of the defaulting municipality.

The Act provides that the Commission shall remain in control of the municipality until all bonds or notes of the municipality that have fallen due and all bonds or notes that will fall due within one year, and the interest thereon, have been paid, funded or refunded, or the payment thereof in cash shall have been adequately provided for by a cash reserve.

The Act empowers the Commission to direct the municipality to provide for the funding or refunding of notes or bonds of the municipality and the interest thereon, which the Commission shall have found to be outstanding and unpaid and to be due or become due. The Act further authorizes the Commission to bring and maintain an appropriate proceeding for the assessment, levy or collection of taxes by the municipality for the payment of principal of or interest on such indebtedness.

Under Article 6 of the Act, while the Commission functions in the municipality, no judgment, levy, or execution against the municipality or its property for the recovery of the amount due on any bonds, notes or other obligations of the municipality in the payment of which it has defaulted, shall be enforced unless otherwise directed by Court Order. However, Article 6 of the Act also provides that upon application of any creditor made upon notice to the municipality and the Commission, a court may vacate, modify or restrict any such statutory stay contained therein.

Limitation of Remedies Under Federal Bankruptcy Code

The rights and remedies of the registered owners of the Notes are subject to the provisions of Chapter 9 of the Federal Bankruptcy Code of the United States ("Bankruptcy Code"). In general, Chapter 9 permits, under prescribed circumstances, but only after an authorization by the applicable state legislature or by a governmental officer or organization empowered by state law to give such authorization, a political subdivision of a state to file a petition for relief in a bankruptcy court of the United States if it is insolvent or unable to meet its debts as they mature and desires to effect a plan to adjust its debts.

The State has authorized the political subdivisions thereof to file such petitions for relief under the Bankruptcy Code pursuant to and subject to Article 8 of the Act. The Act provides that such petitions may not be filed without the prior approval of the Commission and that no plan of readjustment of the municipality's debts may be filed or accepted by the petitioner without express authority from the Commission to do so.

THE ABOVE REFERENCES TO THE BANKRUPTCY CODE ARE NOT TO BE CONSTRUED AS AN INDICATION THAT THE TOWNSHIP EXPECTS TO RESORT TO THE PROVISIONS OF SUCH BANKRUPTCY CODE OR THAT, IF IT DID, SUCH ACTION WOULD BE APPROVED BY THE COMMISSION, OR THAT ANY PROPOSED PLAN WOULD INCLUDE A DILUTION OF THE SOURCE OF PAYMENT OF AND SECURITY OF THE BONDS.

THE SUMMARIES OF AND REFERENCES TO THE STATE CONSTITUTION AND OTHER STATUTORY PROVISIONS ABOVE ARE NOT AND SHOULD NOT BE CONSTRUED AS 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.

TAXATION

Procedure for Assessment and Collection of Taxes

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 maintaining new assessments on a like basis with established comparable properties for newly assessed or purchased properties resulting in a decrease of the assessment ratio to its present level of 73.40%. This method assures equitable treatment to like property owners. Because of the escalation of property resale values, annual adjustments could not keep pace with rising values. The last complete revaluation of property within the Township was effective for the year 2014.

Upon the filing of certified adopted budgets by the Township, the 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 the State for various special services rendered to the properties located within the special district.

Tax bills are due quarterly on February 1, May 1, August 1 and November 1. 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 amounts in excess of \$1,500.00. These interest penalties are the maximum permitted under State Statutes. Additionally, a 6% penalty is charged on any delinquencies in excess of \$10,000.00 if not paid by the end of each year. Delinquent taxes open for one year or more are annually included in a tax sale in accordance with State Statutes. Tax liens retained by the Township are periodically assigned to the Solicitor for "in rem foreclosures" in order to acquire title to these properties.

Tax Appeals

The State statutes provide a taxpayer with remedial procedures for appealing an assessment deemed excessive. The taxpayer has a right to petition the State Board of Taxation ("Tax Board") on or before the first day of April of the current tax year for review. The Tax Board has the authority, after a hearing, to decrease, increase 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 Tax Board, appeal may be made to the State Tax Court. State Tax Court appeals tend to take several years prior to settlement and any losses in tax collection from prior years are charged directly to operations.

LITIGATION

To the knowledge of the Township's Solicitor, George M. Morris, Esquire, of the law firm of Parker McCay P.A., Mount Laurel, New Jersey ("Solicitor"), there is no litigation of any nature now pending, restraining or enjoining the issuance or the delivery of the Notes, or the levy or the collection of any taxes to pay the principal of or the interest on the Notes, or in any manner questioning the authority or the proceedings for the issuance of the Notes or for the levy or the collection of taxes, or contesting the corporate existence or the boundaries of the Township or the title of any of the present officers. Moreover, to the knowledge of the Solicitor, no litigation is presently pending that, in the opinion of the Solicitor, would have a material adverse impact on the financial condition of the Township if adversely decided.

TAX MATTERS

Federal

In the opinion of Parker McCay P.A., Mount Laurel, New Jersey, Bond Counsel to the Township, assuming continuing compliance by the Township with the tax covenants described below, under existing law, interest on the Notes is not included for federal income tax purposes in the gross income of the owners thereof pursuant to Section 103 of the Internal Revenue Code of 1986, as amended ("Code"), and will not constitute a tax preference item for purposes of the alternative minimum tax imposed on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on such corporations.

Section 884 of the Code imposes on certain foreign corporations a branch profits tax equal to thirty percent (30%) of the "dividend equivalent amount" for the taxable year. Interest on the Notes received or accrued by a foreign corporation subject to the branch profits tax may be included in computing the "dividend equivalent amount" of such corporation.

In addition, passive investment income, including interest on the Notes, may be subject to federal income taxation under Section 1375 of the Code for any S corporation that has Subchapter C earnings and profits at the close of the taxable year, if more than twenty-five percent (25%) of the gross receipts of such S corporation is passive investment income.

In rendering its opinion, Bond Counsel has relied on the Township's covenants contained in the Certificate as to Non-Arbitrage and Other Tax Matters, that it will comply with the applicable requirements of the Code, relating to, inter alia, the use and investment of proceeds of the Notes and rebate to the United States Treasury of specified arbitrage earnings, if any, under Section 148(f) of the Code. Failure of the Township to comply with such covenants could result in the interest on the Notes being subject to federal income tax from the date of issue. Bond Counsel has not undertaken to monitor compliance with such covenants or to advise any party as to changes in the law after the date of issuance of the Notes that may affect the tax-exempt status of the interest on the Notes.

Ownership of the Notes may result in collateral federal income tax consequences to certain taxpayers including, without limitation, certain holders of an interest in a financial asset securitization investment trust, controlled foreign corporations, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, individuals who otherwise qualify for the earned income credit, and to individuals and families that qualify for a premium assistance credit amount under Section 36B of the Code. The Code denies the earned income credit to an individual who is otherwise eligible if the aggregate amount of disqualified income of the taxpayer for the taxable year exceeds certain limits set forth in Sections 32(i) and (j) of the Code. Interest on the Notes will constitute disqualified income for this purpose. The Code also provides that the earned income credit is phased out if the modified adjusted gross income of the taxpayer exceeds certain amounts. Interest on the Notes is included in determining the modified adjusted gross income of the taxpayer. Section 36B of the Code provides that the amount of the premium assistance credit amount is in part determined by the household income. Section 36B(d) of the Code provides that household income consists of the "modified adjusted gross income" of the taxpayer and certain other individuals. "Modified adjusted gross income" means adjusted gross income increased by certain amounts, including interest received or accrued by the taxpayer which is exempt from tax, such as the interest on the Notes.

In addition, attention is called to the fact that Section 265(b)(1) of the Code eliminates the interest deduction otherwise allowable with respect to indebtedness deemed incurred by Banks, Thrift institutions and other financial institutions to purchase or to carry tax-exempt obligations acquired after August 7, 1986 other than "qualified tax-exempt obligations" as defined in Section 265(b)(3) of the Code. The Township has **not** designated the Notes as "qualified tax-exempt obligations" for the purposes of Section 265(b)(1) of the Code.

Owners of the Notes should consult their own tax advisors as to the applicability and effect on their federal income taxes of the alternative minimum tax, the branch profits tax and the tax on passive investment income of S corporations, as well as the applicability and effect of any other collateral federal income tax consequences.

New Jersey

Bond Counsel is also of the opinion that interest on the Notes and any gain from the sale thereof are not included in the gross income of the owners thereof under the New Jersey Gross Income Tax Act, as presently enacted and construed.

Changes in Federal and State Tax Law

From time to time, there are legislative proposals in the United States Congress and in the states that, if enacted, could alter or amend the Federal and State tax matters referred to above or adversely affect the market value of the Notes. It cannot be predicted whether or in what form any such proposals might be enacted or whether, if enacted, it would apply to bonds or notes issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Notes.

PROSPECTIVE PURCHASERS OF THE NOTES SHOULD CONSULT WITH THEIR OWN TAX ADVISORS REGARDING ANY FEDERAL AND STATE INCOME TAX LEGISLATION, WHETHER CURRENTLY PENDING OR PROPOSED, REGULATORY INITIATIVES OR LITIGATION. THE OPINIONS EXPRESSED BY BOND COUNSEL ARE BASED UPON EXISTING LEGISLATION AND REGULATIONS AS INTERPRETED BY RELEVANT JUDICIAL AND REGULATORY AUTHORITIES AS OF THE DATE OF ISSUANCE AND DELIVERY OF THE NOTES AND BOND COUNSEL HAS EXPRESSED NO OPINION AS OF ANY DATE SUBSEQUENT THERETO OR WITH RESPECT TO ANY PENDING LEGISLATION, REGULATORY INITIATIVES OR LITIGATION.

CONTINUING DISCLOSURE

In accordance with the requirements of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule"), the Township has undertaken to file notice of certain enumerated events, pursuant to an Information Reporting Undertaking Agreement for the Notes, substantially in the form set forth in Appendix "D" hereto.

In accordance with the Rule and prior secondary market disclosure undertakings, within the five years immediately preceding the date of this Official Statement, the Township failed to timely file a disclosure event notice associated with a certain financial obligation. Additionally, the Township failed to timely file the required late filing notice in connection with the item referenced above. Such information has since been filed with EMMA. The Township appointed Phoenix Advisors, a division of First Security Municipal Advisors, Inc., Hamilton, New Jersey to serve as continuing disclosure agent to assist in the timely filing of certain information on EMMA as required under its prior secondary market disclosure undertakings.

NO DEFAULT

There is no record of default in the payment of the principal of or interest on the bonds or notes of the Township.

CERTAIN RISK FACTORS

Recent Healthcare Developments

In early March of 2020, the World Health Organization declared a pandemic following the global outbreak of COVID-19, a respiratory disease caused by a newly discovered strain of coronavirus. The national public health 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 to manage COVID-19 on an endemic level.

In an effort to provide relief to entities impacted by the COVID-19 pandemic, the American Rescue Plan Act of 2021, H.R. 1319 ("Plan") was signed into law on March 12, 2021 and provided \$1.9 trillion in financial assistance to businesses, individuals and governmental entities. The Plan provided funding for state and local governments to recoup and offset costs related to COVID-19 and to encourage and re-establish economic development and certain infrastructure improvements.

Pursuant to the funding methodology under the Plan, the Township received \$4,317,577.88 in funding ("Plan Funds"). The deadline to obligate the funds was December 31, 2024 and to spend funds is December 31, 2026. Such funds were received in two (2) equal payments; one (1) received within 60 days of enactment of the Plan, and the balance was received no earlier than 12 months from the initial payment.

While the effects of COVID-19 have abated significantly, the Township cannot predict, and does not predict, whether or if the Coronavirus or any similar viral disease (including any variants or sub-variants thereof) may reemerge in the future and, if such reemergence occurs, what the effects thereof may have upon global, State-wide and local economies and operations, including that of the Township.

Cyber Security

The Township relies on a complex technology environment to conduct its various operations. As a result, the Township faces certain cyber security 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 cyber-attacks, the Township has invested in multiple forms of cybersecurity and operational safeguards.

Climate Change

The State is naturally susceptible to the effects of extreme weather events and natural disasters including floods and hurricanes, which could result in negative economic impacts on communities. Such effects can be exacerbated by a longer-term shift in the climate over several decades (commonly referred to as climate change), including increasing global temperatures and rising sea levels. The occurrence of such extreme weather events could damage local infrastructure that provides essential services to the Township as well as resulting in economic impacts such as loss of *ad valorem* tax revenue, interruption of municipal services and escalated recovery costs. No assurance can be given as to whether future extreme weather events will occur that could materially adversely affect the financial condition of the Township.

RATING

S&P Global Ratings, acting through Standard & Poor's Financial Services LLC ("S&P") has assigned its short-term rating of "SP-1+" to the Notes based upon the creditworthiness of the Township.

Such credit rating reflects only the view of S&P, and an explanation of the significance of the credit rating may be obtained from S&P. Generally, a rating agency bases its rating on the information and documents furnished to it, and on investigations, studies and assumptions of its own. The rating expresses only the view of S&P and there is no assurance that the credit rating will continue for any period of time or that the credit rating will not be lowered or withdrawn entirely if, in the judgement of S&P, circumstances so warrant. Any such downward revision or withdrawal of the credit rating may have an adverse effect on the market price of the Notes.

UNDERWRITING

The Notes have been purchased from the Township at a public sale by _____, _____ ("Underwriter") at a price of \$ _____ ("Purchase Price"). The Purchase Price reflects the principal amount of the Notes plus a bid premium of \$ _____.

The Underwriter intends to offer the Notes to the public initially at the 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 Notes to the public. The Underwriter may offer and sell the Notes to certain dealers (including dealers depositing the Notes into investment trusts) at yields higher than the public offering yield set forth on the front cover page of this Official Statement.

MUNICIPAL ADVISOR

Phoenix Advisors, a division of First Security Municipal Advisors, Inc., Hamilton, New Jersey, has served as Municipal Advisor to the Township in connection with the issuance of the Notes ("Municipal Advisor") 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.

APPROVAL OF LEGAL PROCEEDINGS

Certain legal matters incident to the authorization, issuance, sale and delivery of the Notes are subject to the approval of Bond Counsel, whose approving legal opinion will be delivered with the Notes substantially in the form set forth in Appendix "C" hereto. Certain legal matters will be passed on for the Township by the Solicitor.

Bond Counsel has not verified the accuracy, completeness or fairness of the statements contained in this Official Statement (except to the extent, if any, as stated herein) and will express no opinion relating thereto.

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

LEGALITY FOR INVESTMENT

The State and all public officers, municipalities, counties, political subdivisions and public bodies, and agencies thereof, all banks, bankers, trust companies, savings and loan associations, savings banks and institutions, building and loan associations, investment companies, and other persons carrying on banking business, all insurance companies, and all executors, administrators, guardians, trustees, and other fiduciaries may legally invest any sinking funds, money or other funds belonging to them or within their control in any bonds of the Township, including the Notes, and such Notes are authorized security for any and all public deposits.

MARKET PROTECTION

The Township does not anticipate issuing any bonds within the next ninety (90) days. The Township may issue additional bond anticipation notes, as necessary, during the balance of calendar year 2025.

PREPARATION OF OFFICIAL STATEMENT

The Township hereby states that the descriptions and statements herein and in the Appendices attached hereto, including financial and statistical statements, are true and correct in all material respects, and it will confirm the same to the purchasers of the Notes by certificates signed by various officers and officials of the Township upon issuance and delivery of the Notes.

All of the 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.

The Township compiled Appendix "A" from information obtained from various sources they consider to be reliable and makes no warranty, guaranty or other representation with respect to the accuracy and completeness or fairness of the information contained herein and, accordingly, will express no opinion with respect thereto.

The Municipal Advisor has participated in the preparation and review of the information contained in this Official Statement, including the collection of financial, statistical and demographic information; however, it has not verified the accuracy, completeness or fairness thereof, and, accordingly, expresses no opinion or other assurance with respect thereto. Certain information set forth herein has been obtained from the Township and other sources, which are deemed reliable, but no warranty, guaranty or other representation as to the accuracy or completeness is made as to such information contained herein. There is no assurance that any of the assumptions or estimates contained herein will be realized.

Bond Counsel has not participated in the preparation of this Official Statement, nor has such firm verified the accuracy, completeness or fairness of the information contained herein (except under the heading "TAX MATTERS") and, accordingly, will express no opinion with respect thereto.

