

PRELIMINARY OFFICIAL STATEMENT DATED FEBRUARY 18, 2026

NEW ISSUE (BOOK-ENTRY)

RATING: Moody's: "MIG 1"
See "RATING" herein

In the opinion of Wilentz, Goldman & Spitzer, P.A., Woodbridge, New Jersey ("Bond Counsel"), under existing statutes, regulations, rulings and court decisions, and assuming continuing compliance by the Township (as defined herein) with certain covenants described herein, interest on the Tax-Exempt Notes (as defined herein) (i) is not includable in gross income for Federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) is not treated as a preference item under Section 57 of the Code for purposes of computing the Federal alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the Federal alternative minimum tax imposed on corporations for tax years beginning after December 31, 2022. Bond Counsel is further of the opinion that, under existing laws of the State of New Jersey, interest on the Notes (as defined herein) and any gain on the sale thereof are not includable in gross income under the New Jersey Gross Income Tax Act, 1976 N.J. Laws c. 47, as amended and supplemented. Bond Counsel's opinions described herein are given in reliance on representations, certifications of fact, and statements of reasonable expectation made by the Township in its Tax Certificate (as defined herein), assume continuing compliance by the Township with certain covenants set forth in its Tax Certificate, and are based on existing statutes, regulations, administrative pronouncements and judicial decisions. See "TAX MATTERS" herein.

TOWNSHIP OF BLOOMFIELD IN THE COUNTY OF ESSEX STATE OF NEW JERSEY

<p style="text-align: center;">\$16,201,700 BOND ANTICIPATION NOTES, SERIES 2026 (TAX-EXEMPT)</p> <p style="text-align: center;">CONSISTING OF</p> <p style="text-align: center;">\$14,201,700 GENERAL IMPROVEMENT NOTES, SERIES 2026 AND</p> <p style="text-align: center;">\$2,000,000 WATER UTILITY NOTES, SERIES 2026 (NON-CALLABLE)</p> <p style="text-align: center;">Dated: Date of Delivery Maturity Date: March 11, 2027 Coupon: ____% Yield: ____% CUSIP* 094171 ____</p>	<p style="text-align: center;">\$7,297,000 PARKING UTILITY NOTES, SERIES 2026 (FEDERALLY TAXABLE)</p> <p style="text-align: center;">(NON-CALLABLE)</p> <p style="text-align: center;">Dated: Date of Delivery Maturity Date: March 11, 2027 Coupon: ____% Yield: ____% CUSIP: 094171 ____</p>
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The \$16,201,700 aggregate principal amount of Bond Anticipation Notes, Series 2026 (Tax-Exempt) consisting of \$14,201,700 General Improvement Notes, Series 2026 (the "General Improvement Notes") and \$2,000,000 Water Utility Notes, Series 2026 (the "Water Utility Notes", and together with the General Improvement Notes, the "Tax-Exempt Notes"), and \$7,297,000 aggregate principal amount of Parking Utility Notes, Series 2026 (Federally Taxable) (the "Taxable Notes", and together with the Tax-Exempt Notes, the "Notes"), dated March 12, 2026 and maturing on March 11, 2027, are general obligations of the Township of Bloomfield, in the County of Essex (the "Township"), a municipal corporation organized and existing under the laws of the State of New Jersey, payable in the first instance from the proceeds of the sale of bonds or notes issued in anticipation of bonds, but if not so paid or if not paid from other sources, are payable ultimately from *ad valorem* taxes levied upon all the taxable property located within the Township for the payment of the principal of the Notes and the interest thereon without limitation as to rate or amount.

The Notes will be issued in fully registered book-entry form and, when issued, will be registered in the name of, and held by, Cede & Co., as nominee of The Depository Trust Company, Brooklyn, New York ("DTC"). DTC, an automated depository for securities and clearing house for securities transactions, will act as securities depository for the Notes. Individual purchases of the Notes will be made book-entry form (without certificates) in denominations of \$5,000 each or any integral multiple of \$1,000 in excess thereof, or, as applicable, any odd denomination in excess thereof, through book entries made on the books and records of DTC and its participants.

The Notes will bear interest at the rates set forth above, commencing on their date of delivery. Principal of and interest on the Notes will be payable by the Township or a duly designated paying agent on the date of maturity of the Notes at the offices of the Township or a duly designated paying agent.

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 (as defined herein) of the Notes. See "BOOK-ENTRY SYSTEM" herein.

The Tax-Exempt Notes are authorized by and issued pursuant to: (i) the provisions of the Local Bond Law of the State of New Jersey, N.J.S.A. 40A:2-1 *et seq.*, as amended and supplemented (the "Local Bond Law"); (ii) various bond ordinances duly adopted by the Township Council of the Township on the date set forth herein, approved by the Mayor, and published as required by law; and (iii) a resolution duly adopted by the Township Council of the Township on February 23, 2026 (the "Resolution"). The General Improvement Notes are being issued to (i) refund, on a current basis, prior general improvement notes issued in the aggregate principal amount of \$3,330,000 on March 17, 2025 and maturing on March 16, 2026, and (ii) temporarily finance various general capital improvements in the amount of \$10,871,700, including paying the costs associated with the issuance of the General Improvement Notes. The Water Utility Notes are being issued to temporarily finance various water utility improvements in the amount of \$2,000,000, including paying the costs associated with the issuance of the Water Utility Notes.

The Taxable Notes are authorized by and issued pursuant to: (i) the provisions of the Local Bond Law; (ii) various bond ordinances duly adopted by the Township Council of the Township on the dates set forth herein, approved by the Mayor, and published as required by law; and (iii) the Resolution. The Taxable Notes are being issued to (i) refund, on a current basis, a \$6,797,000 principal portion of outstanding parking utility notes issued in the aggregate principal amount of \$6,886,000 on March 17, 2025 and maturing on March 16, 2026 (the "Prior Notes") (the remaining balance of the Prior Notes shall be paid with a 2026 budgetary appropriation in the amount of \$89,000) and (ii) temporarily finance the costs of various parking utility improvements in the amount of \$500,000, including paying the costs associated with the issuance of the Taxable Notes.

The Notes are not subject to redemption prior to their stated date of maturity. See "DESCRIPTION OF THE NOTES" under the subheading entitled "Optional Redemption".

The Notes are not a debt or obligation, legal, moral or otherwise, of the State of New Jersey, or any county, municipality or political subdivision thereof, other than the Township.

This cover page contains certain information for quick reference only. It is not a summary of the issue. Investors must read the entire Official Statement, including all appendices, to obtain information essential to making an informed investment decision.

The Notes are offered when, as and if issued and delivered to the Underwriter subject to the approval of the legality thereof by Wilentz, Goldman & Spitzer, P.A., Woodbridge, New Jersey, Bond Counsel to the Township, and certain other conditions. NW Financial Group, LLC, Bloomfield, New Jersey, has served as Municipal Advisor to the Township in connection with the sale and issuance of the Notes. Certain legal matters will be passed upon for the Township by the Township Attorney, Khalifah Shabazz, Esq. of Shabazz & Woolridge, Maplewood, New Jersey. It is anticipated that the Notes will be available for delivery through DTC on or about March 12, 2026.

ELECTRONIC BIDS FOR THE TAX-EXEMPT NOTES, IN ACCORDANCE WITH THE FULL NOTICE OF SALE, WILL BE RECEIVED BY THE MUNICIPAL ADVISOR, ON BEHALF OF THE CHIEF FINANCIAL OFFICER OF THE TOWNSHIP, UNTIL 11:00 A.M., PREVAILING NEW JERSEY TIME, ON WEDNESDAY, FEBRUARY 25, 2026, VIA ELECTRONIC MAIL AT HLITZEBAUER@NWFINANCIAL.COM, OR VIA THE PARITY ELECTRONIC BID SYSTEM OF I-DEAL LLC AT [HTTPS://NEWISSUE.MUNI.SPGLOBAL.COM](https://NEWISSUE.MUNI.SPGLOBAL.COM). FOR MORE DETAILS ON HOW TO BID ELECTRONICALLY, VIEW THE FULL NOTICE OF SALE POSTED AT WWW.MUNIHUB.COM.

ELECTRONIC BIDS FOR THE TAXABLE NOTES, IN ACCORDANCE WITH THE FULL NOTICE OF SALE, WILL BE RECEIVED BY THE MUNICIPAL ADVISOR, ON BEHALF OF THE CHIEF FINANCIAL OFFICER OF THE TOWNSHIP, UNTIL 11:15 A.M., PREVAILING NEW JERSEY TIME, ON WEDNESDAY, FEBRUARY 25, 2026, VIA ELECTRONIC MAIL AT HLITZEBAUER@NWFINANCIAL.COM, OR VIA THE PARITY ELECTRONIC BID SYSTEM OF I-DEAL LLC AT [HTTPS://NEWISSUE.MUNI.SPGLOBAL.COM](https://NEWISSUE.MUNI.SPGLOBAL.COM). FOR MORE DETAILS ON HOW TO BID ELECTRONICALLY, VIEW THE FULL NOTICE OF SALE POSTED AT WWW.MUNIHUB.COM.