The Auditor only takes responsibility for the audited financial statements, appearing in Appendix "B" hereto and has not participated in the preparation of this Official Statement, nor has such firm verified the accuracy, completeness or fairness of the information contained herein and, accordingly, will express no opinion with respect thereto.

ADDITIONAL INFORMATION

Inquiries regarding this Official Statement, including information additional to that contained herein, may be directed to Tara Krueger, Chief Financial Officer, Township of Mount Laurel, at 856-234-0001, or to its 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.

So far as any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated, they are set forth merely as opinions and not as representations of fact, and no representation is made that any such statements will be realized. Neither this Official Statement nor any statement, which may have been made verbally or in writing, is to be construed as a contract with, or a covenant for the benefit of, the holders of the Notes. The information and expressions of opinion contained herein are subject to change without notice and neither the delivery of this Official Statement nor any sale of the 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.

All quotations from and summaries and explanations of provisions of laws of the State herein do not purport to be complete and are qualified in their entirety by reference to the official compilation thereof.

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

**TOWNSHIP OF MOUNT LAUREL,
COUNTY OF BURLINGTON, NEW JERSEY**

By: _____
TARA KRUEGER, Chief Financial Officer

Dated: December __, 2025

APPENDIX A

**CERTAIN ECONOMIC, FINANCIAL AND DEMOGRAPHIC
INFORMATION REGARDING THE TOWNSHIP OF MOUNT LAUREL**

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INFORMATION REGARDING THE TOWNSHIP¹

The following material presents certain economic and demographic information of the Township of Mount Laurel ("Township"), in the County of Burlington ("County"), State of New Jersey ("State").

History

The Township was incorporated in 1872. It is located in the Northwestern section of the County, bordered on the north by Moorestown Township, on the south by Evesham Township and on the west by Cherry Hill Township in Camden County. The land area of the Township is approximately 22 square miles with a resident population of 44,633, according to the 2020 census.

The Township encompasses the unincorporated communities of Amberfield, Ashurst Glen, Autumnwood Estates, Bedford Walk, Bedford Walk Estates, Bedford Walk Manor, Birchfield, Bobby's Hunt, Bridlewood, Courts of Brookfield, Cambridge Estates, Canterbury Greene, Chalfonte Estates, Chamonix, Christopher's Crossing, Claridge Estates, Connelly Tract, Country Club Villas, Countryside Farms, Devonshire, Eagle Pointe, Enclave, Fairfield Estates, Fox Run, Gables, Grande at Springville, Haddon Point, Hartford, Hartford Woods, Heather Glen, Hickory Knoll, Hidden Lake Estate, Holiday-on-the-Green, Holiday Village, Holiday Village East, Hunters Crossing, Innisfree, Ivy Ridge, Jerrick Court, Krysta Court, Larchmont (including Devonshire Village, the Lakes and Brentwood Village), Larchmont Estates, Larchmont Manor, Laurel Creek, Laurel Knoll, Laurel Knoll East, Laurel Place, Laurel Pond, Laurel Ridings, Laurelton, Laurelwood, Ethel R. Lawrence, Longwood, Madison Place, Maple Glen, Masonville, Michaelson's Gate, Mill Run, Park Place, Parkers Creek, Pembroke, Pennoak, Pheasantmere, Ramblewood, Ramblewood Farms, Ramblewood Mews, Ramblewood-on-the-Green, Rancocas Pointe, Rancocas Woods, Ravenscliff, Rolling Glen, Saratoga Farms, Saybrooke, Signature Place, Springville, Spring Valley Estates, Stonegate, Stone Mill Estates, Stoney Hill, Tara Estates, Timbercrest, Tricia Meadows, Trotter's Landing, Union Mill Farms, Union Mill Terrace, Wellesley Reserve, Wilderness Run, Wildflowers, Willowmere, Wellsey Hunt and Wellington Estates.

Police

The Township has a full-time police department that has been accredited by the New Jersey State Association of Chiefs of Police since 2009. The department's staff consists of approximately eighty-eight (88) sworn officers and is arranged into four divisions; Office of The Chief of Police, Operations Division, Administrative Division, and the Office of Professional Standards. Many of the department's support and logistical functions are handled by its six (6) civilian employees, two (2) full-time and two (2) part-time Special Law Enforcement Officers II. Four (4) Special Law Enforcement Officers III are assigned to Mount Laurel Schools. Dispatch and 911 services for the Mount Laurel Police Department are handled by Burlington County Central Communications.

¹ Source: The Township, unless otherwise indicated.

Emergency Medical Services

Mount Laurel Township Emergency Medical Services ("MLEMS") is an emergency services organization that utilizes both career and volunteer personnel to provide emergency basic life support ("BLS") ambulance services to the community. MLEMS is a licensed BLS provider through the State Department of Health. MLEMS is funded and operated as a Township Department. The organization is composed of approximately forty (40) career and fourteen (14) active volunteer members. Career members include a combination of full-time, part-time, and per-diem personnel. Mount Laurel EMS, Inc., ("MLEMS, Inc.") is a separate non-profit organization that serves as the volunteer component. MLEMS, Inc. provides volunteer staffing to supplement career personnel. Emergency services personnel operate under the direction of the EMS chief.

Personnel respond from one of three stations: Station 369 (Rodger Sharp Building), 201 Masonville Road; Station 368 (Charles Kritz, Sr. Building), 1051 South Church Street; and Station 367 (Mount Laurel Fire Department Station 362), 3824 Church Road.

MLEMS' standard of coverage consists of two (2) ambulances, 24/7/365, that are housed at Station 369 and Station 368, and a "power rig" ambulance that is staffed Monday through Friday, from 9 AM to 7 PM that is housed at Station 367. MLEMS' fleet consists of seven (7) ambulances, two (2) command vehicles, three (3) support vehicles, one (1) pick-up truck, and two (2) SUVs.

Emergency Management

Mount Laurel Office of Emergency Management ("MLOEM") is a Township Department that is responsible for local emergency preparedness, response, recovery, and mitigation following an "All-Hazard" approach to community safety. MLOEM is staffed by an Emergency Management Coordinator ("NJCEM-Certified"), three (3) Deputy Coordinators, and sixteen (16) EOP Annex Coordinators. MLOEM operates a state of the art, fixed facility, Emergency Operations Center and communicates with the community thru direct engagement at meetings and public events, and via Social Media, Nixle, and CivicReady notification applications. Mount Laurel Township is a FEMA EMAA Funded Town. MLOEM has a supplemental staff of volunteers including a Community Emergency Response Team ("CERT") with approximately fifteen (15) members. MLOEM has one (1) SUV and two (2) trailers stocked with disaster supplies to operate a one hundred ten (110) person Shelter Facility and a Medical Counter Measures – Point of Distribution ("POD") facility. MLOEM, in cooperation with the Local Emergency Management Committee ("LEMC") maintains a State Approved Township Emergency Operation Plan which is updated and tested annually. The LEMC is composed of representatives from OEM, Police, Fire, EMS, MUA, Public Works, Board of Education, Township Management, and Rowan College Public Safety. MLOEM also participates in the Burlington County Multi-Jurisdictional All Hazards Mitigation Plan.

Public Works

The Township's Department of Public Works is headed by a Director and is responsible for weekly trash collection which is outsourced to a private company, road repair, snow removal, leaf pick up, brush removal, and maintenance and upkeep of all public buildings and parks. In

addition, the Township participates in a recycling program for glass, paper, aluminum and used motor oil. There are a total of forty-three (43) employees in the Township's Department of Public Works who operate various equipment owned by the Township.

Recreation

Twenty-six (26) parks and other various recreational areas are located in the Township including nineteen (19) tennis courts, twenty-six (26) baseball fields, fourteen (14) tot lots, seventeen (17) basketball courts, twenty-four (24) soccer fields, nine (9) volleyball courts and two (2) football fields. The Township maintains a senior citizen building for the Township's senior citizens. All parks and recreational areas are maintained by the Township's Parks and Recreation Division. The Township has four (4) large parks, Laurel Acres, Trotters, Spencer and Memorial Complex. Laurel Acres, a full ninety-eight (98) acre recreational facility, has six (6) soccer fields, seven (7) ball fields, walking/biking paths, two (2) fenced-in dog runs, two (2) pavilions, barbecue areas, a lake, volleyball courts, playground equipment, a maintenance building, and rest rooms. Trotters is situated on one hundred fifty-three (153) acres and has five (5) soccer fields. The Memorial Multi-Sport facility has two (2) turf-fields, two (2) multipurpose grass fields, and a concession stand utilized by football, lacrosse, field hockey and soccer teams. Spencer Park is a ten (10)-acre section of Rancocas State Park leased and maintained by the Township and contains five (5) softball fields. The PAWS Sports Complex is owned by the board of education and is situated on thirty-four (34) acres, has two (2) football/soccer fields, two (2) ball fields, four (4) sand volleyball courts, and one (1) basketball court. In the last fifteen (15) years, the Township purchased over 741 acres of land for open space purposes.

Library

The Township's Free Public Library opened its doors in September 1975 and the building was expanded in 1992. The library currently houses 127,051 volumes of books, audio books, DVDs, CDs and other formats. The library provides access to over 1,500,000 digital items as well as programs and activities for the community. There are currently 18,269 active library card holders.

Education

The public school system in the Township is operated by the Board of Education of the Township as a Type II school district. It functions independently of the Township through a nine (9) member board, elected by the voters in alternate three (3) year terms.

The Township's public school system has a total of eight (8) schools - seven (7) elementary schools and one (1) middle school. Students in grades nine through twelve attend Lenape Regional High School. The Lenape Regional High School District ("High School District") is comprised of the following Burlington County municipalities: Evesham Township, Medford Township, Medford Lakes Borough, Mount Laurel Township, Shamong Township, Southampton Township, Tabernacle Township and Woodland Township. The High School District has four senior high schools, Cherokee – North and South, Lenape, Shawnee, and Seneca High School. The High

School District also has a transition high school, Sequoia. Students in grades nine through twelve may also elect to attend the Burlington County Vocational School.

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 established pursuant to 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 is available online at 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.

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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:

	<u>Total Labor Force</u>	<u>Employed Labor Force</u>	<u>Total Unemployed</u>	<u>Unemployment Rate</u>
<u>Township</u>				
2024	26,840	25,882	958	3.6%
2023	26,691	25,788	903	3.4%
2022	25,961	25,172	789	3.0%
2021	25,201	24,003	1,198	4.8%
2020	24,547	22,818	1,729	7.0%
<u>County</u>				
2024	248,122	237,708	10,414	4.2%
2023	246,548	236,845	9,703	3.9%
2022	240,684	232,054	8,630	3.6%
2021	235,227	221,531	13,696	5.8%
2020	232,816	213,811	19,005	8.2%
<u>State</u>				
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)

	<u>Township</u>	<u>County</u>	<u>State</u>
Median Household Income	\$114,629	\$105,271	\$101,050
Median Family Income	137,813	127,277	123,892
Per Capita Income	64,584	53,077	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.

<u>Year</u>	<u>Township</u>		<u>County</u>		<u>State</u>	
	<u>Population</u>	<u>% Change</u>	<u>Population</u>	<u>% Change</u>	<u>Population</u>	<u>% Change</u>
2024 est.	47,211	5.78%	475,515	2.96%	9,500,851	2.28%
2020	44,633	6.61	461,860	2.93	9,288,994	5.65
2010	41,864	4.08	448,734	5.98	8,791,894	4.49
2000	40,221	32.87	423,394	7.17	8,414,350	8.85
1990	30,270	71.85	395,066	8.97	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:

<u>Taxpayers</u>	<u>2025 Assessed Valuation</u>	<u>% of Total Assessed Valuation</u>
Centerton Sq LLC	\$66,379,400	1.13%
CNL I OMLNJ	64,129,800	1.09%
BNTR Mt Laurel	45,377,700	0.77%
Laurel Corporate Center LLC	44,802,900	0.76%
PFI VPN	39,254,300	0.67%
CHC Mt Laurel, LLC	38,020,200	0.65%
Gables Gardens, LP	37,550,600	0.64%
Country Club Pkwy LLC	37,210,700	0.63%
Top Terraces Inc	36,900,100	0.63%
Gateway Park, LLC	33,244,600	0.56%
Total	<u>\$442,870,300</u>	<u>7.52%</u>

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

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Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Current Year Collection</u>	<u>Current Year % of Collection</u>
2024	\$186,866,053	\$184,458,874	98.71%
2023	178,870,328	176,505,383	98.68%
2022	177,669,231	176,038,897	99.08%
2021	173,196,856	171,547,237	99.05%
2020	170,520,448	168,810,761	99.00%

Source: Annual Audit Reports of the Township

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Tax</u>	<u>Total Delinquent</u>	<u>% of Tax Levy</u>
2024	\$111,952	\$1,885,228	\$1,997,180	1.07%
2023	27,754	1,771,702	1,799,456	1.01%
2022	27,098	1,083,182	1,110,280	0.62%
2021	92,567	1,400,539	1,493,106	0.86%
2020	27,213	1,601,427	1,628,640	0.96%

Source: Annual Audit Reports of the Township

Property Acquired by Tax Lien Liquidation

<u>Year</u>	<u>Amount</u>
2024	\$1,522,696
2023	1,522,696
2022	1,522,696
2021	1,589,996
2020	1,590,996

Source: Annual Audit Reports of the Township

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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.

<u>Year</u>	<u>Municipal</u>	<u>Municipal</u>	<u>Municipal</u>	<u>Local</u>	<u>Regional</u>	<u>County</u>	<u>Fire</u>	<u>Total</u>
		<u>Open Space</u>	<u>Library</u>	<u>School</u>	<u>School</u>		<u>District</u>	
2025	\$0.434	\$0.040	\$0.052	\$1.269	\$0.839	\$0.495	\$0.232	\$3.361
2024	0.375	0.040	0.045	1.214	0.809	0.444	0.230	3.157
2023	0.375	0.040	0.042	1.186	0.753	0.411	0.231	3.038
2022	0.352	0.080	0.040	1.165	0.761	0.414	0.216	3.028
2021	0.352	0.080	0.037	1.153	0.746	0.408	0.195	2.971

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

Valuation of Property

<u>Year</u>	<u>Aggregate Assessed</u>	<u>Aggregate True</u>	<u>Ratio of</u>	<u>Assessed</u>	<u>Equalized</u>
	<u>Valuation of</u>	<u>Value of</u>	<u>Assessed to</u>	<u>Value of</u>	<u>Valuation</u>
	<u>Real Property</u>	<u>Real Property</u>	<u>True Value</u>	<u>Personal Property</u>	
2025	\$5,888,797,000	\$9,808,122,918	60.04%	\$65	\$9,808,122,983
2024	5,865,618,600	9,089,754,533	64.53	79	9,089,754,612
2023	5,837,207,500	7,952,598,774	73.40	79	7,952,598,853
2022	5,825,435,000	7,340,517,893	79.36	84	6,931,445,103
2021	5,811,323,500	6,931,445,014	83.84	89	6,533,084,271

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.

<u>Year</u>	<u>Vacant Land</u>	<u>Residential</u>	<u>Farm</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Apartments</u>	<u>Total</u>
2025	\$41,613,000	\$4,018,597,700	\$13,372,400	\$1,395,547,800	\$144,800,200	\$274,865,900	\$5,888,797,000
2024	49,555,500	3,967,861,900	7,866,100	1,441,170,600	145,225,200	253,939,300	5,865,618,600
2023	58,825,000	3,930,176,000	7,823,600	1,471,754,500	145,379,800	223,248,600	5,837,207,500
2022	38,289,100	3,920,401,900	7,862,900	1,495,804,400	143,245,000	219,831,700	5,825,435,000
2021	44,650,500	3,904,920,600	8,747,900	1,504,427,100	143,553,100	205,024,300	5,811,323,500

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

<u>Anticipated Revenues</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Fund Balance Utilized	\$7,340,000	\$7,340,000	\$9,590,000	\$11,050,000	\$10,300,000
Miscellaneous Revenues	10,409,179	12,193,764	13,500,117	13,365,260	12,809,177
Receipts from Delinquent Taxes	845,400	845,400	600,000	700,000	700,000
Amount to be Raised by Taxation	<u>22,662,321</u>	<u>22,814,202</u>	<u>24,331,677</u>	<u>24,626,788</u>	<u>28,600,823</u>
Total Revenue:	<u>\$41,256,899</u>	<u>\$43,193,365</u>	<u>\$48,021,794</u>	<u>\$49,742,048</u>	<u>\$52,410,000</u>
<u>Appropriations</u>					
General Appropriations	\$31,737,139	\$33,666,894	\$34,818,309	\$37,269,509	\$39,390,041
Operations (Excluded from CAPS)	2,839,310	2,703,892	5,812,960	4,458,989	5,012,697
Deferred Charges	0	2,809	0	0	0
Capital Improvement Fund	300,000	300,000	300,000	250,000	100,000
Municipal Debt Service	2,710,450	2,804,770	3,320,525	4,106,550	4,031,700
Reserve for Uncollected Taxes	<u>3,670,000</u>	<u>3,715,000</u>	<u>3,770,000</u>	<u>3,657,000</u>	<u>3,875,562</u>
Total Appropriations:	<u>\$41,256,899</u>	<u>\$43,193,365</u>	<u>\$48,021,794</u>	<u>\$49,742,048</u>	<u>\$52,410,000</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.

Fund Balance - Current Fund

<u>Year</u>	<u>Balance 12/31</u>	<u>Utilized in Budget of Succeeding Year</u>
2024	\$14,951,672	\$10,300,000
2023	17,642,404	11,050,000
2022	20,404,296	9,590,000
2021	20,315,389	7,340,000
2020	19,901,844	7,340,000

Source: Annual Audit Reports of the Township

Township Indebtedness as of December 31, 2024

General Purpose Debt

Serial Bonds	\$40,585,000
Bond Anticipation Notes	12,236,000
Bonds and Notes Authorized but Not Issued	950
Other Bonds, Notes and Loans	0
Total:	<u>\$52,821,950</u>

Local School District Debt

Serial Bonds	\$24,340,000
Temporary Notes Issued	0
Bonds and Notes Authorized but Not Issued	0
Total:	<u>\$24,340,000</u>

Regional School District Debt

Serial Bonds	\$28,319,373
Temporary Notes Issued	0
Bonds and Notes Authorized but Not Issued	0
Total:	<u>\$28,319,373</u>

Self-Liquidating Debt

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

TOTAL GROSS DEBT

\$105,481,323

Less: Statutory Deductions	
General Purpose Debt	\$3,773,769
Local School District Debt	24,340,000
Regional School District Debt	28,319,373
Self-Liquidating Debt	0
Total:	<u>\$56,433,142</u>

TOTAL NET DEBT

\$49,048,181

Source: Annual Debt Statement of the Township

Overlapping Debt (as of December 31, 2024)²

<u>Name of Related Entity</u>	<u>Related Entity Debt Outstanding</u>	<u>Township Percentage</u>	<u>Township Share</u>
Local School District	\$24,340,000	100.00%	\$24,340,000
Regional School District	85,110,000	33.27%	28,319,373
Mount Laurel Township MUA	3,050,000	100.00%	3,050,000
Mount Laurel Fire District No. 1 (2023)	1,500,000	100.00%	1,500,000
County	611,689,001	12.92%	<u>79,032,691</u>
Net Indirect Debt			\$136,242,064
Net Direct Debt			<u>49,048,181</u>
Total Net Direct and Indirect Debt			<u>\$185,290,245</u>

Debt Limit

Average Equalized Valuation Basis (2022, 2023, 2024)	\$8,127,623,733
Permitted Debt Limitation (3 1/2%)	284,466,831
Less: Net Debt	<u>49,048,181</u>
Remaining Borrowing Power	<u>\$235,418,650</u>
Percentage of Net Debt to Average Equalized Valuation	0.603%
Gross Debt Per Capita based on 2020 population of 44,633	\$2,363
Net Debt Per Capita based on 2020 population of 44,633	\$1,099

Source: Annual Debt Statement of the Township

Litigation

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

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

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APPENDIX B

FINANCIAL STATEMENTS OF THE TOWNSHIP OF MOUNT LAUREL

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**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON,
STATE OF NEW JERSEY**

FINANCIAL STATEMENTS

December 31, 2024

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

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INDEPENDENT AUDITORS' REPORT

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the Township Council
Township of Mount Laurel
Mount Laurel, New Jersey 08054

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements – regulatory basis of the various funds and account group of the Township of Mount Laurel, County of Burlington, State of New Jersey, (the “Township”), as of and for the year ended December 31, 2024, and the related notes to financial statements, which collectively comprise the Township’s basic financial statements as listed in the table of contents.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each fund and account group of the Township as of December 31, 2024, and the respective changes in financial position for the year then ended, 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 A to the financial statements.

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 respective financial position of each fund and account group of the Township as of December 31, 2024, or the changes in financial position for the year then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (“GAAS”) and requirements of audit 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 Auditors’ Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Township, 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.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

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

As described in Note A to the financial statements, the financial statements are prepared by the Township 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 State of New Jersey. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note A 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 the financial statements in accordance with the 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.

Auditors' 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 auditors' 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 GAAS and requirements of audit 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 GAAS and requirements of audit 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 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'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's ability to continue as a going concern for a reasonable period of time.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

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.

Report on Summarized Comparative Information

We have previously audited the Township's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 15, 2024, in accordance with the financial reporting provisions described in Note A. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

**MERCADIEN, P.C.
CERTIFIED PUBLIC ACCOUNTANTS**

A handwritten signature in black ink, appearing to read "Warren A. Broudy". The signature is fluid and cursive, with a large initial "W" and "A".

Warren A. Broudy, CPA, CGFM, PSA, CGMA
Registered Municipal Accountant
License No. 554

May 20, 2025

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BASIC FINANCIAL STATEMENTS – REGULATORY BASIS

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

EXHIBIT A

**CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE
December 31, 2024 and 2023**

<u>ASSETS</u>	<u>2024</u>	<u>2023</u>
Regular Fund:		
Cash - Treasurer	\$ 35,116,591.42	\$ 34,595,811.07
Cash - Change Funds	1,250.00	800.00
Due State of New Jersey - Seniors & Veterans	33,494.63	35,744.63
	<u>35,151,336.05</u>	<u>34,632,355.70</u>
Receivables and Other Assets with Full Reserves:		
Delinquent Property Taxes Receivable	1,885,228.21	1,771,701.53
Tax Title Liens Receivable	111,952.26	27,754.10
Property Acquired for Taxes - Assessed Valuation	1,522,696.00	1,522,696.00
Property Maintenance Liens Receivable	844.71	-
Revenue Accounts Receivable	25,233.98	12,159.66
Due Animal Control Fund	84,790.65	70,836.53
Due Trust - Assessment Fund	149,227.79	147,311.88
Due Trust - Other Fund	513,064.11	233,765.74
Due Trust - Municipal Open Space Trust	60,583.49	5,232.00
Due General Capital Fund	1,615,232.47	967,652.81
	<u>5,968,853.67</u>	<u>4,759,110.25</u>
	<u>41,120,189.72</u>	<u>39,391,465.95</u>
Federal, State and Local Grant Fund:		
Cash - Treasurer	470,412.75	600,840.97
Grants Receivable	898,951.74	485,307.07
	<u>1,369,364.49</u>	<u>1,086,148.04</u>
	<u>\$ 42,489,554.21</u>	<u>\$ 40,477,613.99</u>

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

EXHIBIT A

**CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE (CONTINUED)
December 31, 2024 and 2023**

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>2024</u>	<u>2023</u>
Regular Fund:		
Appropriation Reserves	\$ 2,535,991.79	\$ 2,013,690.20
Reserve for Encumbrances	1,188,216.99	1,140,373.49
Accounts Payable	27,703.54	-
Reserve for Municipal Relief Fund Aid	-	294,721.51
Reserve for Tax Appeals	66,856.30	160,570.45
Due State of New Jersey - Marriage Licenses	1,900.00	1,400.00
Due State of New Jersey - DCA Fees	72,608.00	28,841.00
Prepaid Taxes	2,185,174.48	1,995,490.52
Tax Overpayments	500.00	8,391.15
Due County for Added and Omitted Taxes	256,949.59	225,071.09
Local School District Taxes Payable	8,313,057.17	7,300,624.67
Regional High School Taxes Payable	5,550,706.63	3,820,777.63
	<u>20,199,664.49</u>	<u>16,989,951.71</u>
Reserve for Receivables and Other Assets	5,968,853.67	4,759,110.25
Fund Balance	<u>14,951,671.56</u>	<u>17,642,403.99</u>
	<u>41,120,189.72</u>	<u>39,391,465.95</u>
Federal, State and Local Grant Fund:		
Unappropriated Reserves	230,373.97	84,316.07
Appropriated Reserves	1,077,964.17	938,263.08
Reserve for Encumbrances	61,026.35	63,568.89
	<u>1,369,364.49</u>	<u>1,086,148.04</u>
	<u>\$ 42,489,554.21</u>	<u>\$ 40,477,613.99</u>

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

EXHIBIT A-1

**CURRENT FUND
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE
Years Ended December 31, 2024 and 2023**

<u>Revenue and Other Income Realized</u>	<u>2024</u>	<u>2023</u>
Fund Balance Utilized	\$ 11,050,000.00	\$ 9,590,000.00
Miscellaneous Revenue Anticipated	15,649,130.11	15,449,444.55
Receipts from Delinquent Taxes	1,755,136.86	948,386.96
Receipts from Current Taxes	184,458,873.92	176,505,383.28
Non-Budget Revenues	1,729,326.10	578,752.19
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	1,963,202.00	1,929,139.20
Statutory Excess in Dog License Fund	11,247.48	11,752.09
Accounts Payable Canceled	-	11,492.50
Liquidation of Reserves:		
Due Trust - Assessment Fund	-	1,401.00
	<u>216,616,916.47</u>	<u>205,025,751.77</u>
 <u>Expenditures</u>		
Budget Appropriations:		
Within "CAPS":		
Operations:		
Salaries and Wages	16,505,050.00	15,220,632.00
Other Expenses	16,184,861.00	15,505,915.00
Deferred Charges, Statutory Expenditures and Judgements		
Municipal	5,130,277.00	4,798,652.00
Excluded from "CAPS":		
Operations:		
Salaries and Wages	232,000.00	237,525.17
Other Expenses	4,057,899.19	5,111,593.67
Capital Improvements	250,000.00	300,000.00
Debt Service	4,104,630.43	3,320,525.00
County Taxes	26,035,439.63	23,948,356.28
Due County for Added and Omitted Taxes	256,949.59	225,071.09
Local District School Tax	71,237,262.00	69,212,396.00
Regional High School Tax	47,431,986.00	43,972,128.00
Special District Taxes	13,446,904.00	13,442,861.00
Local Municipal Open Space Tax	2,344,809.44	2,330,174.00
Due Municipal Open Space Trust Fund for Added and Omitted Taxes	23,236.56	25,611.23

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

EXHIBIT A-1

**CURRENT FUND
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE (CONTINUED)
Years Ended December 31, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
Total Income (Brought Forward)	\$ 216,616,916.47	\$ 205,025,751.77
<u>Expenditures (Cont'd)</u>		
State of New Jersey - Senior Citizens' and Veterans' Deductions Disallowed by Tax Collector - Prior Year Taxes	14,500.00	16,500.00
Refund of Prior Year Revenue	3,744.51	-
Create Reserves for:		
Due Trust - Animal Control Fund	13,954.12	11,762.69
Due Trust - Assessment Fund	1,915.91	-
Due Trust - Other Fund	279,298.37	113,531.73
Due Trust - Municipal Open Space Fund	55,351.49	-
Due General Capital Fund	647,579.66	404,409.23
Total Expenditures	<u>208,257,648.90</u>	<u>198,197,644.09</u>
Statutory Excess to Fund Balance	8,359,267.57	6,828,107.68
<u>Fund Balance</u>		
Balance Jan. 1	<u>17,642,403.99</u>	<u>20,404,296.31</u>
	26,001,671.56	27,232,403.99
Decreased by:		
Utilized as Revenue	<u>11,050,000.00</u>	<u>9,590,000.00</u>
Balance Dec. 31	<u>\$ 14,951,671.56</u>	<u>\$ 17,642,403.99</u>

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

EXHIBIT A-2

**CURRENT FUND
STATEMENT OF REVENUES
Year Ended December 31, 2024**

	Anticipated		Realized	Excess (Deficit)
	Budget	N.J.S.A. 40A:4-87		
Fund Balance Anticipated	\$ 11,050,000.00	\$ -	\$ 11,050,000.00	\$ -
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	80,000.00	-	82,600.00	2,600.00
Other	114,000.00	-	126,683.00	12,683.00
Fees and Permits	130,000.00	-	147,602.70	17,602.70
Fines and Costs:				
Municipal Court	313,000.00	-	282,165.43	(30,834.57)
Interest and Costs on Taxes	265,000.00	-	316,086.43	51,086.43
Interest on Investments and Deposits	1,000,000.00	-	1,190,264.31	190,264.31
Franchise Fees	190,000.00	-	192,152.04	2,152.04
Dedicated Uniform Construction Code Fees Offset with Appropriations (N.J.S.A. 40A:4-36 and N.J.A.C. 5:23-4.17):				
Uniform Construction Code Fees	2,000,000.00	-	2,843,594.25	843,594.25
Energy Receipts Tax (P.L. 1997, Ch. 162 & 167)	2,845,092.26	-	2,859,253.84	14,161.58
Municipal Relief Fund Aid	294,721.51	-	294,721.51	-
State and Federal Revenue Offset with Appropriations:				
Recycling Tonnage Grant	71,532.93	-	71,532.93	-
Drunk Driving Enforcement Fund	-	14,090.73	14,090.73	-
Safe and Secure Communities Program	32,400.00	-	32,400.00	-
New Jersey Department of Transportation	282,880.00	158,430.00	441,310.00	-
Drive Sober or Get Pulled Over Grant	-	7,000.00	7,000.00	-
Body Armor Fund	5,363.10	-	5,363.10	-
Municipal Alliance Program	10,237.00	-	10,237.00	-
Bullet Proof Vest Partnership Grant	-	6,890.64	6,890.64	-
Clean Communities Program	-	116,678.19	116,678.19	-
PSE&G Sustainable New Jersey	-	2,500.00	2,500.00	-
National Opioid Settlement	36,552.97	-	36,552.97	-
Energy Efficiency & Conservation Grant	76,680.00	-	76,680.00	-
Clean Fleet Program	18,000.00	-	18,000.00	-
NJ Career Accelerator Internship Grant	12,000.00	-	12,000.00	-
Local Recreation Improvement Grant	-	74,000.00	74,000.00	-
Emergency Management Grant	10,000.00	-	10,000.00	-
Walmart Community Grant	-	2,000.00	2,000.00	-
Municipal Occupancy Tax	2,300,000.00	-	2,439,288.12	139,288.12
Shared Services - Lumberton Township	232,000.00	-	231,560.88	(439.12)
Shared Services - Voorhees Township	130,800.00	-	41,500.00	(89,300.00)
Reserve for Payment of Bonds/Notes	500,000.00	-	500,000.00	-
Contribution from Municipal Utility Authority	375,000.00	-	400,000.00	25,000.00
Payment in Lieu of Taxes	200,000.00	-	225,693.96	25,693.96
Spectra Tower Rental	50,000.00	-	64,596.93	14,596.93
Rental Registration Fees	340,000.00	-	404,750.00	64,750.00
Marijuana	50,000.00	-	277,569.88	227,569.88
Emergency Medical Service Billings	1,400,000.00	-	1,791,811.27	391,811.27
	<u>13,365,259.77</u>	<u>381,589.56</u>	<u>15,649,130.11</u>	<u>1,902,280.78</u>
Receipts from Delinquent Taxes	700,000.00	-	1,755,136.86	1,055,136.86
Amount to be Raised by Taxes for Support of Municipal Budget Local Tax for Municipal Purposes - Including				
Reserve for Uncollected Taxes	21,975,924.23	-	24,688,423.07	2,712,498.84
Minimum Library Tax	2,650,863.63	-	2,650,863.63	-
	<u>24,626,787.86</u>	<u>-</u>	<u>27,339,286.70</u>	<u>2,712,498.84</u>
Budget Totals	49,742,047.63	381,589.56	55,793,553.67	5,669,916.48
Non-Budget Revenues	-	-	1,729,326.10	1,729,326.10
	<u>\$ 49,742,047.63</u>	<u>\$ 381,589.56</u>	<u>\$ 57,522,879.77</u>	<u>\$ 7,399,242.58</u>