****CUSIP** is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, which is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. The CUSIP number listed 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 representations 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 various subsequent actions, including, but not limited to, the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to the Notes

**TOWNSHIP OF BLOOMFIELD
IN THE COUNTY OF ESSEX,
STATE OF NEW JERSEY**

MAYOR

Jenny Mundell

TOWNSHIP COUNCIL

Rosalee Gonzalez
Nicholas Joanow
Sarah Cruz
Jill Fischman
Tracy Toler-Phillips
Monica Charris Tabares

ACTING TOWNSHIP ADMINISTRATOR

Anthony G. DeZenzo

CHIEF FINANCIAL OFFICER

Carmine Sarno

TOWNSHIP CLERK

Louise A. Palagano

TOWNSHIP ATTORNEY

Khalifah Shabazz, Esq.
Shabazz & Woolridge
Maplewood, New Jersey

INDEPENDENT AUDITORS

Wielkotz & Company, LLC
Pompton Lakes, New Jersey

MUNICIPAL ADVISOR

NW Financial Group, LLC
Bloomfield, New Jersey

BOND COUNSEL

Wilentz, Goldman & Spitzer, P.A.
Woodbridge, New Jersey

No dealer, broker, salesperson or other person has been authorized by the Township of Bloomfield, in the County of Essex (the "Township"), a municipal corporation organized and existing under the laws of the State of New Jersey, 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 Township. 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 by any person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

The information contained herein has been provided by the Township, The Depository Trust Company, Brooklyn, New York ("DTC") and other sources deemed reliable by the Township; however, no representation or warranty is made as to its accuracy or completeness, and as to the information from sources other than the Township, such information is not to be construed as a representation or warranty by the Township.

This Official Statement is not to be construed as a contract or agreement between the Township and the purchasers or owners of any of the Notes. Any statements made in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended merely as opinions and not as representations of fact. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale hereunder shall, under any circumstance, create any implication that there has been no change in any of the information herein since the date hereof, or the date as of which such information is given, if earlier. The Township has not confirmed the accuracy or completeness of information relating to DTC, which information has been provided by DTC.

References in this Official Statement to laws, rules, regulations, resolutions, ordinances, 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 may not be reproduced or used in whole or in part, for any other purpose. This Official Statement should be read in its entirety.

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

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

In order to facilitate the distribution of each series of the Notes, the respective Underwriters (as defined herein) may engage in transactions intended to stabilize the price of each series 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. The prices at which each series of the Notes are offered to the public by the respective Underwriters and the yields resulting therefrom may vary from the initial public offering prices or yields on the cover page hereof. In addition, the respective Underwriters may allow concessions or discounts from such initial public offering prices to dealers and others.

The Underwriters have reviewed the information in this Official Statement in accordance with and as part of their responsibilities to investors under the Federal Securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

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**OFFICIAL STATEMENT
OF THE
TOWNSHIP OF BLOOMFIELD
IN THE COUNTY OF ESSEX, STATE OF NEW JERSEY
RELATING TO**

\$16,201,700 BOND ANTICIPATION NOTES, SERIES 2026 (TAX-EXEMPT) CONSISTING OF \$14,201,700 GENERAL IMPROVEMENT NOTES, SERIES 2026 AND \$2,000,000 WATER UTILITY NOTES, SERIES 2026 (NON-CALLABLE)

\$7,297,000 PARKING UTILITY NOTES, SERIES 2026 (FEDERALLY TAXABLE) (NON-CALLABLE)

INTRODUCTION

The purpose of this Official Statement is to provide certain information regarding the financial and economic condition of the Township of Bloomfield (the "Township"), in the County of Essex (the "County"), a municipal corporation organized and existing under the laws of the State of New Jersey (the "State"), in connection with the offering, sale and issuance of the Township's (i) \$16,201,700 aggregate principal amount of Bond Anticipation Notes, Series 2026 (Tax-Exempt) consisting of \$14,201,700 General Improvement Notes, Series 2026 (the "General Improvement Notes") and \$2,000,000 Water Utility Notes, Series 2026 (the "Water Utility Notes", and together with the General Improvement Notes, the "Tax-Exempt Notes"), and (ii) \$7,297,000 aggregate principal amount of Parking Utility Notes, Series 2026 (Federally Taxable) (the "Taxable Notes", and together with the Tax-Exempt Notes, the "Notes"), dated March 12, 2026 and maturing on March 11, 2027. This Official Statement, which includes the cover page and appendices attached hereto, has been authorized by the Township Council of the Township, and executed by and on behalf of the Township by its Chief Financial Officer, and is to be distributed in connection with the offering, sale and issuance of the Notes.

This Official Statement contains specific information relating to the Notes including their general description, the purposes of their issuance, a summary of borrowing procedures, certain matters affecting the financing, certain legal matters, historical financial information and other information pertinent to the sale, issuance and delivery of the Notes. This Official Statement should be read in its entirety.

All financial and other information presented herein has been provided by the Township from its records, except for information expressly attributed to other sources. The presentation of information is intended to show recent historical information and, but only to the extent specifically provided herein, certain projections of the immediate future, and is not necessarily indicative of future or continuing trends in the financial position or other affairs of the Township.

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

DESCRIPTION OF THE NOTES

General Description

The Notes shall be dated the date of delivery thereof and shall bear interest at the rates as indicated on the front cover page of this Official Statement, and are payable upon the maturity date thereof. Interest on the Notes is calculated on the basis of twelve (12) thirty (30) day months in a three hundred sixty (360) day year.

One certificate for the aggregate principal amount of the Tax-Exempt Notes and Taxable Notes, respectively, will be issued as fully registered notes in book-entry form and, when issued, will be registered in the name of, and held by, Cede & Co., as nominee of The Depository Trust Company, Brooklyn, New York (“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 (the “Paying Agent”) on the date of maturity of the Notes by wire transfer of immediately available funds to DTC or its nominee, Cede & Co. Purchases of beneficial ownership interests in the Notes will be made in book-entry form, without certificates, in denominations of \$5,000 each or any integral multiple of \$1,000 in excess thereof, or, as applicable, any odd denomination in excess thereof, 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. 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 the Paying Agent directly to DTC or its nominee, Cede & Co., which will in turn remit such payments to DTC Participants and Indirect Participants, which will in turn remit such payments to the beneficial owners of the Notes. See “BOOK-ENTRY SYSTEM” herein.

Optional Redemption

The Notes are not subject to redemption prior to their stated date of maturity.

Authorization for the Issuance of the Notes

Tax-Exempt Notes

The Tax-Exempt Notes are authorized by, and are issued pursuant to: (i) the provisions of the Local Bond Law of the State of New Jersey, N.J.S.A. 40A:2-1 *et seq.*, as amended and supplemented (the “Local Bond Law”); (ii) various bond ordinances duly adopted by the Township Council of the Township on the dates set forth in the charts below, approved by the Mayor, and published as required by law; and (iii) a resolution duly adopted by the Township Council of the Township on February 23, 2026 (the “Resolution”).

The bond ordinances authorizing the Tax-Exempt Notes were published in full or in summary after their final adoption along with the statement that the twenty (20) day period of limitation within which a suit, action or proceeding questioning the validity of such bond ordinances could be commenced began to run from the date of the first publication of such statement. The Local Bond Law provides that, after issuance, all obligations shall be conclusively presumed to be fully authorized and issued by all laws of the State, and all persons shall be estopped from questioning their sale, execution or delivery by the Township. Such estoppel period for each of the bond ordinances has concluded as of the date of this Official Statement.

Taxable Notes

The Taxable Notes are authorized by, and are issued pursuant to: (i) the provisions of the Local Bond Law; (ii) various bond ordinances duly adopted by the Township Council of the Township on the dates set forth in the chart below, approved by the Mayor, and published as required by law; and (iii) the Resolution.

The bond ordinances authorizing the Taxable Notes were published in full or in summary after their final adoption along with the statement that the twenty (20) day period of limitation within which a suit, action or proceeding questioning the validity of such bond ordinances could be commenced began to run from the date of the first publication of such statement. The Local Bond Law provides that, after issuance, all obligations shall be conclusively presumed to be fully authorized and issued by all laws of the State, and all

persons shall be estopped from questioning their sale, execution or delivery by the Township. Such estoppel period for each of the bond ordinances has concluded as of the date of this Official Statement.

Purpose of the Notes

General Improvement Notes

The General Improvement Notes are being issued to (i) refund, on a current basis, prior general improvement notes issued in the aggregate principal amount of \$3,330,000 on March 17, 2025 and maturing on March 16, 2026, and (ii) temporarily finance various general capital improvements in the amount of \$10,871,700, including paying the costs associated with the issuance of the General Improvement Notes.

The improvements or purposes for which the General Improvement Notes are to be issued have been authorized by bond ordinances duly adopted by the Township Council of the Township, which bond ordinances are described in the following table by Ordinance Number, Description and Date of Final Adoption and the Amount of Proceeds to be Used for such improvements or purposes. The bond ordinances are as follows:

Ordinance Number	Description and Date of Final Adoption	Amount of Proceeds to be Used
22-63	Various 2022 capital acquisitions and improvements, finally adopted 10/24/2022	\$ 3,413,700
23-29	Various 2023 capital acquisitions and improvements, finally adopted 06/12/2023	\$ 3,230,000
24-50	Various 2024 capital acquisitions and improvements, finally adopted 12/16/2024	\$ 3,330,000
25-01	Acquisition, construction and rehabilitation of various municipal buildings and grounds, including the construction of a children's library, finally adopted 02/24/2025	\$ 4,228,000
		TOTAL: \$ 14,201,700

Water Utility Notes

The Water Utility Notes are being issued to temporarily finance various water utility improvements in the amount of \$2,000,000, including paying the costs associated with the issuance of the Water Utility Notes.