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

EXHIBIT A-2

**CURRENT FUND
STATEMENT OF REVENUES (CONTINUED)
Year Ended December 31, 2024**

Analysis of Realized Revenues

Allocation of Current Tax Collections:

Revenue from Collections	\$ 184,458,873.92
Allocated to:	
School, County, Municipal Open Space and Special District Taxes	<u>160,776,587.22</u>

Balance for Support of Municipal Budget Appropriations	23,682,286.70
--	---------------

Add: Appropriation "Reserve for Uncollected Taxes"	<u>3,657,000.00</u>
--	---------------------

Amount for Support of Municipal Budget Appropriations	<u>\$ 27,339,286.70</u>
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Receipts from Delinquent Taxes:

Delinquent Tax Collections	\$ 1,753,675.71
Tax Title Liens	<u>1,461.15</u>
	<u>\$ 1,755,136.86</u>

Licenses - Other:

Clerk-Other	\$ 28,035.00
Other Licenses	91,779.00
Registrar of Vital Statistics	<u>6,869.00</u>
	<u>126,683.00</u>

Fees and Permits - Other:

Clerk	34.00
Police	51,385.70
Planning Board	21,995.00
Zoning Board of Adjustment	49,280.00
Registrar of Vital Statistics	20,970.00
Road Opening Fees	<u>3,938.00</u>
	<u>147,602.70</u>

Interest Earned on Investments and Deposit:

Treasurer	597,350.26
Municipal Court	990.86
Due from Trust - Animal Control Fund	2,706.64
Due from Trust - Assessment Fund	1,892.60
Due from Trust - Other Funds	274,213.87
Due from General Capital Fund	<u>313,110.08</u>
	<u>1,190,264.31</u>

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

EXHIBIT A-2

**CURRENT FUND
STATEMENT OF REVENUES (CONTINUED)
Year Ended December 31, 2024**

Analysis of Non-Budget Revenues

Miscellaneous Revenue not Anticipated:

Revenue Accounts Receivable - Tax Collector:

Duplicate Tax Bills	192.00
Tax Searches	470.00
Property Certifications	835.75
6% Year-End Penalty Tax	94,248.89
Miscellaneous	-

95,746.64

Treasurer:

Ballfield/Pavilion Rental Fees	26,115.00
Certificate of Occupancy Fees	76,037.50
Host Fees	37,217.16
State Housing Inspection Fees	20,607.80
Bad Check Surcharges	1,560.00
Police OT Outside Admin. Fee	65,704.72
Canceled Outdated Checks	530.84
Senior Citizens' and Veterans' Administration Fee	5,745.00
EMS/Accident/OPRA Reports	3,750.00
DMV Inspection Fines	700.00
Verizon Lease	12,575.43
Insurance Dividends	1,503.30
Liquor License	1,009,009.90
Rent	36,315.64
Library Pension	125,057.01
Restitution	3,928.47
Refund of Prior Year Expenditures	202,430.91
Miscellaneous	187.00

1,628,982.36

Due from Trust - Other Funds - Canceled Outstanding Checks

3,734.50

Due from Trust Assessment Fund - Interest and Costs on Assessments

23.31

Property Maintenance Lien Receipts

839.29

\$ 1,729,326.10

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

EXHIBIT A-3

**CURRENT FUND
STATEMENT OF EXPENDITURES
Year Ended December 31, 2024**

	Budget	Transfers		Emergencies & Ch 159's	Budget After Modification	Expended			Unexpended Balance Canceled	
		From	To			Paid or Charged	Encumbered	Reserved		
OPERATIONS--WITHIN "CAPS"										
Department of Legislative and Executive										
Mayor and Council										
Salaries and Wages	\$ 30,100.00	\$ -	\$ -	\$ -	\$ 30,100.00	\$ 30,020.52	\$ -	\$ 79.48	\$ -	
Other Expenses	5,000.00	-	-	-	5,000.00	1,207.65	2,804.89	987.46	-	
Township Manager and Office of Township Clerk										
Salaries and Wages										
Manager	190,000.00	-	-	-	190,000.00	186,286.21	-	3,713.79	-	
Clerk	291,000.00	-	-	-	291,000.00	290,287.43	-	712.57	-	
Other Expenses										
Manager	304,000.00	-	30,000.00	-	334,000.00	319,402.82	3,493.18	11,104.00	-	
Clerk	206,000.00	-	-	-	206,000.00	83,125.20	56,724.44	66,150.36	-	
Insurance										
General Liability	560,300.00	80,000.00	-	-	480,300.00	475,152.63	-	5,147.37	-	
Employee Group Health	4,094,490.00	45,000.00	-	-	4,049,490.00	3,983,982.33	1,606.20	63,901.47	-	
Workers' Compensation	863,771.00	95,000.00	-	-	768,771.00	767,564.37	-	1,206.63	-	
Township Solicitor										
Other Expenses	350,000.00	-	-	-	350,000.00	216,356.35	10,401.06	123,242.59	-	
Other Legal Services and Costs										
Other Expenses	100,000.00	-	-	-	100,000.00	26,955.00	1,626.00	71,419.00	-	
Department of Administration and Finance										
Director of Finance										
Salaries and Wages	408,000.00	-	-	-	408,000.00	402,796.81	-	5,203.19	-	
Other Expenses	100,000.00	-	-	-	100,000.00	64,621.31	1,383.25	33,995.44	-	
Audit Services	70,000.00	-	1,000.00	-	71,000.00	71,000.00	-	-	-	
Tax Assessor										
Salaries and Wages	188,000.00	-	-	-	188,000.00	181,554.69	-	6,445.31	-	
Other Expenses	70,400.00	-	-	-	70,400.00	24,767.33	715.00	44,917.67	-	
Tax Collector										
Salaries and Wages	226,000.00	-	-	-	226,000.00	219,975.76	-	6,024.24	-	
Other Expenses	39,100.00	-	-	-	39,100.00	32,063.01	81.86	6,955.13	-	
Municipal Court										
Salaries and Wages	362,500.00	-	-	-	362,500.00	324,560.81	-	37,939.19	-	
Other Expenses	33,500.00	-	-	-	33,500.00	24,041.89	895.48	8,562.63	-	

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

EXHIBIT A-3

**CURRENT FUND
STATEMENT OF EXPENDITURES (CONTINUED)
Year Ended December 31, 2024**

	<u>Budget</u>	<u>Transfers</u>		<u>Emergencies & Ch 159's</u>	<u>Budget After Modification</u>	<u>Expended</u>			<u>Unexpended Balance Canceled</u>
		<u>From</u>	<u>To</u>			<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
OPERATIONS--WITHIN "CAPS" (CONT'D)									
Department of Administration and Finance (Cont'd)									
Public Prosecutor									
Other Expenses	65,000.00	-	-	-	65,000.00	59,583.33	5,416.67	-	-
Department of Public Safety									
Police Department									
Salaries and Wages	9,100,000.00	140,000.00	-	-	8,960,000.00	8,740,490.22	-	219,509.78	-
Other Expenses	476,200.00	-	55,000.00	-	531,200.00	386,542.87	135,999.45	8,657.68	-
Emergency Management Services									
Salaries and Wages	20,000.00	-	-	-	20,000.00	9,999.92	-	10,000.08	-
Other Expenses	9,400.00	-	-	-	9,400.00	9,150.00	-	250.00	-
Aid to First Aid Organizations									
Mount Laurel EMS									
Salaries and Wages	1,710,000.00	60,000.00	-	-	1,650,000.00	1,581,885.89	-	68,114.11	-
Other Expenses	174,300.00	-	-	-	174,300.00	(221,793.54)	385,494.19	10,599.35	-
Other Expenses - Billing	80,000.00	-	-	-	80,000.00	55,652.61	5,164.97	19,182.42	-
Department of Public Works									
Road Repairs and Maintenance									
Salaries and Wages	1,529,000.00	-	-	-	1,529,000.00	1,495,941.35	-	33,058.65	-
Other Expenses	135,550.00	-	-	-	135,550.00	62,330.88	4,547.00	68,672.12	-
Snow Trust Fund	1,000.00	-	50,000.00	-	51,000.00	51,000.00	-	-	-
Garbage and Trash Removal									
Other Expenses	1,614,000.00	-	-	-	1,614,000.00	1,503,945.55	-	110,054.45	-
Municipal Services Act (N.J.S.A. 40:67-23.2 et seq.)									
Other Expenses	850,000.00	-	20,000.00	-	870,000.00	670,932.58	137,044.55	62,022.87	-
Public Buildings and Grounds									
Salaries and Wages	310,200.00	-	-	-	310,200.00	195,186.37	-	115,013.63	-
Other Expenses	270,000.00	-	-	-	270,000.00	254,247.37	11,966.08	3,786.55	-
Maintenance of Motor Vehicles									
Salaries and Wages	320,500.00	-	-	-	320,500.00	317,740.30	-	2,759.70	-
Other Expenses	245,700.00	-	35,000.00	-	280,700.00	262,846.08	2,483.10	15,370.82	-
Municipal Engineer									
Other Expenses	250,000.00	-	-	-	250,000.00	102,084.67	8,893.09	139,022.24	-
Sanitary Landfill--Contractual	1,815,000.00	-	60,000.00	-	1,875,000.00	1,614,755.56	189,031.38	71,213.06	-

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

EXHIBIT A-3

**CURRENT FUND
STATEMENT OF EXPENDITURES (CONTINUED)
Year Ended December 31, 2024**

	<u>Budget</u>	<u>Transfers</u>		<u>Emergencies & Ch 159's</u>	<u>Budget After Modification</u>	<u>Expended</u>			<u>Unexpended Balance Canceled</u>	
		<u>From</u>	<u>To</u>			<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>		
OPERATIONS--WITHIN "CAPS" (CONT'D)										
Department of Health and Welfare										
Public Assistance										
Other Expenses	100.00	-	-	-	100.00	-	-	100.00	-	
Animal Control										
Other Expenses	45,000.00	-	15,000.00	-	60,000.00	42,909.98	2,894.25	14,195.77	-	
Department of Parks and Recreation										
Salaries and Wages	76,250.00	-	-	-	76,250.00	52,751.00	-	23,499.00	-	
Other Expenses	285,000.00	-	-	-	285,000.00	255,738.82	16,852.76	12,408.42	-	
Maintenance of Parks										
Salaries and Wages	492,000.00	-	40,000.00	-	532,000.00	505,288.48	-	26,711.52	-	
Other Expenses	369,300.00	-	-	-	369,300.00	278,345.76	21,595.78	69,358.46	-	
Department of Community Development										
Planning Board										
Salaries and Wages	67,500.00	-	-	-	67,500.00	62,175.93	-	5,324.07	-	
Other Expenses	39,000.00	-	-	-	39,000.00	11,344.20	195.00	27,460.80	-	
Zoning Board										
Salaries and Wages	123,000.00	-	-	-	123,000.00	114,138.42	-	8,861.58	-	
Other Expenses	18,650.00	-	-	-	18,650.00	1,782.18	178.79	16,689.03	-	
Housing Enforcement										
Salaries and Wages	217,000.00	35,000.00	-	-	182,000.00	179,671.78	-	2,328.22	-	
Other Expenses	5,000.00	-	-	-	5,000.00	4,635.67	-	364.33	-	
Uniform Construction Code--Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17)										
Construction Code Official										
Salaries and Wages	1,009,000.00	-	30,000.00	-	1,039,000.00	1,018,239.81	-	20,760.19	-	
Other Expenses	168,000.00	-	14,000.00	-	182,000.00	172,905.54	5,154.59	3,939.87	-	
Unclassified:										
Utilities:										
Gasoline	550,000.00	-	75,000.00	-	625,000.00	441,710.53	33,989.85	149,299.62	-	
Street Lighting	658,000.00	-	20,000.00	-	678,000.00	563,619.92	56,211.99	58,168.09	-	
Telephone	270,000.00	-	-	-	270,000.00	218,252.44	15,039.43	36,708.13	-	
Electricity	590,000.00	-	95,000.00	-	685,000.00	550,646.76	54,988.46	79,364.78	-	
Water	42,000.00	-	-	-	42,000.00	18,519.46	-	23,480.54	-	
Sewer	27,000.00	-	-	-	27,000.00	13,213.02	-	13,786.98	-	

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

EXHIBIT A-3

**CURRENT FUND
STATEMENT OF EXPENDITURES (CONTINUED)
Year Ended December 31, 2024**

	Budget	Transfers		Emergencies & Ch 159's	Budget After Modification	Expended			Unexpended Balance Canceled	
		From	To			Paid or Charged	Encumbered	Reserved		
OPERATIONS--WITHIN "CAPS" (CONT'D)										
Unclassified (Cont'd)										
Traffic Lights										
Other Expenses	85,000.00	-	-	-	85,000.00	52,472.43	8,857.67	23,669.90	-	
Accumulated Absences	100.00	-	-	-	100.00	100.00	-	-	-	
Total Operations Within "CAPS"	32,604,911.00	455,000.00	540,000.00	-	32,689,911.00	29,436,706.26	1,181,730.41	2,071,474.33	-	
Detail:										
Salaries and Wages	16,670,050.00	235,000.00	70,000.00	-	16,505,050.00	15,908,991.70	-	596,058.30	-	
Other Expenses (Including Contingent)	15,849,861.00	220,000.00	470,000.00	-	16,184,861.00	13,527,714.56	1,181,730.41	1,475,416.03	-	
DEFERRED CHARGES AND STATUTORY EXPENDITURES-- MUNICIPAL--WITHIN "CAPS"										
Statutory Expenditures:										
Contribution to:										
Public Employees' Retirement System	1,167,903.00	-	-	-	1,167,903.00	1,167,903.00	-	-	-	
Social Security System (O.A.S.I.)	1,350,000.00	85,000.00	-	-	1,265,000.00	1,227,654.41	-	37,345.59	-	
Police and Firemen's Retirement System of N.J.	2,681,174.00	-	-	-	2,681,174.00	2,681,174.00	-	-	-	
New Jersey Unemployment	100.00	-	-	-	100.00	-	-	100.00	-	
Defined Contribution Retirement Plan	16,000.00	-	-	-	16,000.00	2,280.99	-	13,719.01	-	
Total Deferred Charges and Statutory Expenditures-- Municipal--Within "CAPS"	5,215,177.00	85,000.00	-	-	5,130,177.00	5,079,012.40	-	51,164.60	-	
Judgements	100.00	-	-	-	100.00	-	-	100.00	-	
Total General Appropriations for Municipal Purposes Within "CAPS"	37,820,188.00	540,000.00	540,000.00	-	37,820,188.00	34,515,718.66	1,181,730.41	2,122,738.93	-	