The improvement or purpose for which the Water Utility Notes is to be issued has been authorized by a bond ordinance duly adopted by the Township Council of the Township, which bond ordinance is described in the following table by Ordinance Number, Description and Date of Final Adoption and the Amount of Proceeds to be Used for such improvement or purpose. The bond ordinance is as follows:

Ordinance Number	Description and Date of Final Adoption	Amount of Proceeds to be Used
23-28	Water main relining and valve replacement project, finally adopted 06/12/2023	\$ 2,000,000
TOTAL: \$ 2,000,000		

Taxable Notes

The Taxable Notes are being issued to (i) refund, on a current basis, a \$6,797,000 principal portion of outstanding parking utility notes issued in the aggregate principal amount of \$6,886,000 on March 17, 2025 and maturing on March 16, 2026 (the "Prior Notes") (the remaining balance of the Prior Notes shall be paid with a 2026 budgetary appropriation in the amount of \$89,000) and (ii) temporarily finance the costs of various parking utility improvements in the amount of \$500,000, including paying the costs associated with the issuance of the Taxable Notes.

The improvements or purposes for which the Taxable Notes are to be issued have been authorized by bond ordinances duly adopted by the Township Council of the Township, which bond ordinances are described in the following table by Ordinance Number, Description and Date of Final Adoption and the Amount of Proceeds to be Used for such improvements or purposes. The bond ordinances are as follows:

Ordinance Number	Description and Date of Final Adoption	Amount of Proceeds to be Used
18-51	Various parking utility improvements, finally adopted 11/26/2018	\$ 3,949,000
19-58	Various parking utility improvements, finally adopted 11/25/2019	\$ 2,848,000
22-65	Various parking lot improvements and repairs, finally adopted 10/24/2022	\$ 500,000
TOTAL: \$ 7,297,000		

Payment of Notes

As hereinafter stated, the Notes are general obligations of the Township for which the full faith and credit of the Township will be pledged. The Township is authorized and required by law to levy *ad valorem* taxes upon all the taxable property located within the Township for the payment of principal of and interest on the Notes, without limitation as to rate or amount, unless paid from other sources.

SECURITY AND PAYMENT FOR THE NOTES

The Notes are valid and legally binding general obligations of the Township for which the full faith and credit of the Township are irrevocably pledged for the punctual payment of the principal of and interest on the Notes. The Township has the power and is obligated by law to levy *ad valorem* taxes upon all the taxable property located within the Township for the payment of the principal of the Notes and the interest thereon, without limitation as to rate or amount, unless paid from other sources.

The Township is required by law to include the total amount of principal of and interest on all of its general obligation indebtedness, such as the Notes, for the current year in each annual budget unless

provision has been made for payment of such general obligation indebtedness from other sources. The enforceability of rights or remedies with respect to the Notes may be limited by bankruptcy, insolvency or other similar laws affecting creditors' rights or remedies heretofore or hereafter enacted. See "RISK TO HOLDERS OF NOTES" herein.

The Notes are not a debt or obligation, legal, moral or otherwise of the State or any county, municipality or political subdivision thereof, other than the Township.

RISK FACTORS

Climate

The State is naturally susceptible to the effects of extreme weather events and natural disasters, including floods, earthquakes 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.

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. In addition, the Township maintains certain insurance coverage for cyberattacks and related events. No assurances can be given that the Township's efforts to manage cyber threats and attacks will be successful or that any such attack will not materially impact the operations or finances of the Township.

NO DEFAULT

There is no report of any default in the payment of the principal of, redemption premium, if any, and interest on the bonds, notes or other obligations of the Township as of the date hereof.

MARKET PROTECTION

The Township does not anticipate issuing any additional bonds or notes in 2026.

BOOK-ENTRY SYSTEM*

The description which follows of the procedures and record keeping with respect to beneficial ownership interests 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.

* Source: The Depository Trust Company.

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 Note certificate will be issued for each of the Tax-Exempt Notes and Taxable Notes, respectively, in the aggregate principal amount of the Tax-Exempt Notes and Taxable Notes, respectively, as set forth on the cover page hereof, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has 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 the 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 the Notes ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Notes are to be accomplished by entries made on the books of Direct and Indirect 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 Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of 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. For example, 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.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Notes, unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy (the "Omnibus Proxy") to the Township as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the 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 the Paying 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, Paying 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 on the Notes to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Township or Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Notes at any time by giving reasonable notice to the Township or Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, the Note certificate is required to be printed and delivered.

The Township or the Paying Agent, upon direction of the Township, may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, the 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.

Discontinuance of Book-Entry System

In the event that the book-entry system is discontinued and the Beneficial Owners become registered owners of the Notes, the following provisions apply: (i) the Notes may be exchanged for an equal aggregate principal amount of Notes in other authorized denominations and of the same maturity, upon surrender thereof at the office of the Chief Financial Officer of the Township or Paying Agent; (ii) the transfer of any Notes may be registered on the books maintained by the Township or Paying Agent for such purposes only upon the surrender thereof to the Chief Financial Officer of the Township or Paying Agent together with the duly executed assignment in form satisfactory to the Township or Paying Agent; and (iii) for every exchange or registration of transfer of Notes, the Township or Paying Agent may make a charge sufficient to reimburse itself for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer of the Notes. Interest on the Notes will be payable by check or draft, mailed on the maturity date of the Notes to the registered owners thereof.

PROVISIONS FOR THE PROTECTION OF GENERAL OBLIGATION DEBT

Procedure for Authorization

The Township has no constitutional limit on its power to incur indebtedness other than that it may issue obligations only for public purposes pursuant to State statutes. The authorization and issuance of Township debt, including the purpose, amount and nature thereof, the method and manner of the incurrence of such debt, the maturity and terms of repayment thereof, and other related matters are statutory. The Township is not required to submit the proposed incurrence of indebtedness to a public referendum.

The Township, by bond ordinance, may authorize and issue negotiable obligations for the financing of any capital improvement or property which it may lawfully acquire, or any purpose for which it is authorized or required by law to make an appropriation, except current expenses and payment of obligations (other than those for temporary financings). Bond ordinances must be finally adopted by the recorded affirmative vote of at least two-thirds of the full membership of the Township Council of the Township and, if applicable, approval by the Mayor prior to publication. The Local Bond Law requires publication and posting of the bond ordinance or a summary thereof. If the bond ordinance requires approval or endorsement of the State, it cannot be finally adopted until such approval has been received. The Local Bond Law provides that a bond ordinance shall take effect twenty (20) days after the first publication thereof after final adoption. At the conclusion of the twenty-day period, all challenges to the validity of the obligations authorized by such bond ordinance shall be precluded except for constitutional matters. Moreover, after issuance, all obligations are conclusively presumed to be fully authorized and issued by all laws of the State and any person shall be estopped from questioning their sale, execution or delivery by the Township.

Local Bond Law (N.J.S.A. 40A:2-1 et seq.)

The Notes are being issued pursuant to the provisions of the Local Bond Law. The Local Bond Law governs the issuance of bonds and bond anticipation notes to finance certain municipal capital expenditures. Among its provisions are requirements that bonds or notes must mature within the statutory period of usefulness of the projects being financed, that bonds be retired in either serial or sinking fund installments, and that, unlike school debt, and with some exceptions, including self-liquidating obligations and those improvements involving certain State grants, a five percent (5%) cash down payment of the amount of bonds and notes authorized must be generally provided. Such down payment must have been raised by budgetary appropriations, from cash on hand previously contributed for the purpose or by emergency resolution adopted pursuant to the Local Budget Law, N.J.S.A. 40A:4-1 et seq., as amended and supplemented (the "Local Budget Law"). All bonds and notes issued by the Township are general "full faith and credit" obligations of the Township.

Short Term Financing

Local governmental units (including the Township) may issue bond anticipation notes to temporarily finance a capital improvement or project in anticipation of the issuance of bonds if the bond ordinance or subsequent resolution so provides. Such bond anticipation notes for capital improvements may be issued in an aggregate amount not exceeding the amount of bonds authorized in the ordinance, as may be amended and supplemented, creating such capital expenditure. A local unit's bond anticipation notes may be issued and renewed for periods not exceeding one (1) year, with the final maturity occurring and being paid no later than the first day of the fifth month following the close of the tenth fiscal year after the original issuance of the notes, provided that no notes may be renewed beyond the third anniversary date of the original notes and each anniversary date thereafter, unless an amount of such notes at least equal to the first legally payable installment of the anticipated bonds (the first year's principal payment), is paid and retired from funds other than the proceeds of obligations on or before the third anniversary date and each anniversary date thereafter.

The issuance of tax anticipation notes by a municipality is limited in amount by the provisions of the Local Budget Law and may be renewed from time to time, but, in the case of a municipality such as the Township, all such notes and renewals thereof must mature not later than 120 days after the end of the fiscal year in which such notes were issued. The Township has not issued tax anticipation notes during the last ten (10) years.

Refunding Bonds (N.J.S.A. 40A:2-51 et seq.)

Refunding bonds may be issued by a local unit pursuant to the Local Bond Law for the purpose of paying, funding or refunding its outstanding bonds, including temporary emergency appropriations, emergency appropriations, the actuarial liabilities of a non-State administered public employee pension system, the present value of unfunded accrued liabilities for State administered early retirement incentive benefits, 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. Refunding bonds issued to pay, fund or refund outstanding bonds may be issued in accordance with N.J.A.C. 5:30-2.5 and, therefore, no approval is required by the Local Finance Board, in the Division of Local Government Services, New Jersey Department of Community

Affairs (the "Local Finance Board"); however, the details of the sale, issuance and delivery of the refunding bonds will be delivered to the Local Finance Board within ten (10) days of the delivery of the refunding bonds.

Statutory Debt Limitation (N.J.S.A. 40A:2-6 et seq.)

There are statutory requirements which limit the amount of debt which the Township is permitted to authorize. The authorized bonded indebtedness of a local unit is limited by the Local Bond Law and other laws to an amount equal to three and one-half percent (3 1/2%) of its stated average equalized valuation basis, subject to certain exceptions noted below. The stated equalized valuation basis is set by statute as the average of the equalized valuations of all taxable real property, together with improvements to such property, and the assessed valuation of certain Class II railroad property within the boundaries of the Township for each of the last three (3) preceding years as annually certified in the valuation of all taxable real property, in the Table of Equalized Valuations by the Director of the Division of Taxation, in the New Jersey Department of the Treasury (the "Division of Taxation"). Certain categories of debt are permitted by statute to be deducted for the purposes of computing the statutory debt limit. The Local Bond Law permits the issuance of certain obligations, including obligations issued for certain emergency or self-liquidating purposes, notwithstanding the statutory debt limitation described above; but, with certain exceptions, it is then necessary to obtain the approval of the Local Finance Board. See "Exceptions to Debt Limitation-Extensions of Credit" herein.

As shown in APPENDIX A, the Township has not exceeded its statutory debt limit.

Exceptions to Debt Limitation – Extensions of Credit (N.J.S.A. 40A:2-7 et seq.)

The debt limit of the Township may be exceeded with the approval of the Local Finance Board. If all or any part of a proposed debt authorization is to exceed its debt limit, the Township must apply to the Local Finance Board for an extension of credit. The Local Finance Board considers the request, concentrating its review on the effect of the proposed authorization on outstanding obligations and operating expenses and the anticipated ability to meet the proposed obligations. If the Local Finance Board determines that a proposed debt authorization is not unreasonable or exorbitant, that the purposes or improvements for which the obligations are issued are in the public interest and for the health, welfare and convenience or betterment of the inhabitants of the Township and that the 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 services that are in the public interest and makes other statutory determinations, approval is granted. In addition to the aforesaid, debt in excess of the debt limit may be issued to fund certain obligations, for self-liquidating purposes and, in each fiscal year, in an amount not exceeding two-thirds of the amount budgeted in such fiscal year for the retirement of outstanding obligations (exclusive of obligations issued for utility or assessment purposes) plus two-thirds of the amount raised in the tax levy of the current fiscal year by the local unit for the payment of bonds or notes of any school district.

As shown in APPENDIX A, the Township has not exceeded its debt limit.

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

The Local Fiscal Affairs Law, N.J.S.A. 40A:5-1 et seq., as amended and supplemented (the "Local Fiscal Affairs Law"), regulates the non-budgetary financial activities of local governments. An annual, independent audit of the local unit's accounts for the previous year must be performed by a Registered Municipal Accountant licensed in the State of New Jersey. The audit, conforming to the Division of Local Government Services, in the New Jersey Department of Community Affairs (the "Division") "Requirements of Audit", which must be completed within six (6) months (June 30) after the close of the Township's fiscal year (December 31), includes recommendations for improvement of the local unit's financial procedures. The audit report must be filed with the Township Clerk and is available for review during regular business hours and shall, within five (5) days thereafter be filed with the Director of the Division (the "Director"). A synopsis of the audit report, together with all recommendations made, must be published in a local newspaper within thirty (30) days of the Township Clerk's receipt of the audit report. Accounting methods utilized in the conduct of the audit conform to practices prescribed by the Division, which practices differ in some respects from generally accepted accounting principles in the United States.

Annual Financial Statement (N.J.S.A. 40A:5-12 et seq.)

An annual financial statement ("Annual Financial Statement") which sets forth the financial condition of a local unit for the fiscal year must be filed with the Division not later than January 26 (in the case of a county) and not later than February 10 (in the case of a municipality) after the close of the calendar fiscal year, such as the Township, or not later than August 10 of the State fiscal year for those municipalities which operate on the State fiscal year. The Annual Financial Statement is prepared either by the Chief Financial Officer or the Registered Municipal Accountant for the local unit. Such Annual Financial Statement reflects the results of operations for the year of the Current and Utility Funds. If the statement of operations results in a cash deficit, the deficit must be included in full in the succeeding year's budget. The entire Annual Financial Statement is filed with the clerk of the local unit and is available for review during business hours.

Investment of Municipal Funds

Investment of funds by municipalities is governed by N.J.S.A. 40A:5-14 et seq. Such statute requires municipalities to adopt a cash management plan pursuant to the requirements outlined by said statute. Once a municipality adopts a cash management plan it must deposit or invest its funds pursuant to such plan. N.J.S.A. 40A:5-15.1 provides for the permitted securities a municipality may invest in pursuant to its cash management plan. Some of the permitted securities are as follows: (a) obligations of, or obligations guaranteed by, the United States of America, (b) Government money market mutual funds which invest in securities permitted under the statute, (c) bonds of certain Federal Government agencies having a maturity date not greater than 397 days from the date of purchase, (d) bonds or other obligations of the particular municipality or school district of which the local unit is a part or within which the school district is located, and (e) bonds or other obligations having a maturity date not greater than 397 days from the date of purchase and approved by the Division of Investment, in the New Jersey Department of the Treasury. Municipalities are required to deposit their funds in banks satisfying certain security requirements set forth in N.J.S.A. 17:9-41 et seq. Municipalities are required to deposit their funds in interest-bearing bank accounts to the extent practicable and other permitted investments.

DEBT INFORMATION OF THE TOWNSHIP

The Township must report all new authorizations of debt or changes in previously authorized debt to the Division through the filing of Supplemental and Annual Debt Statements. The Supplemental Debt Statement must be submitted to the Division before final passage of any debt authorization other than a refunding debt authorization. Before the end of the first month (January 31) of each fiscal year of the Township, the Township must file an Annual Debt Statement which is dated as of the last day of the preceding fiscal year (December 31) with the Division and with the Township Clerk. This report is made under oath and states the authorized, issued and unissued debt of the Township as of the previous December 31. Through the Annual and Supplemental Debt Statements, the Division monitors all local borrowing. Even though the Township's authorizations are within its debt limits, the Division is able to enforce State regulations as to the amounts and purposes of local borrowings.

FINANCIAL MANAGEMENT

Accounting and Reporting Practices

The accounting policies of the Township conform to the accounting principles applicable to local governmental units which have been prescribed by the Division. A modified accrual basis of accounting is followed with minor exceptions. Revenues are recorded as received in cash except for certain amounts which may be due from other governmental units and which are accrued. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Township's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due to the Township which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue only when received. Expenditures are generally recorded on the accrual basis, except that unexpended appropriations at December 31, unless canceled by the governing body, are reported as expenditures with offsetting appropriation reserves. Appropriation reserves are available, until lapsed at

the close of the succeeding fiscal year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are credited to the results of operations. As is the prevailing practice among municipalities and counties in the State, the Township does not record obligations for accumulated unused vacation and sick pay.

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

The foundation of the State local finance system is the annual cash basis budget. Every local unit, including the Township, must adopt an annual operating budget in the form required by the Division. Certain items of revenue and appropriation are regulated by law and the proposed operating budget cannot be finally adopted until it has been certified by the Director, or in the case of a local unit's examination of its own budget as described herein, such budget cannot be finally adopted until a local examination certificate has been approved by the Chief Financial Officer and governing body of the local unit. The Local Budget Law requires each local unit to appropriate sufficient funds for payment of current debt service and the Director, or in the case of the local examination, the local unit may review the adequacy of such appropriations. Among other restrictions, the Director or, in the case of local examination, the local unit may examine the budget with reference to all estimates of revenue and the following appropriations: (a) payment of interest and debt redemption charges, (b) deferred charges and statutory expenditures, (c) cash deficit of the preceding year, (d) reserve for uncollected taxes, and (e) other reserves and non-disbursement items. Taxes levied are a product of total appropriations, less non-tax revenues, plus a reserve predicated on the prior year's collection experience.

The Director, in reviewing the budget, has no authority over individual operating appropriations, unless a specific amount is required by law, but the Director's budgetary review functions, focusing on anticipated revenues, and serves to protect the solvency of the local unit. Local budgets, by law and regulation, must be in balance on a "cash basis", i.e., the total of anticipated revenues must equal the total of appropriation. N.J.S.A. 40A:4-22. If in any year the Township's expenditures exceed its realized revenues for that year, then such excess (deficit) must be raised in the succeeding year's budget.

In accordance with the Local Budget Law and related regulations, (i) each local unit, with a population of 10,000 persons, must adopt and annually revise a six (6) year capital program, and (ii) each local unit, with a population under 10,000 persons, must adopt (with some exceptions) and annually revise a three (3) year capital program. The capital program, when adopted, does not constitute the appropriation of funds, but sets forth a plan of capital expenditures which the local unit may contemplate over the next six (6) years or the next three (3) years, as applicable. Expenditures for capital purposes may be made either by ordinances adopted by the governing body which set forth the items and the methods of financing, or from the annual operating budget. See "CAPITAL IMPROVEMENT PROGRAM" herein.

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 section of the budget. The budget is required to be balanced and to provide fully for debt service. The regulations regarding anticipation of revenues and deferral of charges apply equally to the budgets of the utilities. Deficits or anticipated deficits in utility operations which cannot be provided for from utility surplus, if any, are required to be raised in the "current" or operating budget.