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

EXHIBIT A-3

**CURRENT FUND
STATEMENT OF EXPENDITURES (CONTINUED)
Year Ended December 31, 2024**

	Budget	Transfers		Emergencies & Ch 159's	Budget After Modification	Expended			Unexpended Balance Canceled	
		From	To			Paid or Charged	Encumbered	Reserved		
OPERATIONS EXCLUDED FROM "CAPS"										
Insurance										
Employee Group Health										
Road Repair and Maintenance										
Other Expenses	9,000.00	-	-	-	9,000.00	9,000.00	-	-	-	-
Reserve for Tax Appeals	300,000.00	-	-	-	300,000.00	-	-	300,000.00	-	-
Shared Service Agreement - Lumberton Township	232,000.00	-	-	-	232,000.00	231,560.56	-	439.44	-	-
Shared Service Agreement - Voorhees Township	130,800.00	-	-	-	130,800.00	41,500.00	-	89,300.00	-	-
Maintenance of Free Public Library (Ch. 82, P.L. 1985)	2,650,863.63	-	-	-	2,650,863.63	2,650,863.63	-	-	-	-
Length of Service Award Program										
Other Expenses	30,000.00	-	-	-	30,000.00	-	6,486.58	23,513.42	-	-
State and Federal Programs Offset by Revenues										
Body Armor Fund	5,363.10	-	-	-	5,363.10	5,363.10	-	-	-	-
Clean Communities Program (40A:4-87 \$86,950.75)	-	-	-	116,678.19	116,678.19	116,678.19	-	-	-	-
Drunk Driving Enforcement Fund	-	-	-	14,090.73	14,090.73	14,090.73	-	-	-	-
Safe and Secure Communities Grant	32,400.00	-	-	-	32,400.00	32,400.00	-	-	-	-
Recycling Tonnage Grant	71,532.93	-	-	-	71,532.93	71,532.93	-	-	-	-
National Opioid Settlement	36,552.97	-	-	-	36,552.97	36,552.97	-	-	-	-
Energy Efficiency and Conservation Grant	76,680.00	-	-	-	76,680.00	76,680.00	-	-	-	-
Clean Fleet Program	18,000.00	-	-	-	18,000.00	18,000.00	-	-	-	-
NJ Career Accelerator Internship Grant	12,000.00	-	-	-	12,000.00	12,000.00	-	-	-	-
Local Recreation Improvement Grant	-	-	-	74,000.00	74,000.00	74,000.00	-	-	-	-
Municipal Alliance Program (40A:4-87 \$8,971.00)	10,237.00	-	-	-	10,237.00	10,237.00	-	-	-	-
Walmart Community Grant (40A:4-87 \$2,000.00)	-	-	-	2,000.00	2,000.00	2,000.00	-	-	-	-
Drive Sober or Get Pulled Over	-	-	-	7,000.00	7,000.00	7,000.00	-	-	-	-
Emergency Management Grant (40A:4-87 \$10,000.00)	10,000.00	-	-	-	10,000.00	10,000.00	-	-	-	-
PSE&G Sustainable New Jersey (40A:4-87 \$10,000.00)	-	-	-	2,500.00	2,500.00	2,500.00	-	-	-	-
NJ Department of Transportation (40A:4-87 \$235,000.00)	282,880.00	-	-	158,430.00	441,310.00	441,310.00	-	-	-	-
Bullet Proof Vest Partnership Grant (40A:4-87 \$4,427.40)	-	-	-	6,890.64	6,890.64	6,890.64	-	-	-	-
Total Operations--Excluded from "CAPS"	3,908,309.63	-	-	381,589.56	4,289,899.19	3,870,159.75	6,486.58	413,252.86	-	-
Detail:										
Salaries and Wages	232,000.00	-	-	-	232,000.00	231,560.56	-	439.44	-	-
Other Expenses	3,676,309.63	-	-	381,589.56	4,057,899.19	3,638,599.19	6,486.58	412,813.42	-	-
CAPITAL IMPROVEMENTS--EXCLUDED FROM "CAPS"										
Capital Improvement Fund	250,000.00	-	-	-	250,000.00	250,000.00	-	-	-	-
Total Capital Improvements--Excluded from "CAPS"	250,000.00	-	-	-	250,000.00	250,000.00	-	-	-	-

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

EXHIBIT A-3

**CURRENT FUND
STATEMENT OF EXPENDITURES (CONTINUED)
Year Ended December 31, 2024**

	Budget	Transfers		Emergencies & Ch 159's	Budget After Modification	Expended			Unexpended Balance Canceled
		From	To			Paid or Charged	Encumbered	Reserved	
MUNICIPAL DEBT SERVICE--EXCLUDED FROM "CAPS"									
Payment of Bond Principal	2,405,000.00	-	-	-	2,405,000.00	2,405,000.00	-	-	-
Interest on Bonds	1,211,550.00	-	-	-	1,211,550.00	1,211,550.00	-	-	-
Interest on Assessment Notes					-	-			
Interest on Notes	490,000.00	-	-	-	490,000.00	488,080.43	-	-	1,919.57
Total Municipal Debt Service--Excluded from "CAPS"	4,106,550.00	-	-	-	4,106,550.00	4,104,630.43	-	-	1,919.57
Total General Appropriations--Excluded from "CAPS"	8,264,859.63	-	-	381,589.56	8,646,449.19	8,224,790.18	6,486.58	413,252.86	1,919.57
Subtotal General Appropriations	46,085,047.63	540,000.00	540,000.00	381,589.56	46,466,637.19	42,740,508.84	1,188,216.99	2,535,991.79	1,919.57
Reserve for Uncollected Taxes	3,657,000.00	-	-	-	3,657,000.00	3,657,000.00	-	-	-
Total General Appropriations	\$ 49,742,047.63	\$ 540,000.00	\$ 540,000.00	\$ 381,589.56	\$ 50,123,637.19	\$ 46,397,508.84	\$ 1,188,216.99	\$ 2,535,991.79	\$ 1,919.57
Appropriation by N.J.S.A. 40A:4-87					\$ 381,589.56				
Budget					49,742,047.63				
					<u>\$ 50,123,637.19</u>				
Reserve for Federal, State and Local Grants - Appropriated						\$ 937,235.56			
Reserve for Uncollected Taxes						3,657,000.00			
Due General Capital Fund						250,000.00			
Disbursed						41,553,273.28			
						<u>\$ 46,397,508.84</u>			

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

EXHIBIT B

**TRUST FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE
December 31, 2024 and 2023**

<u>ASSETS</u>	<u>2024</u>	<u>2023</u>
Animal Control Fund:		
Cash - Treasurer	\$ 117,094.45	\$ 102,189.83
Assessment Fund:		
Cash - Treasurer	102,654.83	92,732.08
Assessments Receivable	46,572.96	54,579.80
	<u>149,227.79</u>	<u>147,311.88</u>
Municipal Open Space Fund:		
Cash - Treasurer	15,545,481.71	18,896,221.63
Length of Service Award Program:		
Investments - Length of Service Award Program	838,695.05	727,036.57
Other Funds:		
Cash - Treasurer	15,217,493.00	15,501,497.35
Accounts Receivable--Outside Police Employment	1,000.00	24,650.00
	<u>15,218,493.00</u>	<u>15,526,147.35</u>
	<u>\$ 31,868,992.00</u>	<u>\$ 35,398,907.26</u>
 <u>LIABILITIES AND RESERVES</u>		
Animal Control Fund:		
Reserve for Animal Control Fund Expenditures	\$ 32,301.40	\$ 31,347.90
Due Current Fund	84,790.65	70,836.53
Due State of New Jersey	2.40	5.40
	<u>117,094.45</u>	<u>102,189.83</u>
Assessment Fund:		
Due Current Fund	149,227.79	147,311.88
Municipal Open Space Fund:		
Due Current Fund	60,583.49	5,232.00
Reserve for Encumbrances	1,484,131.51	2,978,664.79
Reserve for Municipal Open Space Trust Fund	10,624,414.62	12,035,972.75
Reserve for Payment of Debt	3,376,352.09	3,876,352.09
	<u>15,545,481.71</u>	<u>18,896,221.63</u>
Length of Service Award Program:		
Reserve for Length of Service Award Program	838,695.05	727,036.57

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

EXHIBIT B

**TRUST FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE (CONTINUED)
December 31, 2024 and 2023**

<u>LIABILITIES AND RESERVES (CONT'D)</u>	<u>2024</u>	<u>2023</u>
Other Funds:		
Due Current Fund	513,064.11	233,765.74
Due New Jersey Crime Compensation Board	339,636.74	339,636.74
Reserve for Encumbrances	454,941.68	471,542.72
Reserves and Special Deposits:		
Developer's Recreation	334,293.35	334,293.35
Municipal Recreation: Summer Camp	-	82,758.61
Municipal Recreation: Concert Series	11.00	11.00
Municipal Recreation: Festivals	-	16,505.86
Municipal Recreation: Senior Center	21,283.55	17,363.55
Municipal Recreation: Other	60,839.01	-
Municipal Recreation: Storm Recovery Trust	931,204.61	1,232,442.97
Municipal Recreation: Women's Basketball	280.00	280.00
Municipal Recreation: Men's Basketball	3,400.00	3,400.00
Municipal Recreation: Softball	1,887.72	1,887.72
Recycling Trust Fund	47,135.41	42,593.76
Special Law Enforcement Trust Fund	20,652.34	93,258.44
Street Opening Deposits	4,212.50	2,490.00
Low Income Housing	5,860.75	5,860.75
Parking Offense Adjudication Act	4,572.62	4,506.62
Public Defender Fees	3,239.50	9,988.50
Outside Police Employment	27,521.32	23,031.33
Developer's Fees - Spring Valley	50,746.15	83,002.15
Reserve for Sidewalks	197,775.00	162,175.00
Developer's Fees - Orleans Litigation Deposits	1,425.88	1,425.88
Developer's Fees - Traffic Impact	104,437.50	104,437.50
Reserve for Developer Fees - Hovnanian	166.00	166.00
Reserve for Environmental - Kowalski	250,000.00	250,000.00
New Jersey Unemployment Compensation		
Insurance Trust Fund	363,512.26	380,502.29
Affordable Housing	3,227,137.79	3,423,741.67
Affordable Housing - Low Income	88,176.19	88,176.19
Fair Share Housing - Senior Citizens' Housing	82,422.43	82,414.19
Payroll Deductions Payable	147,612.19	755,020.22
Accumulated Absences	50,500.00	400.00
K-9 Fund	61,471.66	60,261.41
Police Sponsored Events	625.00	200.00
Lead Based Paint Inspections	2,435.00	-
Tree Trust	1,200.00	-
Redemption of Tax Sale Certificates	32,845.66	138,633.29
Redemption of Tax Sale Premiums	2,304,300.00	2,196,600.00
Reserve for Community Development Escrow Deposits	5,477,668.08	4,883,373.90
	<u>15,218,493.00</u>	<u>15,526,147.35</u>
	<u>\$ 31,868,992.00</u>	<u>\$ 35,398,907.26</u>

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

EXHIBIT B-1

**MUNICIPAL OPEN SPACE TRUST FUND
STATEMENTS OF OPERATIONS AND CHANGES IN RESERVE FOR USE
Years Ended December 31, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
REVENUE REALIZED:		
Amount to be Raised by Taxation	\$ 2,368,046.00	\$ 2,355,785.23
Reserve Funds	10,000,000.00	10,000,000.00
Reserve for Payment of Debt	500,000.00	500,000.00
Miscellaneous Revenue not Anticipated	<u>496,419.43</u>	<u>573,073.46</u>
Total Income	<u>13,364,465.43</u>	<u>13,428,858.69</u>
EXPENDITURES:		
Budget Appropriations:		
Development of Land	1,954,413.40	5,792,572.64
Acquisition of Land	1,504,010.16	-
Debt Service	<u>1,317,600.00</u>	<u>1,320,300.00</u>
Total Expenditures	<u>4,776,023.56</u>	<u>7,112,872.64</u>
Statutory Excess to Reserve for Future Use	8,588,441.87	6,315,986.05
RESERVE FOR FUTURE USE:		
Balance January 1	<u>12,035,972.75</u>	<u>15,719,986.70</u>
Increased by:	20,624,414.62	22,035,972.75
Decreased by:		
Utilized as Revenue	<u>10,000,000.00</u>	<u>10,000,000.00</u>
Balance December 31	<u>\$ 10,624,414.62</u>	<u>\$ 12,035,972.75</u>

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

EXHIBIT B-2

**MUNICIPAL OPEN SPACE TRUST FUND
STATEMENT OF REVENUES
Year Ended December 31, 2024**

	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess</u>
Amount to be Raised by Taxation	\$ 2,344,809.44	\$ 2,368,046.00	\$ 23,236.56
Reserve Funds	10,000,000.00	10,000,000.00	-
Reserve to Pay Debt	500,000.00	500,000.00	-
Miscellaneous Revenue not Anticipated	-	496,419.43	496,419.43
	<u>\$ 12,844,809.44</u>	<u>\$ 13,364,465.43</u>	<u>\$ 519,655.99</u>

Analysis of Realized Revenues

Amount to be Raised by Taxation	
Current Year Levy	\$ 2,344,809.44
Added and Omitted Taxes	23,236.56
	<u>\$ 2,368,046.00</u>
Miscellaneous Revenue not Anticipated:	
Community Gardens Rentals	\$ 1,800.00
Donation	-
Interest on Deposits	494,619.43
	<u>\$ 496,419.43</u>

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

EXHIBIT B-3

**MUNICIPAL OPEN SPACE TRUST FUND
STATEMENT OF EXPENDITURES
Year Ended December 31, 2024**

	Appropriations		Expended	Unexpended
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Balance Canceled</u>
Development of Lands:				
Other Expenses	\$ 9,532,138.80	\$ 9,532,138.80	\$ 1,954,413.40	\$ 7,577,725.40
Acquisition of Lands	2,000,000.00	2,000,000.00	1,504,010.16	495,989.84
Debt Service:				
Payment of Bond Principal	960,000.00	960,000.00	960,000.00	-
Interest on Bonds	357,600.00	357,600.00	357,600.00	-
	<u>\$ 12,849,738.80</u>	<u>\$ 12,849,738.80</u>	<u>\$ 4,776,023.56</u>	<u>\$ 8,073,715.24</u>
Disbursed			\$ 6,215,205.35	
Due Current Fund			55,351.49	
Prior Year Encumbrances Canceled			(2,978,664.79)	
Reserve for Encumbrances Charged			1,484,131.51	
			<u>\$ 4,776,023.56</u>	

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

EXHIBIT C

**GENERAL CAPITAL FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE
December 31, 2024 and 2023**

<u>ASSETS</u>	<u>2024</u>	<u>2023</u>
Cash	\$ 14,786,163.75	\$ 19,376,182.68
Deferred Charges to Future Taxation - Funded	40,585,000.00	43,950,000.00
Deferred Charges to Future Taxation - Unfunded	12,236,950.00	12,236,950.00
	<u>\$ 67,608,113.75</u>	<u>\$ 75,563,132.68</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
Capital Improvement Fund	\$ 356,261.00	\$ 106,261.00
Reserve for Payment of Bonds and Bond Anticipation Notes	397,417.01	786,191.77
Due Current Fund	1,615,232.47	967,652.81
Improvement Authorizations:		
Funded	6,967,514.14	7,865,402.87
Unfunded	3,110,293.97	5,347,907.88
Contracts Payable	2,012,508.42	3,288,698.58
Reserve for Encumbrances	231,424.76	918,555.79
Bond Anticipation Notes	12,236,000.00	12,236,000.00
Serial Bonds	40,585,000.00	43,950,000.00
Fund Balance	96,461.98	96,461.98
	<u>\$ 67,608,113.75</u>	<u>\$ 75,563,132.68</u>

There were Bonds and Notes Authorized but not Issued at December 31, 2024 and 2023, in the amount of \$950.00, respectively (SC-11).

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

EXHIBIT C-1

GENERAL CAPITAL FUND
STATEMENT OF CHANGES IN FUND BALANCE
Year Ended December 31, 2024

Balance Dec. 31, 2023	<u>\$ 96,461.98</u>
Balance Dec. 31, 2024	<u>\$ 96,461.98</u>

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

EXHIBIT D

**GENERAL FIXED ASSET ACCOUNT GROUP
STATEMENT OF GENERAL FIXED ASSETS
Year Ended December 31, 2024**

	Balance Dec. 31, 2023	Additions	Deletions	Balance Dec. 31, 2024
General Fixed Assets:				
Land and Land Improvements	\$ 80,641,823.12	\$ 8,333,912.57	\$ -	\$ 88,975,735.69
Building	27,664,424.45	4,110,831.03	-	31,775,255.48
Equipment	2,090,402.59	640,625.70	14,853.50	2,716,174.79
Vehicles	10,547,408.20	939,444.65	533,276.71	10,953,576.14
	<u>\$ 120,944,058.36</u>	<u>\$ 14,024,813.95</u>	<u>\$ 548,130.21</u>	<u>\$ 134,420,742.10</u>
Investment in General Fixed Assets	<u>\$ 120,944,058.36</u>	<u>\$ 14,024,813.95</u>	<u>\$ 548,130.21</u>	<u>\$ 134,420,742.10</u>

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Financial Reporting Entity

The Township of Mount Laurel (hereafter referred to as the "Township") was incorporated as a township by an act of the New Jersey legislature on March 7, 1872, from portions of Evesham Township. The Township, located in Burlington County, New Jersey, has a total area of approximately twenty-two square miles, and is located approximately fifteen miles from the City of Philadelphia. The Township borders Moorestown Township, Maple Shade Township, Cherry Hill Township, Medford Township, Hainesport Township, Lumberton Township, Westampton Township, Willingboro Township and Evesham Township. According to the 2020 census, the population was 44,633.