Local Examination of Budgets (N.J.S.A. 40A:4-78(b))

Chapter 113 of the Laws of New Jersey of 1996 (N.J.S.A. 40A:4-78(b)) authorizes the Local Finance Board to adopt rules that permit certain municipalities to assume the responsibility, normally granted to the Director, of conducting the annual budget examination required by the Local Budget Law. Since 1997 the Local Finance Board has developed regulations that allow "eligible" and "qualifying" municipalities to locally examine their budget every two (2) or three (3) years. Under the regulations prescribed by the Local Finance Board, the Township was not eligible for local examination of its budget in 2025. The Township adopted its 2025 budget in accordance with the procedures described under the heading entitled, "Financial Management – Local Budget Law (N.J.S.A. 40A: 4-1 *et seq.*)"

State Supervision (N.J.S.A. 52:27BB-1 et seq.)

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

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

N.J.S.A. 40A:4-45.3 places limits on municipal tax levies and expenditures. This law is commonly known as the "Cap Law" (the "Cap Law"). The Cap Law provides that the Township shall limit any increase in its budget to 2.5% or the Cost-Of-Living Adjustment, whichever is less, of the previous year's final appropriations, subject to certain exceptions. The Cost-Of-Living Adjustment is defined as the rate of annual percentage increase, rounded to the nearest half percent, in the Implicit Price Deflator for State and Local Government Purchases of Goods and Services produced by the United States Department of Commerce for the year preceding the current year as announced by the Director. However, in each year in which the Cost-Of-Living Adjustment is equal to or less than 2.5%, the Township may, by ordinance, approved by a majority vote of the full membership of the governing body, provide that the final appropriations of the Township for such year be increased by a percentage rate that is greater than the Cost-Of-Living Adjustment, but not more than 3.5% over the previous year's final appropriations. See N.J.S.A. 40A:4-45.14. In addition, N.J.S.A. 40A:4-45.15a restored "CAP" banking to the Local Budget Law. Municipalities are permitted to appropriate available "CAP Bank" in either of the next two (2) succeeding years' final appropriations. Along with the permitted increases for total general appropriations, there are certain items that are allowed to increase outside the "CAP".

Additionally, P.L. 2010, c.44, effective July 13, 2010, imposes a two percent (2%) cap on the tax levy of a municipality, county, fire district or solid waste collection district, with certain exceptions and subject to a number of adjustments. The exclusions from the limit include increases required to be raised for capital expenditures, including debt service, increases in pension contributions in excess of two percent (2%), certain increases in health care costs in excess of two percent (2%), and extraordinary costs incurred by a local unit directly related to a declared emergency. The governing body of a local unit may request approval, through a public question submitted to the legal voters residing in its territory, to increase the amount to be raised by taxation, and voters may approve increases above two percent (2%) not otherwise permitted under the law by an affirmative vote of fifty percent (50%) plus one vote.

The Division of Local Government Services has advised that counties and municipalities must comply with both budget "CAP" and the tax levy limitation. Neither the tax levy limitation nor the "CAP" law, however, limits the obligation of the Township to levy *ad valorem* taxes upon all the taxable property within the boundaries of the Township to pay debt service on bonds and notes, including the Notes.

Deferral of Current Expenses

Supplemental appropriations made after the adoption of the budget and determination of the tax rate may be authorized by the governing body of a local unit, including the Township, but only to meet unforeseen circumstances, to protect or promote public health, safety, morals or welfare, or to provide temporary housing or public assistance prior to the next succeeding fiscal year. However, with certain exceptions described below, such appropriations must be included in full as a deferred charge in the following year's budget. Any emergency appropriation must be declared by resolution according to the definition provided in a provision of the Local Budget Law, N.J.S.A. 40A:4-48, -49, and approved by at least two-thirds of the full membership of the governing body and shall be filed with the Director. If such emergency appropriations exceed three percent (3%) of the adopted operating budget, consent of the Director is required. N.J.S.A. 40A:4-49.

The exceptions are certain enumerated quasi-capital projects ("special emergencies") such as (i) the repair and reconstruction of streets, roads or bridges damaged by snow, ice, frost, or floods, which may be amortized over three (3) years, and (ii) the repair and reconstruction of streets, roads, bridges or other public property damaged by flood or hurricane, where such expense was unforeseen at the time of budget adoption, the repair and reconstruction of private property damaged by flood or hurricane, tax map preparation, re-evaluation programs, revision and codification of ordinances, master plan preparations, drainage map preparation for flood control purposes, studies and planning associated with the construction and installation of sanitary sewers, authorized expenses of a consolidated commission, contractually required severance liabilities resulting from the layoff or retirement of employees and the preparation of sanitary and storm system maps, all of which projects set forth in this section (ii) may be amortized over five (5) years. N.J.S.A. 40A:4-53, -54, -55, -55.1, -55.2, -55.3. Emergency appropriations for capital projects may be financed through the adoption of a bond ordinance and amortized over the useful life of the project as described above. The Special Emergency Notes are being issued pursuant to Sections 53 and 55 of the Local Budget Law.

Budget Transfers

Budget transfers provide a degree of flexibility and afford a control mechanism for local units. Pursuant to N.J.S.A. 40A:4-58, transfers between major appropriation accounts are prohibited until the last two (2) months of the municipality's fiscal year. Appropriation reserves may be transferred during the first three (3) months of the current fiscal year to the immediately preceding fiscal year's budget. N.J.S.A. 40A:4-59. Both types of transfers require a two-thirds vote of the full membership of the governing body. Although sub-accounts within an appropriation are not subject to the same year-end transfer restriction, they are subject to internal review and approval. Generally, transfers cannot be made from the down payment account, the capital improvement fund, contingent expenses or from other sources as provided in the statute.

Anticipation of Real Estate Taxes

The same general principle that revenue cannot be anticipated in a budget in excess of that realized in the preceding year applies to property taxes. N.J.S.A 40A:4-29 sets limits on the anticipation of delinquent tax collections and provides that, "[t]he maximum which may be anticipated is the sum produced by the multiplication of the amount of delinquent taxes unpaid and owing to the local unit on the first day of the current fiscal year by the percentage of collection of delinquent taxes for the year immediately preceding the current fiscal year."

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

This provision requires that an additional amount (the "reserve for uncollected taxes") be added to the tax levy required to balance the budget so that when the percentage of the prior year's tax collection is applied to the combined total, the sum will at least equal the tax levy required to balance the budget. The reserve requirement is calculated as follows:

$$\begin{array}{rcl} \text{Total of Local, County,} & - & \text{Anticipated Revenues} & = & \text{Cash Required from Taxes to Support} \\ \text{and School Levies} & & & & \text{Local Municipal Budget and Other Taxes} \\ \\ \text{Cash Required from Taxes to Support Local Municipal Budget and Other Taxes} & & = & & \text{Amount to be} \\ \text{Prior Year's Percentage of Current Tax Collection (or Lesser %)} & & & & \text{Raised by} \\ & & & & \text{Taxation} \end{array}$$

Anticipation of Miscellaneous Revenues

N.J.S.A 40A:4-26 provides that, "[n]o miscellaneous revenues from any source shall be included as an anticipated revenue in the budget in an amount in excess of the amount actually realized in cash from the same source during the next preceding fiscal year, unless the director shall determine upon application

by the governing body that the facts clearly warrant the expectation that such excess amount will actually be realized in cash during the fiscal year and shall certify such determination, in writing, to the local unit."

No budget or amendment thereof shall be adopted unless the Director shall have previously certified his approval of such anticipated revenues except that categorical grants-in-aid contracts may be included for their face amount with an offsetting appropriation. The fiscal years of such grants rarely coincide with a municipality's calendar fiscal year. Grant revenues are fully realized in the year in which they are budgeted by the establishment of accounts receivable and offsetting reserves.

CAPITAL IMPROVEMENT PROGRAM

In accordance with the Local Budget Law, the Township must adopt and may from time to time amend rules and regulations for capital budgets, which rules and regulations must require a statement of capital undertakings underway or projected for a period not greater than over the next ensuing six (6) years as a general improvement program. The Capital Budget and Capital Improvement Program of a local unit must be adopted as part of the annual budget pursuant to N.J.A.C. 5:30-4. The Capital Budget does not by itself confer any authorization to raise or expend funds, rather it is a document used for planning. Specific authorization to expend funds for such purposes must be granted, by a separate bond ordinance, by inclusion of a line item in the Capital Improvement Section of the budget, by an ordinance taking money from the Capital Improvement Fund, or other lawful means.

COVID-19 RISK FACTORS

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. On March 13, 2020, the President of the United States declared a national public health emergency to unlock federal funds and assistance to help states and local governments fight the pandemic. The Governor of the State declared a state of emergency and a public health emergency on March 9, 2020. In response to the COVID-19 pandemic, federal and State legislation and executive orders were implemented to, among other things, provide relief to state and local governments, including the American Rescue Plan Act of 2021 (the "Plan"). The Township received \$25,827,441 in Federal Aid under the Plan, \$12,913,720.50 of which amount was received by the Township in 2021 and \$12,913,720.50 was received in 2022. The deadline to commit the funds was December 31, 2024 and the deadline to spend said funds is December 31, 2026.

The pandemic and certain mitigation measures, which altered the behavior of businesses and people, have had and may continue to have negative impacts on regional, State and local economies. 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.

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

TAX ASSESSMENT AND COLLECTION

Assessment and Collection of Taxes

Property valuations (assessments) are determined on true values as arrived at by the cost approach, market data approach and capitalization of net income (where applicable). Current assessments are the result of maintaining new assessments on a "like" basis with established comparable properties for newly assessed or purchased properties resulting in a decline of the assessment ratio to true value to its present level. This method assures equitable treatment to like property owners. Because of the escalation of property resale values, annual adjustments could not keep pace with the rising values.