The Township is governed under the Faulkner Act System using Council-Manager form of government, with a five-member Council. The Council is elected directly by the voters in partisan elections to serve four-year terms of office on a staggered basis, with two or three seats coming up for election in odd-numbered years. At an annual reorganization meeting, the Council selects one of its members to serve as Mayor and another as Deputy Mayor. The Township Manager oversees the daily functions of the Township.

Component Units

The financial statements of the component units of the Township are not presented in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended. If the provisions of the aforementioned GASB Statement, as amended, 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:

Mount Laurel Municipal Utilities Authority, 1201 S. Church Street
Mount Laurel, New Jersey 08054

Mount Laurel Public Library, 100 Walt Whitman Avenue
Mount Laurel, New Jersey 08054

Annual financial reports may be inspected directly at the offices of these component units during regular business hours.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The financial statements of the Township contain all funds and account group in accordance with the *Requirements of Audit* (the "*Requirements*") as promulgated by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The principles and practices established by the *Requirements* 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 in this note.

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

In accordance with the *Requirements*, the Township accounts for its financial transactions through the use of separate funds and an account group which are described as follows:

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

Trust Funds - The various trust funds account for receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

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

General Fixed Asset Group of Accounts - The general fixed asset group of accounts is utilized to account for property, land, buildings and equipment that have been acquired by other governmental funds.

Budgets and Budgetary Accounting

The Township must adopt an annual budget for its current and municipal open space funds 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 of each year. At introduction, the governing body shall 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 the Division 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.

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. Investments are stated at cost; therefore, unrealized gains or losses on investments have not been recorded. Investments recorded in the trust fund for the Township's length of service awards program, however, are stated at fair value.

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash, Cash Equivalents and Investments (Continued)

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 authorities 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 ("GUDPA" or "Act"), a multiple financial institutional collateral pool, 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.

Inventories of Supplies

The costs 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.

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Part 200, §200.12), 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. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at 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 of the general fixed assets account group 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 include 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. Lastly, all fixed assets must be adequately controlled to safeguard against loss, damage, or theft.

Foreclosed Property

Foreclosed property 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 municipality 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 asset group of accounts. If such property is converted to a municipal use, it will be recorded in the general fixed asset group of accounts.

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

Liens Sold for Other Governmental Units

Liens sold on behalf of other governmental units are not recorded on the records of the tax collector until such liens are collected. Upon their collection, such liens are recorded as a liability due to the governmental unit net of the costs of the initial sale. The related costs of sale are recognized as revenue when received.

Fund Balance

Fund balance included in the current fund represents amounts available for anticipation as revenue in future years' budgets, with certain restrictions.

Revenues

Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Revenue from federal and state grants is realized when anticipated as such in the Township's budget. Receivables for property taxes are recorded with offsetting reserves on the statements 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 to the Township which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

Property Tax Revenues

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 Burlington, the Township of Mount Laurel School District, the Lenape Regional High School District, the Township of Mount Laurel Open Space Fund, the Mount Laurel Public Library (the "Library"), and the Township of Mount Laurel Fire District. Unpaid property taxes are subject to tax sale in accordance with the statutes.

School Taxes

The Township is responsible for levying, collecting and remitting school taxes for the Township of Mount Laurel School District and the Lenape Regional High School District. Operations is charged for the full amount required to be raised from taxation to operate the local school district and the regional high school district for the period from July 1 to June 30, increased by the amount deferred at December 31, 2023, and decreased by the amount deferred at December 31, 2024.

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

County Taxes

The municipality is responsible for levying, collecting and remitting county taxes for the County of Burlington. County taxes are determined on a calendar year by the County Board of Taxation based upon the ratables required to be certified to them on January 10 of each year. Operations is charged for the amount due to the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10 of the current year. In addition, operations is charged for the County's share of added and omitted taxes certified to the County Board of Taxation by October 10 of the current year, and due to be paid to the County by February 15 of the following year.

Fire District Taxes

The municipality is responsible for levying, collecting and remitting fire district taxes for the Township of Mount Laurel Fire District. Operations is charged for the full amount required to be raised from taxation to operate the Fire District for the period from January 1 to December 31.

Open Space Taxes

Currently, the Township assesses, by referendum, all taxable property at 8 cents per \$100.00 of assessed value for the acquisition and improvements of land for open space preservation, historic preservation, parks and recreation, and maintenance of open space property within the Township.

Library Taxes

The municipality is responsible for levying, collecting and remitting library taxes for the Library. The amount of the library tax is a separate local levy tax, the amount of which is in accordance with New Jersey statutes based on 1/3 of a mil of the Township's equalized valuation of the prior year. The tax is remitted to the Library through the municipal budget.

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 immediately 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

Expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when paid. However, for charges to amounts appropriated for "other expenses", an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed in accordance with N.J.A.C. 5:30-5.2. When encumbered charges are 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.

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Expenditures (Continued)

Appropriations for principal payments on outstanding general capital bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis.

Appropriation Reserves

Appropriation reserves covering unexpended appropriation balances are automatically created at year end and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments, or contracts incurred during the preceding year. Lapsed appropriation reserves are recorded as income.

Long-Term Debt

Long-term debt, relative to the acquisition of capital assets, is recorded as a liability in the general 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, Pension and Other Post-employment Benefits

Compensated absences for vacation, sick leave and other compensated absences are recorded and provided for in the annual budget in the year in which they are paid, on a pay-as-you-go basis. Likewise, pension and post-employment expenses are recorded on a cash basis as billed by the State. Thus, net pension liability and related deferred inflows and outflows are not recorded on the statements of assets, liabilities, reserves and fund balance.

Custodial Credit Risk Related to Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits might not be recovered. Although the Township does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA or Act. Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the municipality in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled agency funds such as salary withholdings, bail funds, or funds that may pass to the municipality relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized.

B. CASH AND CASH EQUIVALENTS

As of December 31, 2024, the Township's bank balances of \$80,624,844.09 were exposed to custodial credit risk as follows:

Insured	\$ 1,000,000.00
Uninsured and Collateralized	79,624,844.09
Uninsured and Uncollateralized	-
Total	<u>\$ 80,624,844.09</u>

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

C. PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

The value of property acquired by liquidation of tax title liens on December 31, on the basis of the last assessed valuation of such properties, for the current and previous four years was as follows:

Year	Amount
2024	\$ 1,522,696.00
2023	1,522,696.00
2022	1,522,696.00
2021	1,589,996.00
2020	1,590,996.00

D. FUND BALANCES APPROPRIATED

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

Year	Balance December 31,	Utilized in Budget of Succeeding Year	Percentage of Fund Balance Used
2024	\$ 14,951,671.56	\$ 10,300,000.00	68.89%
2023	17,642,403.99	11,050,000.00	62.63%
2022	20,404,296.31	9,590,000.00	47.00%
2021	20,315,389.32	7,340,000.00	36.13%
2020	19,901,844.04	7,340,000.00	36.88%

E. INTERFUND RECEIVABLES AND PAYABLES

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

Fund	Interfunds Receivable	Interfunds Payable
Current	\$ 2,422,898.51	\$ -
Federal and State Grant	-	-
Trust - Assessment	-	149,227.79
Trust - Animal Control	-	84,790.65
Trust - Municipal Open Space	-	60,583.49
Trust - Other	-	513,064.11
General Capital	-	1,615,232.47
Totals	<u>\$ 2,422,898.51</u>	<u>\$ 2,422,898.51</u>

The interfund receivables and payables above predominately resulted from collections and payments made by certain funds on behalf of other funds. During the year 2025, the Township expects to liquidate such interfunds, depending upon the availability of cash flow.

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

F. PENSION AND RETIREMENT PLANS

A substantial number of the Township's employees participate in the following defined benefit pension plans: Public Employees' Retirement System ("PERS") and Police and Firemen's Retirement System ("PFRS"), which are administered and/or regulated by the New Jersey Division of Pensions and Benefits (the "Division of Pensions and Benefits"). Both plans have a board of trustees that is primarily responsible for its administration. The Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295

For additional information about PERS or PFRS, please refer to Division of Pensions and Benefits' Annual Comprehensive Financial Report ("ACFR") which can be found at <http://www.nj.gov/treasury/pensions/financial-reports.shtml>.

Plan Descriptions

PERS is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955. PFRS is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits.

The Defined Contribution Retirement Program ("DCRP") is a multiple-employer defined contribution pension fund established on July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.). The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code ("IRC") 401(a) et seq., and is a governmental plan within the meaning of IRC 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees enrolled in PERS after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in PERS on or after November 2, 2008, who do not earn the minimum annual salary for Tier 3 enrollment but who earn salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in PERS after May 21, 2010, who do not work the minimum number of hours per week required for Tiers 4 or 5 enrollment, but who earn salary of at least \$5,000.00 annually.

Benefits Provided

For PERS, the vesting and benefit provisions are set by N.J.S.A. 43:15A. The PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of the PERS. The following represents the membership tiers for PERS:

Tier	Definition
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.

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

F. PENSION AND RETIREMENT PLANS (CONTINUED)

Benefits Provided (Continued)

Service retirement benefits of 1/55th of final average salary for each year of service credit are available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit are 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 years or more 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 ten years of service credit and have not reached the service retirement age for their respective tier.

For PFRS, the vesting and benefit provisions are set by N.J.S.A. 43:16A. The PFRS provides retirement, 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:

Tier	Definition
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 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 of 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.

For DCRP, eligible members are provided with a defined contribution retirement plan intended to qualify for favorable federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and non-forfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and non-forfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

Contributions

The Township is billed annually for its normal contribution plus any accrued liability. Contributions to PERS from the Township were \$1,167,903.00 for the year ended December 31, 2024. Contributions to PFRS from the Township were \$2,681,174.00 for the year ended December 31, 2024.

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

F. PENSION AND RETIREMENT PLANS (CONTINUED)

Contributions (Continued)

The contribution policy for DCRP is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the Township contributes 3% of the employees' base salary, for each pay period, to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period. For the year ended December 31, 2024, the Township's contributions were \$2,280.99. There were no forfeitures during the year.

The GASB Statement No. 68 report of PERS and PFRS for the period ended June 30, 2024, was not available as of the date of this report. Per Local Finance Notice 2022-12, issued by the Division of Local Government Services, calendar year municipalities are able to include in their annual audits most recent audited GASB 68 information published by the Division of Pensions and Benefits. Thus, the Township included in the note below disclosures based on the period ended June 30, 2023, audited PERS and PFRS information.

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. 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.

A special funding situation exists for the local employers of the Public Employees' Retirement System of New Jersey. The State of New Jersey, as a non-employer, is required to pay the additional costs incurred by local employers under Chapter 133, P.L. 2001. The special funding situation for Chapter 133, P.L. 2001 is due to the State paying the additional normal cost related to benefit improvements from Chapter 133. Previously, this additional normal cost was paid from the Benefit Enhancement Fund (BEF). As of June 30, 2024, there is no net pension liability associated with this special funding situation and there was no accumulated difference between the annual additional normal cost under the special funding situation and the actual State contribution through the valuation date. The state special funding situation pension expense of \$45,000,471, for the fiscal year ended June 30, 2024, is the actuarially determined contribution amount that the State owes for the fiscal year ended June 30, 2024. The pension expense is deemed to be a state administrative expense due to the special funding situation. The portion of the non-employer contributing entities' total proportionate share of the collective net pension liability that is associated with the Township is \$0 and the total proportionate share of the employer pension benefit is \$39,472 for the June 30, 2024, measurement date.

The contribution policy for PFRS is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. 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

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

F. PENSION AND RETIREMENT PLANS (CONTINUED)

Contributions (Continued)

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.

A special funding situation exists for the local employers of the Police and Firemen's Retirement System of New Jersey. The State, as a non-employer, is required to pay the additional costs incurred by local employers under 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. For the June 30, 2023, measurement date, the state special funding situation net pension liability in the amount of \$2,035,866,759.00 is the accumulated difference between the annual actuarially determined state obligation under the special funding situation and the actual state contribution through the valuation date. The state special funding situation pension expense of \$231,575,656.00 for the fiscal year ended June 30, 2023, is the actuarially determined contribution amount that the state owes for the fiscal year ended June 30, 2023. The pension expense is deemed to be a State administrative expense due to the special funding situation. The portion of the non-employer contributing entities' total proportionate share of the collective net pension liability that is associated with the Township is \$4,100,442.00 and the total proportionate share of the employer pension expense is \$466,417.00.

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 that 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 are 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 or deferred outflows or inflows to report in the financial statements of the local participating employers related to this legislation.

Pension Liabilities and Pension Expense

At June 30, 2023, the Township had a liability of \$12,656,928.00 for its proportionate share of the net pension liability in PERS and \$22,253,369.00 for its proportionate share of the net pension liability in PFRS. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Township's proportion of the net pension liability 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 of the plan, actuarial determined. At June 30, 2023, the

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

F. PENSION AND RETIREMENT PLANS (CONTINUED)

Pension Liabilities and Pension Expense (Continued)

Township's proportion was 0.0873833281%, which was an increase of 0.00419 from its proportion measured as of June 30, 2022, for PERS and 0.20141014%, which was a increase of 0.00662 from its proportion measured as of June 30, 2022, for PFRS.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The following presents a summary of changes in the collective deferred outflows of resources and deferred inflows of resources (excluding employer-specific amounts) for the year ended December 31, 2023:

	PERS		PFRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 121,016.00	\$ 51,737.00	\$ 952,845.00	\$ 1,061,288.00
Changes in assumptions	27,805.00	767,064.00	48,031.00	1,502,636.00
Net difference between projected and actual investment earnings on pension plan investments	58,287.00	-	1,133,322.00	-
Changes in proportion	1,452,060.00	-	1,249,177.00	447,420.00
	<u>\$ 1,659,168.00</u>	<u>\$ 818,801.00</u>	<u>\$ 3,383,375.00</u>	<u>\$ 3,011,344.00</u>

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	PERS	PFRS
Years ending		
2024	\$ (1,410,563.00)	\$ (3,013,284.00)
2025	1,520,171.00	1,592,356.00
2026	300,424.00	(140,262.00)
2027	399,529.00	1,301,774.00
2028	30,806.00	557,871.00
Thereafter	-	73,576.00
	<u>\$ 840,367.00</u>	<u>\$ 372,031.00</u>

Actuarial Assumptions

The total pension liability as of the June 30, 2023, measurement date was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. This actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	PERS	PFRS
Inflation Rate:		
Price	2.75%	2.75%
Wage	3.25%	3.25%
Salary increases (based on years of service)	2.75 - 6.55%	3.25 -16.25%
Investment rate of return	7.00%	7.00%

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

F. PENSION AND RETIREMENT PLANS (CONTINUED)

Actuarial Assumptions (Continued)

The actuarial assumptions used in the July 1, 2022, valuations were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions the emerging liability may be higher or lower than anticipated. The more the expectation deviates, the larger the impact on amounts.

For PERS, pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

For PFRS, employee mortality rates were based on the PubS-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 PubS-2010 amount-weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females. Disability rates were based on the PubS-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.

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

F. PENSION AND RETIREMENT PLANS (CONTINUED)

Long-term Rate of Return

In accordance with state statute, the long-term expected rate of return on plan investments (7.00% as of the June 30, 2023, measurement date), 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. The 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 real rates of return for each major asset class included in PERS's and PFRS's target asset allocation as of the June 30, 2023, measurement date are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
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 assets	3.00%	8.40%
Real estate	8.00%	8.58%
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%
	100.00%	

Discount Rate

The discount rate used to measure the pension liabilities of PERS and PFRS was 7.00% as of the June 30, 2023, measurement date. 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 non-employer 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 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 MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

F. PENSION AND RETIREMENT PLANS (CONTINUED)

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate

The following presents the collective net pension liability of the participating employers as of the June 30, 2023, measurement date calculated using the discount rate as disclosed above as well as what the collective net pension 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%	At Current Discount	At 1%
	Decrease (6.00%)	Rate (7.00%)	Increase (8.00%)
PERS	<u>\$ 16,615,539.00</u>	<u>\$ 12,656,928.00</u>	<u>\$ 9,485,158.00</u>
	At 1%	At Current Discount	At 1%
	Decrease (6.00%)	Rate (7.00%)	Increase (8.00%)
PFRS	<u>\$ 36,900,690.00</u>	<u>\$ 22,253,369.00</u>	<u>\$ 17,721,735.00</u>

G. LENGTH OF SERVICE AWARDS PROGRAM

Plan Description

The Township's length of service awards program (the "Program"), which is a defined contribution plan reported in the Township's trust fund, was created by a Township Resolution adopted on June 20, 2005, pursuant to Section 457(e)(11)(8) of this should be Internal Revenue Code of 1986, as amended, except for provisions added by reason of the length of service award program as enacted into federal law in 1997. The accumulated assets of the Plan are not administered through a trust that meets the criteria of paragraph 4 of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*.