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 of taxes to fund the budgets. The statutory provisions for the assessment of property, the levying of taxes and the collection thereof are set forth in N.J.S.A. 54:4-1 *et seq.* Special taxing districts are permitted in New Jersey for various special services rendered to the properties located within the special taxing district.

For calendar year municipalities, tax bills are sent in June of the current fiscal year. Taxes are payable in four quarterly installments on February 1, May 1, August 1 and November 1. The August and November tax bills are determined as the full tax levied for municipal, county and school purposes for the current municipal fiscal year, less the amount charged as the February and May installments for municipal, county and school purposes in the current fiscal year. The amounts due for the February and May installments are determined by the municipal governing body as either one-quarter or one-half of the full tax levied for municipal, county or school purposes for the preceding fiscal year.

Fiscal year municipalities follow the same general rationale for the billing of property taxes, however billing is processed semi-annually. The provisions of P.L. 1994, C. 72 changed the procedures for State fiscal year billing originally established in P.L. 1991, C. 75. Chapter 72 moves the billing calculation back on a calendar year basis, which permits tax levies to be proved more readily than before.

The formula used to calculate tax bills under P.L. 1994, C. 72 is as follows:

The third and fourth installments, for municipal purposes, would equal one-half of an estimated annual tax levy, plus the balance of the full tax levied during the current tax year for school, county and special district purposes. The balance of the full tax for non-municipal purposes is calculated by subtracting amounts due on a preliminary basis from the full tax requirement for the tax year. The first and second installments, for municipal purposes, will be calculated on a percentage of the previous year's billing necessary to bill the amount required to collect the full tax levy, plus the non-municipal portion, which represents the amount payable to each taxing district for the period of January 1 through June 30.

Tax installments not paid on or before the due date are subject to interest penalties of eight percent (8%) on the first \$1,500 of the delinquency and, then eighteen percent (18%) per annum on any amount in excess of \$1,500. A penalty of up to six percent (6%) of the delinquency in excess of \$10,000 may be imposed on a taxpayer who fails to pay that delinquency prior to the end of the tax year in which the taxes become delinquent. Delinquent taxes open for one year or more are annually included in a tax sale in accordance with State Statutes. Tax title liens are periodically assigned to the Township Attorney (as defined herein) for in rem foreclosures in order to acquire title to these properties.

The provisions of Chapter 99 of the Laws of New Jersey of 1997 allow a municipality to sell its total property tax levy to the highest bidder either by public sale with sealed bids or by public auction. The purchaser shall pay the total property tax levy bid amount in quarterly installments or in one annual installment. Property taxes will continue to be collected by the municipal tax collector and the purchaser will receive as a credit against his payment obligation the amount of taxes paid to the tax collector. The purchaser is required to secure his payment obligation to the municipality by an irrevocable letter of credit or surety bond. The purchaser is entitled to receive, all delinquent taxes and other municipal charges

owing, due and payable upon collection by the tax collector. The statute sets forth bidding procedures, minimum bidding terms and requires the review and approval of the sale by the Division.

Tax Appeals

New Jersey Statutes provide a taxpayer with remedial procedures for appealing an assessed valuation that the taxpayer deems excessive. The taxpayer has a right to file a petition on or before the 1st day of April of the current tax year for its review or the 1st day of May for municipalities that have conducted revaluations. The County Board of Taxation and the Tax Court of New Jersey have the authority after a hearing to increase, decrease or reject the appeal petition. Adjustments by the County Board of Taxation are usually concluded within the current tax year and reductions are shown as cancelled or remitted taxes for that year. If the taxpayer believes the decision of the County Board of Taxation to be incorrect, appeal of the decision may be made to the Tax Court of New Jersey. State tax court appeals tend to take several years to conclude by settlement or trial and any losses in tax collection from prior years, after an unsuccessful trial or by settlement, are charged directly to operations.

TAX MATTERS

Federal Income Tax Treatment

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements which must be met at the time of, and on a continuing basis subsequent to, the issuance of the Tax-Exempt Notes in order for the interest on the Tax-Exempt Notes to be and remain excluded from gross income for Federal income tax purposes under Section 103 of the Code. Noncompliance with such requirements could cause the interest on the Tax-Exempt Notes to be included in gross income for Federal income tax purposes retroactive to the date of issuance of the Tax-Exempt Notes. The Township will represent in a tax certificate (the "Tax Certificate") relating to the Tax-Exempt Notes that it reasonably expects and intends to comply and will comply, to the extent permitted by law, with such requirements.

In the opinion of Wilentz, Goldman & Spitzer, P.A., Woodbridge, New Jersey, Bond Counsel to the Township ("Bond Counsel"), under existing statutes, regulations, rulings and court decisions, and assuming continuing compliance by the Township with the requirements of the Code and the representations and covenants made by the Township in the Tax Certificate, interest on the Tax-Exempt Notes is not includable in gross income of the owners thereof for Federal income tax purposes pursuant to Section 103 of the Code and will not be treated as a preference item under Section 57 of the Code for purposes of computing the Federal alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the Federal alternative minimum tax imposed on corporations for tax years beginning after December 31, 2022.

The Tax-Exempt Notes will not be designated as "qualified tax-exempt obligations" as defined in and for the purpose of Section 265(b)(3) of the Code.

Additional Federal Income Tax Consequences Relating to the Tax-Exempt Notes

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

State Taxation

Bond Counsel is also of the opinion that, under existing laws of the State, interest on the Notes, and any gain on the sale thereof, are not includable in gross income of the owners thereof under the New Jersey

Gross Income Tax Act, 1976 N.J. Laws c. 47, as amended and supplemented. Except as provided above, no opinion is expressed with respect to other State and local tax consequences of owning the Notes.

Prospective Tax Law Changes

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

Other Tax Consequences

Except as described above, Bond Counsel expresses no opinion with respect to any Federal, state, local or foreign tax consequences of ownership of the Notes. Bond Counsel renders its opinion under existing statutes, regulations, rulings and court decisions as of the date of issuance and delivery of the Notes and assumes no obligation to update its opinion after such date of issuance to reflect any future action, fact, circumstance, change in law or interpretation, or otherwise. Bond Counsel expresses no opinion as to the effect, if any, on the tax status of the interest on the Notes paid or to be paid as a result of any action hereafter taken or not taken in reliance upon an opinion of other counsel.

See APPENDIX C and APPENDIX D for the complete text of the proposed forms of Bond Counsel's legal opinions with respect to the Tax-Exempt Notes and Taxable Notes, respectively.

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

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 institutional building and loan associations, investment companies, and other persons carrying on banking business, all insurance companies, and all executors, administrators, guardians, trustees, and other fiduciaries may legally invest any sinking funds, moneys or other funds belonging to them or within their control in any obligations of the Township, including the Notes, and such Notes are authorized security for any and all public deposits.

RISK TO HOLDERS OF NOTES

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

Municipal Bankruptcy

THE TOWNSHIP HAS NOT AUTHORIZED THE FILING OF A BANKRUPTCY PETITION. THIS REFERENCE TO THE BANKRUPTCY CODE AND THE STATE STATUTE SHOULD NOT CREATE ANY IMPLICATION THAT THE TOWNSHIP EXPECTS TO UTILIZE THE BENEFITS OF THEIR PROVISIONS, OR THAT IF UTILIZED, SUCH ACTION WOULD BE APPROVED BY THE LOCAL FINANCE BOARD, OR THAT ANY PROPOSED PLAN WOULD INCLUDE A DILUTION OF THE SOURCE OF PAYMENT OF AND SECURITY FOR THE NOTES, OR THAT THE BANKRUPTCY CODE COULD NOT BE AMENDED AFTER THE DATE HEREOF.

The undertakings of the Township should be considered with reference to 11 U.S.C. §101 *et seq.*, as amended and supplemented (the "Bankruptcy Code"), and other bankruptcy laws affecting creditors' rights and municipalities in general. The Bankruptcy Code permits the State or any political subdivision, public agency, or instrumentality that is insolvent or unable to meet its debts to commence a voluntary bankruptcy case by filing a petition with a bankruptcy court for the purpose of effecting a plan to adjust its debts; directs such a petitioner to file with the court a list of petitioner's creditors; provides that a petition filed under this chapter shall operate as a stay of the commencement or continuation of any judicial or other proceeding against the petitioner; grants priority to certain debts owed, and provides that the plan must be accepted in writing by or on behalf of creditors holding at least two-thirds in amount and more than one half in number of the allowed claims of at least one (1) impaired class. The Bankruptcy Code specifically does not limit or impair the power of a state to control by legislation or otherwise, the procedures that a municipality must follow in order to take advantage of the provisions of the Bankruptcy Code.

The Bankruptcy Code provides that special revenue acquired by the debtor after the commencement of the case shall remain subject to any lien resulting from any security agreement entered into by such debtor before the commencement of such bankruptcy case. However, special revenues acquired by the debtor after commencement of the case shall continue to be available to pay debt service secured by those revenues. Furthermore, the Bankruptcy Code provides that a transfer of property of a debtor to or for the benefit of any holder of a bond or note, on account of such bond or note, may be avoided pursuant to certain preferential transfer provisions set forth in such code.