The voters of the Township approved the adoption of the Plan at the general election held on November 5, 2005, and the first year of eligibility for entrance into the Program by qualified volunteers was calendar year 2006. The Plan provides tax deferred income benefits to active emergency medical personnel, and is administered by Lincoln National Life Insurance Company ("Plan Administrator"), a State of New Jersey approved length of service awards program provider. 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.

The tax deferred income benefits for emergency service volunteers of Emergency Medical Services, Inc., consisting of the volunteer first aid organization, come from contributions made solely by the governing body of the Township, on behalf of those volunteers who meet the criteria of the Plan created by that governing body. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

Plan Amendments

The Township may make minor amendments to the provisions of the Plan at any time, provided, however, that no amendment affects the rights of participants or their beneficiaries regarding vested accumulated deferrals at the time of the amendment. The Plan can only be amended by resolution of the governing body of the Township, and the following procedures must be followed:

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

G. LENGTH OF SERVICE AWARDS PROGRAM (CONTINUED)

Plan Amendments (Continued)

(a) any amendment to the Plan shall be submitted for review and approval by the Director of Local Government Services, State of New Jersey (the "Director") prior to implementation by the Township's governing body, provided, however, that any amendment required by the IRS may be adopted by the Township's governing body without the advance approval of the Director (although such amendment shall be filed with the Director); (b) the documentation submitted to the Director shall identify the regulatory authority for the amendment and the specific language of the change; and (c) the Township shall adopt the amendment by resolution of the governing body, and a certified copy of the resolution shall be forwarded to the Director. The Township may amend the Plan agreement to accommodate changes in the IRC, federal statutes, state laws or rules or operational experience. In cases of all amendments to the Plan, the Township shall notify all participants in writing prior to making any amendment to the Plan.

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 \$100.00 and a maximum contribution of \$1,150.00 per year, depending on how many years the volunteer has served. 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.

During 2024, the Township elected to contribute various amounts within the allowable contribution range per eligible volunteer into the Plan. 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.

For the year ended December 31, 2024, the Township's total contribution to the Plan was \$7,388.75.

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 an account maintained by a third-party administrator for the exclusive benefit of the Plan participants and their beneficiaries. The contributions from the Township to the Plan, and the related earnings, are not irrevocable, and such funds are not legally protected from the creditors of the Township. These funds, however, are not available for funding the operations of the Township.

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

G. LENGTH OF SERVICE AWARDS PROGRAM (CONTINUED)

Vesting

The Township, in accordance with N.J.S.A. 40A:14-188 and N.J.A.C. 5:30-11.63, may make a yearly contribution to the Program account in the deferred income program for an active volunteer who has satisfied the requirements for receipt of an award, but the volunteer shall not be able to receive a distribution of the funds until the completion of a five-year vesting period or be in accordance with changes to vesting conveyed through the issuance of a Local Finance Notice and/or publication of a public notice in the New Jersey Register, with payment of that benefit only being as otherwise permitted by the Plan.

Payment of Benefits

Upon separation from volunteer service, retirement or disability, or termination of the Plan, participants may select various payout options of vested accumulated deferrals, 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 pay out a portion of vested accumulated deferrals.

Forfeited Accounts

For the year ended December 31, 2024, no accounts were forfeited.

Investments

The investments of the Program reported in the trust - other funds on the statements of assets, liabilities, reserves, and fund balance - regulatory basis are recorded at fair value.

Plan Information

Additional information about the Township's Program can be obtained by contacting the Plan Administrator.

H. OTHER POST-EMPLOYMENT BENEFITS (“OPEB”) OTHER THAN PENSIONS

General Information About the OPEB Plan

The Township participates in the State Health Benefit Local Government Retired Employees Plan (the “Plan”) which is a cost-sharing multiple-employer defined benefit other post-employment 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. The Plan meets the definition of an equivalent arrangement as defined in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions* (GASB Statement No. 75); therefore, assets are accumulated to pay associated benefits.

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. OTHER POST-EMPLOYMENT BENEFITS (“OPEB”) OTHER THAN PENSIONS (CONTINUED)

General Information About the OPEB Plan (Continued)

For additional information about the Plan, please refer to the State of New Jersey (the State), Division of Pensions and Benefits, Annual Comprehensive Financial Report (“ACFR”), which can be found at www.state.nj.us/treasury/pensions/financial-reports.shtml. The Plan provides medical and prescription drug coverage to retirees and their covered dependents of the employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide post-retirement medical coverage to their employees must file a resolution with the Division of Pensions and Benefits. 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 post-retirement 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 of service 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 post-retirement medical coverage. Local employers were required to file a resolution with the Division of Pensions and Benefits in order for their employees to qualify for state-paid retiree health benefits coverage under Chapter 330.

Pursuant to Chapter 78, P.L., 2011, future retirees eligible for post-retirement 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.

The Township's contribution to the Plan for the year ended December 31, 2024, was \$4,189,730.48. The retiree portion of the Township’s contribution was \$537,390.74.

The GASB Statement No. 75 report of the Plan for the period ended June 30, 2024, was not available as of the date of this report. Per Local Finance Notice 2022-12, issued by the Division of Local Government Services, calendar year municipalities are able to include in their annual audits most recent audited GASB 75 information published by the Division of Pensions and Benefits. Thus, the Township included in the note below disclosures based on the period ended June 30, 2023, audited Plan information.

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. OTHER POST-EMPLOYMENT BENEFITS (“OPEB”) 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 expense. The special funding situation’s and nonspecial funding situation’s net OPEB liability, deferred outflows of resources, deferred inflows of resources, and collective OPEB expense are based on separately calculated net OPEB liabilities. The nonspecial funding situation’s net OPEB liability, deferred outflows of resources, deferred inflows of resources, and collective OPEB 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.

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 non-employer 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. For the special funding situation, the net OPEB liability of the Township as of the June 30, 2023, measurement date was 0.543478% or \$18,962,454.

Components of Net OPEB Liability

The components of the Township’s net OPEB liability as of the June 30, 2023, measurement date are as follows:

	June 30, 2023
Total OPEB liability	\$ 23,340,752.00
Plan Fiduciary Net Position	(183,350.00)
Net OPEB Liability	<u>\$ 23,524,101.00</u>
 Plan Fiduciary Net Position as a % of total OPEB liability	 (0.79%)

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. OTHER POST-EMPLOYMENT BENEFITS (“OPEB”) OTHER THAN PENSIONS (CONTINUED)

Actuarial Assumptions

The net OPEB liability as of the June 30, 2023, measurement date 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*	
PERS	
All future years	2.75 - 6.55%
PFRS	
All future years	3.25 - 16.25%

* Salary increases are based on years of service within the respective plan.

Pre-retirement mortality rates were based on the Pub-2010 General Classification Headcount-Weighted Mortality Table with fully generational mortality improvement projections from the central year using Scale MP-2021.

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.

One-hundred percent 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 6.5% and decreases to a 4.50% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2022 through 2023 are reflected. The rates used for 2023 and 2024 are 21.83% and 18.53%, respectively, trending to 4.50% for all future years. For prescription drug benefits, the initial trend rate is 7.00% and decreases to a 4.50% long-term trend rate after seven years.

Discount Rate

The discount rate for June 30, 2023, 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 MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. OTHER POST-EMPLOYMENT BENEFITS (“OPEB”) 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 June 30, 2023		
At 1% Decrease (2.65%)	At Current Discount Rate (3.65%)	At 1% Increase (4.65%)
\$ 27,248,407.00	\$ 23,524,101.00	\$ 20,528,471.00

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

The following presents the net OPEB liability as of the June 30, 2023, measurement date 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:

At June 30, 2023		
At 1% Decrease	Healthcare Cost Trend Rate	At 1% Increase
\$ 19,992,718.00	\$ 23,524,101.00	\$ 28,045,351.00

Deferred Outflows of Resources and Deferred Inflows of Resources

The following amounts do not include employer-specific deferred outflows of resources and deferred inflows of resources related to the changes in proportion. These amounts will be recognized (amortized) by the Township over the average remaining service lives of all plan members, which are 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.

	OPEB	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,084,810.00	\$ 6,388,377.00
Changes in assumptions	3,047,254.00	6,649,510.00
Net difference between projected and actual investment earnings on pension plan investments	-	3,882.00
	<u>\$ 4,132,064.00</u>	<u>\$13,041,769.00</u>

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. OTHER POST-EMPLOYMENT BENEFITS (“OPEB”) OTHER THAN PENSIONS (CONTINUED)

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

<u>Years Ending</u>	
2024	\$ (7,072,239.00)
2025	(1,034,670.00)
2026	(102,877.00)
2027	172,671.00
2028	(428,654.00)
Thereafter	(443,936.00)
	<u>\$ (8,909,705.00)</u>

I. COMPENSATED ABSENCES

Under the existing policy of the Township, full-time employees are entitled to accumulate annual unused sick leave and vacation days. Unused sick leave may be accumulated and carried forward to the subsequent year.

The Township compensates employees for unused sick leave and vacation days upon termination. Payouts of accumulated sick time vary by union contract and are capped as applicable under N.J.A.C. 5:30-15 et seq. All unused vacation days are paid out upon termination or retirement. Compensation is paid at the rate of pay upon termination or retirement.

The Township does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2024, accrued benefits for compensated absences are valued at \$1,520,946.34.

J. DEFERRED COMPENSATION SALARY ACCOUNT

The Township offers its employees a deferred compensation plan in accordance with IRC 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 benefit 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.

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

K. CAPITAL DEBT

General Improvement Bonds

Open Space Refunding Bonds, Series 2017 - On October 26, 2017, the Township issued \$10,660,000.00 in callable general improvement refunding bonds, with interest rates ranging from 3.0% to 5.0%, to advance refund \$11,105,000.00 outstanding 2011 Open Space Bonds, Series A with interest rates ranging from 4.00% to 4.50%. The bonds maturing on or after April 15, 2028, are subject to redemption prior to maturity at the option of the Township, as a whole at any time or in part from time to time on or after April 15, 2027. The final maturity of the bonds is April 15, 2031.

General Obligation Bonds, Series 2019 - On March 4, 2019, the Township issued \$25,545,000.00 in callable general improvement bonds, with interest rates ranging from 3.0% to 5.0%, to fund various capital ordinances. The bonds maturing on or after March 1, 2028, are subject to redemption prior to maturity at the option of the Township, as a whole at any time or in part from time to time on or after March 1, 2027. The final maturity of the bonds is March 1, 2035.

General Obligation Bonds, Series 2022 – On February 17, 2022, the Township issued \$14,565,000 in callable general improvement bonds, with interest rates ranging from 2.0% to 4.0%, to fund various capital ordinances. The bonds maturing on or after February 15, 2030, are subject to redemption prior to maturity at the option of the Township, as a whole at any time or in part from time to time on or after February 15, 2029. The final maturity of the bonds is February 15, 2039.

The following schedule represents the remaining debt service, through maturity, for the general improvement bonds:

Year	Principal	Interest	Total
2025	\$ 2,475,000.00	\$ 1,097,700.00	\$ 3,572,700.00
2026	2,550,000.00	980,425.00	3,530,425.00
2027	2,635,000.00	859,325.00	3,494,325.00
2028	2,630,000.00	745,150.00	3,375,150.00
2029	2,700,000.00	638,550.00	3,338,550.00
2030-2034	13,500,000.00	1,790,437.50	15,290,437.50
2035-2039	6,210,000.00	315,337.50	6,525,337.50
Totals	<u>\$ 32,700,000.00</u>	<u>\$ 6,426,925.00</u>	<u>\$ 39,126,925.00</u>

The following schedule represents the remaining debt service, through maturity, for the Open Space Bonds:

Year	Principal	Interest	Total
2025	\$ 1,000,000.00	\$ 318,400.00	\$ 1,318,400.00
2026	1,040,000.00	277,600.00	1,317,600.00
2027	1,085,000.00	229,675.00	1,314,675.00
2028	1,130,000.00	179,950.00	1,309,950.00
2029	1,170,000.00	133,950.00	1,303,950.00
2030-2031	2,460,000.00	105,075.00	2,565,075.00
Totals	<u>\$ 7,885,000.00</u>	<u>\$ 1,244,650.00</u>	<u>\$ 9,129,650.00</u>

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

K. CAPITAL DEBT (CONTINUED)

The following schedule represents the Township's summary of debt for the current and two previous years:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
<u>Issued</u>			
General:			
Bonds, Loans and Notes	\$ 52,821,000.00	\$ 56,186,000.00	\$ 46,880,000.00
Total Issued	<u>52,821,000.00</u>	<u>56,186,000.00</u>	<u>46,880,000.00</u>
<u>Authorized but not Issued</u>			
General:			
Bonds, Loans and Notes	950.00	950.00	1,197,000.00
Total Authorized but not Issued	<u>950.00</u>	<u>950.00</u>	<u>1,197,000.00</u>
Total Issued and Authorized but not Issued	<u>\$ 52,821,950.00</u>	<u>\$ 56,186,950.00</u>	<u>\$ 48,077,000.00</u>
<u>Deductions</u>			
General:			
Reserve for Payment of Bonds	3,773,769.10	4,662,543.86	5,565,879.46
Total Deductions	<u>3,773,769.10</u>	<u>4,662,543.86</u>	<u>5,565,879.46</u>
Net Debt	<u>\$ 49,048,180.90</u>	<u>\$ 51,524,406.14</u>	<u>\$ 42,511,120.54</u>

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the annual debt statement and indicates a statutory net debt of .603%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Debt</u>
Local School Purposes	\$ 24,340,000.00	\$ 24,340,000.00	\$ -
Regional School Purposes	28,319,373.38	28,319,373.38	-
General	52,821,950.00	3,773,769.10	49,048,180.90
	<u>\$ 105,481,323.38</u>	<u>\$ 56,433,142.48</u>	<u>\$ 49,048,180.90</u>

Net debt \$49,048,180.90 divided by the equalized valuation basis per N.J.S.A. 40A:2-2, as amended, \$8,127,623,733.33, equals .603%. This information agrees to the 2024 Annual Debt Statement as filed by the Township with the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

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

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

3 -1/2% of Equalized Valuation Basis (Municipal)	\$ 284,466,830.67
Less: Net Debt	49,048,180.90
Remaining Borrowing Power	<u>\$ 235,418,649.77</u>

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

L. DEFEASED DEBT

In prior years, the Township defeased certain general obligation bonds by placing the proceeds of new bonds in a separate irrevocable trust fund. The investments and fixed interest earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt is considered defeased and therefore removed as a liability from the Township's financial statements. As of December 31, 2024, the total amount of defeased debt outstanding, but removed from the Township's financial statements, is \$8,220,000.00.

M. SCHOOL TAXES

Mount Laurel Local School tax has been raised and the liability deferred by statutes, resulting in the school tax payable set forth in the current fund liabilities as follows:

	Balance December 31,	
	2024	2023
Balance of Tax	\$ 35,618,622.52	\$ 34,606,190.02
Deferred	27,305,565.35	27,305,565.35
Taxes Payable	<u>\$ 8,313,057.17</u>	<u>\$ 7,300,624.67</u>

Lenape Regional High School tax has been raised and the liability deferred by statutes, resulting in the school tax payable set forth in the current fund liabilities as follows:

	Balance December 31,	
	2024	2023
Balance of Tax	\$ 23,715,993.20	\$ 21,986,064.20
Deferred	18,165,286.57	18,165,286.57
Taxes Payable	<u>\$ 5,550,706.63</u>	<u>\$ 3,820,777.63</u>

N. 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.

New Jersey Unemployment Compensation Insurance

The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Township is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Township is billed quarterly for amounts due to the State.