Reference should also be made to N.J.S.A. 52:27-40 *et seq.* which provides that a local unit, including the Township, has the power to file a petition in bankruptcy with any United States Court or court in bankruptcy under the provisions of the Bankruptcy Code, for the purpose of effecting a plan of readjustment of its debts or for the composition of its debts; provided, however, the approval of the Local Finance Board, as successor to the Municipal Finance Commission, must be obtained.

Remedies of Holders of Bonds or Notes (N.J.S.A. 52:27-1 *et seq.*)

If the Township defaults for over sixty (60) days in the payment of the principal of or interest on any bonds or notes outstanding, any holder of such bonds or notes may bring an action against the Township in the Superior Court of New Jersey (the "Superior Court") to obtain a judgment that the Township is so in default. Once a judgment is entered by the Superior Court to the effect that the Township is in default, the Municipal Finance Commission (the "Commission") would become operative in the Township. The Commission was created in 1931 to assist in the financial rehabilitation of municipalities which were in default in their obligations. The powers and duties of the Commission are exercised within the Division, which constitutes the Commission.

The Commission exercises direct supervision over the finances and accounts of any municipality which has been adjudged by the Superior Court to be in default of its obligations. The Commission continues in force in such municipalities until all bonds, notes or other indebtedness of the municipality which have fallen due, and all bonds or notes which will fall due within one (1) year (except tax anticipation or revenue anticipation notes), and the interest thereon, have been paid, funded or refunded, or the payment thereof has been adequately provided for by a cash reserve, at which time the Commission's authority over such municipality ceases. The Commission is authorized to supervise tax collections and assessments, to approve the funding or refunding of bonds, notes or other indebtedness of the municipality which the Commission has found to be outstanding and unpaid, and to approve the adjustment or composition of claims of creditors and the readjustment of debts under the Bankruptcy Code.

CERTIFICATES OF THE TOWNSHIP

Upon the delivery of the Notes, the respective original purchasers of the Notes shall receive a certificate, in form satisfactory to Bond Counsel and signed by officials of the Township, stating to the best knowledge of said officials, that this Official Statement, as of its date, did not contain any untrue statement of a material fact, or omit to state a material fact necessary to make the statements herein, in light of the circumstances under which they were made, not misleading; and stating, to the best knowledge of said officials, that there has been no material adverse change in the condition, financial or otherwise, of the

Township from that set forth in or contemplated by this Official Statement to the date of issuance of the Notes. In addition, the respective original purchasers of the Notes shall also receive a certificate in form satisfactory to Bond Counsel evidencing the proper execution and delivery of the Notes and receipt of payment therefor, and a certificate dated as of the date of the delivery of the Notes, and signed by the officers who signed the Notes, stating that no litigation is then pending or, to the knowledge of such officers, threatened to restrain or enjoin the issuance or delivery of the Notes or the levy or collection of taxes to pay the principal of the Notes or the interest thereon, as applicable, or questioning the validity of the statutes or the proceedings under which the Notes are issued, and that neither the corporate existence nor boundaries of the Township, nor the title of any of the said officers to their respective offices, is being contested.

APPROVAL OF LEGAL PROCEEDINGS

All legal matters incident to the authorization, issuance, sale and delivery of the Notes are subject to the approval of Bond Counsel, whose approving legal opinions will be delivered with the Notes substantially in the forms set forth as APPENDIX C and APPENDIX D hereto. Certain legal matters with respect to the Notes will be passed on for the Township by the Township Attorney, Khalifah Shabazz, Esq., of Shabazz & Woolridge, Maplewood, New Jersey (the "Township Attorney"). 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.

ADDITIONAL INFORMATION

Inquiries regarding this Official Statement, including information additional to that contained herein, may be directed to the Township of Bloomfield, Carmine Sarno, Chief Financial Officer, 1 Municipal Plaza, Bloomfield, New Jersey 07003, (973) 680-4038; Everett M. Johnson, Esq., Bond Counsel, Wilentz, Goldman & Spitzer, P.A., 90 Woodbridge Center Drive, Woodbridge, New Jersey 07095, (732) 855-6149; or Heather Litzebauer, Municipal Advisor, NW Financial Group, LLC, 522 Broad Street, Bloomfield, New Jersey 07003, (551) 655-7595.

MUNICIPAL ADVISOR

NW Financial Group, LLC, Bloomfield, New Jersey (the "Municipal Advisor"), has served as Municipal Advisor to the Township with respect to the issuance 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 this Official Statement and the appendices hereto. The Municipal Advisor is an independent firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities.

LITIGATION

To the knowledge of the Township Attorney, after due inquiry, there is no litigation of any nature now pending or threatened, restraining or enjoining the issuance, execution or the delivery of the Notes offered for sale or the levy and 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 collection of taxes to pay the principal of and interest on the Notes, or any action contesting the corporate existence or the boundaries of the Township or the title of any of the present officers of the Township. Further, to the knowledge of the Township Attorney, there is no litigation presently pending or threatened against the Township that, in the opinion of the Township Attorney, would have a material adverse impact on the financial condition of the Township, if adversely decided. The respective original purchasers of the Notes will receive an opinion or a certificate of the Township Attorney to such effect upon the closing of the Notes.

COMPLIANCE WITH SECONDARY MARKET DISCLOSURE REQUIREMENTS

The Township has covenanted for the benefit of the holders of the Notes to provide notices of the occurrence of certain enumerated material events with respect to the Notes (the "Notices"), as set forth in Section (b)(5)(i)(C) of Rule promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended and supplemented. The Notices will be filed by the Township or the Dissemination Agent (as hereinafter defined) with the Municipal Securities Rulemaking Board (the "MSRB"). The specific nature of the Notices will be detailed in a certificate (the "Disclosure Certificate") to be executed on behalf of the Township by its Chief Financial Officer, in the form appearing in APPENDIX E hereto, such Disclosure Certificate to be delivered concurrently with the delivery of the Notes.

The Township has entered into prior undertakings to provide continuing disclosure for certain outstanding bond and note issuances. In connection with such undertakings, the Township has failed to timely file its audited financial statements for fiscal years ended December 31, 2021 and 2022 to certain outstanding debt issues on the MSRB's Electronic Municipal Market Access ("EMMA") website as required in accordance with the Rule. The Township has since filed all required financial information and notices. The Township has engaged the services of a NW Financial Group, LLC, which will act as dissemination agent for the Township in connection with all of the Township's ongoing continuing disclosure obligations.

PREPARATION OF OFFICIAL STATEMENT

Bond Counsel has participated in the preparation and review of this Official Statement, but has not participated in the collection of financial, statistical or demographic information contained in this Official Statement, nor verified the accuracy, completeness, or fairness thereof, and, accordingly, expresses no opinion or other assurance with respect thereto, but takes responsibility for the information contained under the heading entitled "TAX MATTERS" and the information provided in APPENDIX C and APPENDIX D hereto and expresses no opinion or other assurance other than that which is specifically set forth therein with respect thereto.

Wielkotz & Company, LLC, Pompton Lakes, New Jersey, the Auditor to the Township, has not participated in the preparation of the information contained in this Official Statement and has not verified the accuracy, completeness, or fairness thereof, and, accordingly, expresses no opinion or other assurance with respect thereto, but has reviewed the section under the caption entitled "FINANCIAL STATEMENTS" and has audited the financial statements specified in the Independent Auditors' Report appearing in APPENDIX B hereto.

The Municipal Advisor has participated in the review of this Official Statement, and has participated in the collection of financial, statistical or demographic information contained in this Official Statement but has not verified the accuracy, completeness, or fairness thereof, and, accordingly, expresses no opinion or other assurance with respect thereto, but takes responsibility for the information contained under the heading entitled "MUNICIPAL ADVISOR" and expresses no opinion or other assurance other than that which is specifically set forth therein with respect thereto.

The Township Attorney has not participated in the preparation of the information contained in this Official Statement, nor has he verified the accuracy, completeness, or fairness thereof, and, accordingly, expresses no opinion or other assurance with respect thereto, but has reviewed the section under the caption entitled "LITIGATION" and "APPROVAL OF LEGAL PROCEEDINGS" (as it relates to the Township Attorney) and expresses no opinion or assurance other than that which is specifically set forth therein with respect thereto.

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

RATING

Moody's Ratings (the "Rating Agency"), has assigned a rating of "MIG 1" to the Notes.

An explanation of the significance of the ratings on the Notes may be obtained from the Rating Agency. Such ratings reflect only the views of the Rating Agency, and there is no assurance that the ratings will continue for any period of time or that they will not be revised or withdrawn entirely, if in the judgment of the Rating Agency, circumstances so warrant. Any revision or withdrawal of the ratings may have an adverse effect on the market price of the Notes. Except as set forth in the Disclosure Certificate, the Township has not agreed to take any action with respect to any proposed rating changes or to bring the rating changes, if any, to the attention of the owners of the Notes.

UNDERWRITING

The Tax-Exempt Notes have been purchased from the Township at a public sale by _____ (the "Tax-Exempt Notes Underwriter") at a price of \$_____. The purchase price of the Tax-Exempt Notes reflects the par amount of the Tax-Exempt Notes equal to \$_____, plus a bid premium of \$_____.

The Taxable Notes have been purchased from the Township at a public sale by _____ (the "Taxable Notes Underwriter", and together with the Tax-Exempt Notes Underwriter, the "Underwriters") at a price of \$_____. The purchase price of the Taxable Notes reflects the par amount of the Taxable Notes equal to \$_____, plus a bid premium of \$_____.

The Underwriters may offer and sell the Notes to certain dealers (including dealers depositing the Notes into investment trusts) at a yield higher than the public offering yield stated on the front cover page hereof.