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

N. RISK MANAGEMENT (CONTINUED)

New Jersey Unemployment Compensation Insurance (Continued)

The following is a summary of Township contributions, reimbursements to the State for benefits paid, and the ending balance of the Township's trust fund for the current and previous two years:

Year	Township Contributions	Employee Contributions	Interest Earnings	Amount Reimbursed	Ending Balance
2024	\$ -	\$ 27,342.46	\$ 8,129.83	\$ 52,462.32	\$ 363,512.26
2023	-	24,783.06	36.14	5,724.14	380,502.29
2022	-	23,462.58	34.52	4,975.78	361,407.23

It is estimated that unreimbursed payments on behalf of the Township at December 31, 2024, are \$0.00.

Joint Insurance Pool

The Township of Mount Laurel is a member of the Burlington County Municipal Joint Insurance Fund. The Fund provides its members with the following coverage:

- Workers' Compensation including Employer's Liability
- General Liability including Police Professional and Employee Benefit Liability
- Automobile Liability
- Blanket Crime including Public Employee Dishonesty
- Property including Boiler and Machinery
- Public Officials and Employment Practices Liability
- Volunteer Directors and Officers Liability
- Cyber Liability

The following coverages are provided to the Fund's member local units by their membership in the Municipal Excess Liability Joint Insurance Fund (MEL):

- Excess Workers' Compensation
- Excess General Liability
- Non-Owned Aircraft Liability
- Excess Auto Liability
- Fidelity and Performance (Blanket)
- Excess Property including Boiler and Machinery
- Crime including Excess Public Employee and Public Official Coverage

Environmental Impairment Liability coverage is provided to the Fund's member local units by the Fund's membership in the New Jersey Municipal Environmental Risk Management Fund.

Contributions to the Fund, including a reserve for contingencies, are payable in two installments and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Banking and Insurance may order additional assessments to supplement the Fund's claim, loss retention, or administrative accounts to ensure the payment of the Fund's obligations.

The Township's agreement with the Pool provides that the Pool will be self-sustaining through member premiums and will reinsure through the MEL, which is an insurance pool formed by all the other joint insurance funds.

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

N. RISK MANAGEMENT (CONTINUED)

Joint Insurance Pool (Continued)

For more information regarding claims, coverages and deductibles, the Fund publishes its own financial report which can be obtained from:

Burlington County Municipal Joint Insurance Fund
P.O. Box 489
Marlton, New Jersey 08053

O. DEBT SERVICE AGREEMENT (FINANCIAL GUARANTEE)

On June 11, 2018, the Township entered into a debt service agreement to guarantee the thirty-year, \$3,400,000.00 general obligation bond issuance of the Township of Mount Laurel Municipal Utilities Authority (the "Authority"), a component unit of the Township. The bonds mature annually through February 1, 2049, with semi-annual interest payments. In the event that the Authority is unable to make a payment, the Township is required to make that payment. The Authority is obligated, by the agreement, to repay to the Township all advances paid on their behalf, contingent upon the financial ability to do so. At December 31, 2024, the Authority had \$3,050,000.00 in bonds outstanding covered by this agreement.

P. OPEN SPACE, RECREATION AND FARMLAND PRESERVATION TRUST

On November 3, 1998, November 6, 2001, and November 5, 2002, pursuant to P.L. 1997, c. 24 (N.J.S.A. 40:12-15.1 et seq.), the voters of the Township authorized the establishment of the Township of Mount Laurel Open Space, Recreation and Farmland Preservation Trust Fund effective January 1, 1999, for the purpose of raising revenue for the acquisition of lands and interests in lands for the conservation of farmland and open space. Overall, as a result of the three referendums, the Township currently levies a tax not to exceed eight cents per one-hundred dollars of equalized valuation. Amounts raised by taxation are assessed, levied and collected in the same manner and at the same time as other taxes. Future increases in the tax rate or to extend the authorization must be authorized by referendum. In 2007, the voters of the Township extended the yearly provisions of the 1998 and 2001 referendums. In 2017, the voters of the Township approved an amendment to the purpose of the open space tax to include the improvements of recreation sites within the Township. All revenue received is accounted for in a trust fund dedicated by rider (N.J.S.A. 40A:4-39) for the purpose stated. Interest earned on the investment of these funds is credited to the Township of Mount Laurel Open Space, Recreation and Farmland Preservation Trust Fund.

Q. CONTINGENCIES

Grantor Agencies

Amounts received or receivable from grantor agencies could be subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Township expects such amount, if any, to be immaterial.

**TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Q. CONTINGENCIES (CONTINUED)

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

As of December 31, 2024, several tax appeals were on file against the Township. Based upon information provided by the tax assessor, if such appeals are not settled in favor of the Township, the estimated impact of the tax refunds could be material. However, the Township has \$66,856.30 in reserve for tax appeals. The Township also budgeted \$300,000.00 for tax appeals in the 2025 budget. Subsequent to December 31, 2024, there are various unresolved appeals, several of which are for the 2025 tax year. In the event there are insufficient funds to settle any of these appeals, the Township has the ability to raise the funds in the budget subsequent to 2024 and may, depending upon approval from the New Jersey State Local Finance Board, borrow to fund the payment of appeals.

R. CONCENTRATIONS

The Township depends on financial resources flowing from, or associated with, both the federal government and the State of New Jersey. As a result of this dependency, the Township is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and State laws and federal and State appropriations.

S. SUBSEQUENT EVENTS

Management has evaluated subsequent events that occurred after the statement of assets, liabilities, reserves, and fund balance date through May 20, 2025, the date the financial statements were available to be issued. No events or items were noted that required disclosure other than the following:

Effective January 1, 2025, the Township changed health insurance administrators from the New Jersey State Health Benefits Program. The new administrator is the Southern New Jersey Regional Employee Benefits Fund.

The Township included in its 2025 budget \$300,000.00 for tax appeals (see Note Q).

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APPENDIX C

FORM OF BOND COUNSEL OPINION

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December __, 2025

Mayor and Township Council
of the Township of Mount Laurel
750 Centerton Road
Mount Laurel, New Jersey

**RE: \$14,611,000 TOWNSHIP OF MOUNT LAUREL, COUNTY OF BURLINGTON,
NEW JERSEY, BOND ANTICIPATION NOTES OF 2025, SERIES A**

Mayor and Township Council Members:

We have served as Bond Counsel to the Township of Mount Laurel, County of Burlington, New Jersey ("Township"), in connection with the authorization, issuance, sale and delivery of the above-referenced obligations ("Notes").

The Notes are authorized to be issued pursuant to: (i) the Local Bond Law, constituting Chapter 169 of the Laws of 1960 of the State of New Jersey, as amended and supplemented ("Local Bond Law"); (ii) bond ordinances 2020-10, 2023-5, 2023-6 and 2025-6, each duly and finally adopted by the Township Council (collectively, the "Bond Ordinances"), and published in accordance with the requirements of the Local Bond Law; and (iii) a Certificate of Determination and Award executed by the Chief Financial Officer of the Township on December 2, 2025 ("Award Certificate").

The Notes are issued to temporarily finance the costs of certain improvements described in the Bond Ordinances. The Notes are dated December 15, 2025 and mature on December 14, 2026. The Notes are issued in registered book-entry only form without coupons and are not subject to redemption prior to maturity.

As the basis for the opinions set forth below, we have examined such matters of law as we have deemed necessary including, *inter alia*, the Constitution of the State of New Jersey, the Internal Revenue Code of 1986, as amended ("Code"), and the Local Bond Law. We have also examined such documents, certifications and instruments as we have deemed necessary including, without limitation, the Bond Ordinances, the Award Certificate, the representations and covenants of the Township given pursuant to the Code as set forth in the Certificate as to Nonarbitrage and other Tax Matters ("Nonarbitrage Certificate"), and the other certifications, opinions and instruments listed in the closing agenda prepared in connection with the settlement for the Notes.

In rendering the following opinion, we have relied upon the authenticity, truthfulness and completeness of all documents, certifications, instruments and opinions examined including, without limiting the generality of the foregoing, the Nonarbitrage Certificate.

Based upon and subject to the foregoing, we are of the following opinion:

COUNSEL WHEN IT MATTERS.SM



1. The Notes are legal, valid and binding obligations of the Township enforceable in accordance with the terms thereof, except to the extent that enforcement thereof may be limited by bankruptcy, insolvency, moratorium or other laws or equitable principles affecting the enforcement of creditors' rights generally ("Creditors' Rights Limitations").

2. For the payment of principal of and interest on the Notes, the Township has the power and is obligated, to the extent payment is not otherwise provided, to levy *ad valorem* taxes upon all taxable real property within the Township without limitation as to rate or amount, except to the extent that enforcement thereof may be affected by Creditors' Rights Limitations.

3. Interest on the Notes is not included for federal income tax purposes in the gross income of the owners thereof pursuant to Section 103 of the Code and will not constitute a tax preference item for purposes of the alternative minimum tax imposed on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on such corporations.

Section 884 of the Code imposes on certain foreign corporations a branch profits tax equal to thirty percent (30%) of the "dividend equivalent amount" for the taxable year. Interest on the Notes received or accrued by a foreign corporation subject to the branch profits tax will be included in computing the "dividend equivalent amount" of such corporation.

In addition, passive investment income, including interest on the Notes, may be subject to federal income taxation under Section 1375 of the Code for any S corporation that has Subchapter C earnings and profits at the close of the taxable year if more than twenty-five percent (25%) of the gross receipts of such S corporation is passive investment income.

In rendering this opinion, we have assumed continuing compliance by the Township with the applicable requirements of the Code, including requirements relating to, *inter alia*, the use and investment of proceeds of the Notes and rebate to the United States Treasury of specified arbitrage earnings, if any, under Section 148(f) of the Code. Failure of the Township to comply with such covenants could result in the interest on the Notes being subject to federal income tax from the date of issue. We have not undertaken to monitor compliance with such covenants or to advise any party as to changes in the law after the date hereof that affect the tax-exempt status of the interest on the Notes.

Ownership of the Notes may result in collateral federal income tax consequences to certain taxpayers including, without limitation, certain holders of an interest in a financial asset securitization investment trust, property and casualty insurance companies, controlled foreign corporations, individual recipients of Social Security or Railroad Retirement benefits, individuals who otherwise qualify for the earned income credit, and to individuals and families that qualify for a premium assistance credit amount under Section 36B of the Code. The Code denies the earned income credit to an individual who is otherwise eligible if the aggregate amount of disqualified income of the taxpayer for the taxable year exceeds certain limits set forth in Sections 32(i) and (j) of the Code. Interest on the Notes will constitute disqualified income for this purpose. The Code also provides that the earned income credit is phased out if the modified adjusted gross



income of the taxpayer exceeds certain amounts. Interest on the Notes is included in determining the modified adjusted gross income of the taxpayer. Section 36B of the Code provides that the amount of the premium assistance credit amount is in part determined by household income. Section 36B(d) of the Code provides that household income consists of the "modified adjusted gross income" of the taxpayer and certain other individuals. "Modified adjusted gross income" means adjusted gross income increased by certain amounts, including interest received or accrued by the taxpayer which is exempt from tax, such as the interest on the Notes.

In addition, attention is called to the fact that Section 265(b)(1) of the Code eliminates the interest deduction otherwise allowable with respect to indebtedness deemed incurred by banks, thrift institutions and other financial institutions to purchase or to carry tax-exempt obligations acquired after August 7, 1986 other than "qualified tax-exempt obligations" as defined in Section 265(b)(3) of the Code. The Township has **not** designated the Notes as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

Owners of the Notes should consult their own tax advisers as to the applicability and effect on their federal income taxes of the alternative minimum tax, the branch profits tax and the tax on passive investment income of S corporations, as well as the applicability and effect of any other collateral federal income tax consequences.

4. Interest on the Notes and any gain from the sale thereof are not included in the gross income of the owners thereof under the New Jersey Gross Income Tax Act, as enacted and construed on the date hereof.

We express no opinion as to any matter not set forth in the numbered paragraphs above including, without limitation, any financial or other information which has been or may be supplied to purchasers of the Notes.

This is only an opinion letter and not a warranty or guaranty of the matters discussed above.

The opinions expressed in the numbered paragraphs above are being rendered on the basis of federal law and the laws of the State of New Jersey, as presently enacted and construed, and we assume no responsibility to advise any party as to any changes in law or fact subsequent to the date hereof.

This letter is being provided solely for the benefit of the Township and may not be relied upon by any other person, party, firm or organization without our prior written consent.

Very truly yours,

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APPENDIX D

FORM OF INFORMATION REPORTING UNDERTAKING AGREEMENT

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INFORMATION REPORTING UNDERTAKING AGREEMENT

ISSUER: Township of Mount Laurel, County of Burlington, New Jersey ("Issuer")

ISSUE: \$14,611,000 Bond Anticipation Notes of 2025, Series A
(Non-Callable) ("Notes")

DATED: December 15, 2025

CUSIP: 621791____

This Information Reporting Undertaking Agreement ("Agreement") is executed and delivered by the Issuer as of the date set forth below for the purpose of providing continuing disclosure with respect to the Issuer in order to comply with the provisions of Rule 15c2-12 ("Rule"), promulgated by the Securities and Exchange Commission ("Commission") pursuant to the Securities Exchange Act of 1934, as it may be amended and supplemented from time to time.

Section 1. (a) The Issuer, as an obligated person for purposes of and as defined in the Rule ("Obligated Person"), hereby agrees, in accordance with the provisions of the Rule, so long as any of the Notes are outstanding to provide or cause to be provided to the Municipal Securities Rulemaking Board ("MSRB"), through the internet facilities of the Electronic Municipal Market Access System ("EMMA")¹, or any other public or private repository or entity that shall hereafter be designated by the Commission as a repository for purposes of the Rule (each a "National Repository") and any public or private repository or entity designated by the State of New Jersey as a state information repository for purpose of the Rule ("State Repository" and together with each National Repository, the "Repository" or "Repositories"), as applicable, notice of the occurrence of any of the following listed events (each a "Listed Event" or "Listed Events") with respect to the Notes:

- i. Principal and interest payment 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 or determinations with respect to the tax status of the Notes, or other material events affecting the tax status of the Notes;

¹ An internet based filing system created and maintained by the MSRB in accordance with Release No. 34-59062, of the Commission, dated December 5, 2008, pursuant to which issuers of tax-exempt bonds, including the Notes, and other filers on behalf of such issuers shall upload certain information and notices to assist underwriters in complying with the Rule and to provide the general public with access thereto.

- vii. Modifications to the rights of Noteholders, if material;
- viii. Note calls (excluding mandatory sinking fund redemptions), if material, or tender offers;
- ix. Defeasances;
- x. Release, substitution, or sale of property securing repayment of the Notes, 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 an obligated person 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;
- xiv. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- xv. Incurrence of a financial obligation² of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, 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 obligated person, any of which reflect financial difficulties.

(b) The Issuer shall, within ten (10) business days of the occurrence of any of the Listed Events, report the event to the MSRB, through the internet facilities of EMMA, or any other Repositories, as applicable, pursuant to the provisions of Section 1(a) hereof. In determining the materiality of a Listed Event specified in subsections (a)(ii), (vii), (viii), (x), (xiii), (xiv) and (xv) of this Section 1, the Issuer may, but shall not be required to, rely conclusively on a written opinion of counsel expert in federal securities law acceptable to the Issuer.

Section 2. The Issuer reserves the right to terminate its obligation to provide notices of Listed Events, if material, as set forth above, if and when the Issuer no longer remains an Obligated Person with respect to the Notes within the meaning of the Rule. The Issuer will provide notice of such termination to the MSRB via the internet facilities of EMMA and the State Repository, if any.

² The term "financial obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with Rule 15c2-12.

Section 3. The Issuer agrees that its undertaking pursuant to the Rule set forth in Section 1 of this Agreement is intended to be for the benefit of the holders of the Notes and shall be enforceable by such Noteholders; provided that, the Noteholder's right to enforce the provisions of this undertaking shall be limited to a right to obtain specific enforcement of the Obligated Person's obligations hereunder.

Section 4. This Agreement shall be governed by the laws of the State of New Jersey.

IN WITNESS WHEREOF, the Issuer has executed and delivered this Agreement as of this 15th day of December, 2025.

ISSUER:

**TOWNSHIP OF MOUNT LAUREL,
COUNTY OF BURLINGTON, NEW
JERSEY**

By: _____
TARA KRUEGER,
Chief Financial Officer

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