FINANCIAL STATEMENTS

Excerpts of the audited financial statements of the Township as of and for the years ended December 31, 2024 and 2023 are presented in APPENDIX B to this Official Statement. The audited financial statements referred to above have been audited by Wielkotz & Company, LLC, Pompton Lakes, New Jersey, independent auditors, as stated in the excerpts of their Independent Auditor's Report appearing in APPENDIX B hereto.

MISCELLANEOUS

All quotations from summaries and explanations of the provisions of the 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 is not to be construed as a contract or an agreement between the Township and any purchasers or holders of any of the Notes. Any statements made in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended merely as opinions and not as representations of fact. The information and expressions of opinion 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 circumstance, create any implication that there have been no changes in the affairs of the Township, the State or any of their agencies or authorities, since the date hereof.

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

**TOWNSHIP OF BLOOMFIELD
IN THE COUNTY OF ESSEX,
STATE OF NEW JERSEY**

**CARMINE SARNO,
Chief Financial Officer**

DATED: February ___, 2026

APPENDIX A

**CERTAIN ECONOMIC INFORMATION CONCERNING
THE TOWNSHIP OF BLOOMFIELD**

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GENERAL INFORMATION

Introduction

The Township of Bloomfield, incorporated in the year 1900, is located in northern Essex County, New Jersey, approximately 15 miles from New York City. The Township has an area of 5.4 square miles and, with a population in 2020 of 53,105 is the fourth most populous community in Essex County. The Township has 11,667 homes, 99 apartment complexes, 678 commercial properties, 26 industrial properties and 85 vacant parcels. The Township has freight and passenger train service, bus transportation and has access to an excellent highway network including the Garden State Parkway.

Municipal Government

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

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

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

Utilities

The Township owns and operates the water distribution system (the "Water System"), made up of approximately 113 miles of water mains ranging in size from 4 to 16 inches in diameter. The Water System services approximately 11,817 users, who are charged on the basis of use according to well-established rates. The Water System is reported to be in satisfactory condition. The Township owns a 7% share of the Wanaque South Project and 4% of the Wanaque North Project located in Wanaque, New Jersey owned by the North Jersey District Water Supply Commission (the "Commission"). The Township is obligated to pay Annual Charges to the Commission under a Service Contract entered into between the Township and the Commission for its share of development and the cost of annual operations based upon its percentage of flow entitlement. The Township has transferred its right to receive water from the Wanaque South Project to the City of Newark, in return for the right to receive water from Newark's reservoir.

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

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

The Township also has a Parking Utility, which was established in August of 2017, when the Township dissolved the Township of Bloomfield Parking Authority. The Parking Utility manages all parking garages and surface lots within the Township.

Public Safety

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

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

Recreation

The Township enjoys an excellent recreation program for all ages, supervised by a professional staff under the Department of Parks, Recreation and Cultural Affairs.

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

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

Public Library

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

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

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

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

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

Culture

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

Bloomfield Green Historic District

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

Bloomfield College

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

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

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

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

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

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

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

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

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

Development

There are currently a number of redevelopment and development projects underway in the Township. These projects are as follows:

Project/Common Name	Address	Project Metrics	Estimated Cost of Construction	Status
Avalon – Bloomfield Center	300 Glenwood Avenue	224 units 60,000 sf non-residential 468 parking spaces	\$94 million	Completed & Occupied
	110 Washington Street	170 units 238 parking spaces	\$32 million	Completed
Bloomfield College Franklin Street Residence	37-59 Broad Street	36 dorm rooms units 7,000 sf non-residential 20 parking spaces	\$28 million	Completed & Occupied
The Green at Bloomfield	56 Broad Street	140 Units 11,530 sf non-residential 140 parking spaces	\$48 million	Completed & Occupied
Heritage Village	390 Franklin Street	82 Units 59 parking spaces	\$20 million	Completed & Occupied
Parkway Lofts – Phase 1	5 Lawrence Street	361 Units 509 parking spaces	\$60 million	Completed & Occupied
	44 Park Street	50 Units 1,850 sf non-residential 75 parking spaces	\$14 million	Completed & Occupied
Oakes Pond	100-440 Memorial Parkway	332 Units 679 parking spaces	\$71 million	Completed & Occupied
The Grove at One 92 – Hartz Mountain	192-208, 216-244 Bloomfield Avenue	336 Units 22,260 sf non-residential 630 parking spaces	\$59 million	Completed & Occupied
Royal Urban Renewal	616 Bloomfield Avenue	255 Units 7,283 sf non-residential 311 parking spaces	\$40 million	Under Construction
Westinghouse – Sub Area A	Arlington and MacArthur	344 units 670 parking spaces	\$30 million	Under Construction
Westinghouse – Sub Area B	Westinghouse Plaza and MacArthur	25 units 41 parking spaces	\$4 million	Under Construction

<u>Project/Common Name</u>	<u>Address</u>	<u>Project Metrics</u>	<u>Estimated Cost of Construction</u>	<u>Status</u>
Phase II of Parkway Loft Development	13-17 Lawrence Street	168 Units 429 parking spaces		Planning Board Approval
Lackawanna Station Apartments	2-34 Farrand Street	176 Units 314 parking spaces		Under Construction
	34 Cross Street/144 Orange	14 units 9 parking spaces	\$4 million	Under Construction
Bloomfield Electric	656-662 Bloomfield Avenue	21 units 1,423 sf non-residential 29 parking spaces	\$5 million	Under Construction
South Junior High School	177 Franklin Street	122 units 171 parking spaces	\$12 million	Planning Board Approval
iSmile Dental Care	1455 Broad Street		\$200 thousand	Completed & Occupied
Freedom Surgical Center	1455 Broad Street	Renovate 7,500 sf	\$1.5 million	Under Construction
Case Medical – manufacturing	50 West Street	76,396 sf non-residential 114 parking spaces (98 offsite)	\$50 million	Under Construction
Six Points at Bloomfield Station	2-34 Farrand Street	176 units 314 parking spaces	\$26 million	TCO & Occupied
	223-227 Broad Street	21 units 36 parking spaces		Demo Complete
Parkview Village (former Peerless Tube)	71 Locust Avenue	165 units (20% affordable) 321 parking spaces		Demo Complete
	49-55 Lawrence Street & 22-24 Arch Street	36 Units 5,125 sf non-residential 68 parking spaces		Demo Permit Issued
	104-108 Montgomery Street	34 units 43 parking spaces		Planning Board Approval
	59 Dodd Street	17 units 1,920 sf non-residential 27 parking spaces		Interior Demo Underway
Shop Rite	1409 Broad Street	Interior renovation and addition	\$7.8 million	Under Construction
Universal Technical Institute	1515 Broad Street	New Technical School - renovation of \$100K+ sf of classroom space	\$2 million	Completed & Occupied

<u>Project/Common Name</u>	<u>Address</u>	<u>Project Metrics</u>	<u>Estimated Cost of Construction</u>	<u>Status</u>
223 Broad Street	223-227 Broad St., Block 516, Lot 1	21 units 1 structure		Proposed
Parkway Lofts, Phase 2	13-17 Lawrence St., Block 94, Lot 44	168 units		Proposed
Parkside at Bloomfield	78-88 Locust Avenue, Block 129, Lot 70	44 units, 1 structure		Proposed
Sacred Heart Church	76 Broad St., Block 244, Lots 10, 15, 41, 42, & 46	200 units 4,000 sf church event space, 1 structure		Proposed
South Junior High School Redevelopment	177 Franklin St., Block 335, Lots 26 & 30	122 units (conversion), 1 structure		Proposed
Parkview Village	71 Locust Avenue, Block 152, Lot 10	165 units, # structures		Proposed
59 Dodd Street	59 Dodd St., Block 94, Lot 27	17 units (converted), 1 structure		Proposed
ShopRite	1409 Broad St., Block 1231, Lot 43	Renovation & addition, 1 structure		Proposed

TOWNSHIP OF BLOOMFIELD
COUNTY OF ESSEX, NEW JERSEY

DEBT STATEMENT AS OF DECEMBER 31, 2024

Gross Debt:	
School Debt:	
Local Type II School District:	
Serial Bonds Issued and Outstanding	\$7,750,000
Municipal Debt:	
General Improvements:	
Serial Bonds Issued and Outstanding	\$72,779,000
Bond Anticipation Notes Issued	-
Green Trust Loans	191,066
Demolition Loan Payable	1,500,000
Bonds and Notes Authorized but Not Issued	<u>19,887,159</u>
	94,357,225
Water Utility:	
Serial Bonds Issued and Outstanding	10,132,000
Bond Anticipation Notes Issued	-
Bonds and Notes Authorized but Not Issued	13,910,069
Loans	<u>7,236,087</u>
	31,278,156
Parking Utility:	
Serial Bonds Issued and Outstanding	17,072,000
Bond Anticipation Notes Issued	6,925,000
Bonds and Notes Authorized but Not Issued	<u>500,000</u>
	<u>24,496,000</u>
Total Gross Debt	157,881,381
Statutory Deductions:	
School Debt:	
Local Type II School District:	
Minimum (4% of Average Equalized Valuations	
\$6,906,431,981)	7,750,000
General Purpose	3,309,557
Self-Liquidating Purposes:	
Water Utility	29,666,530
Parking Utility	<u>24,674,000</u>
	<u>65,222,087</u>
Statutory Net Debt	<u>\$92,659,294</u>
Average Equalized Valuation of Real Property for 2024	<u>\$6,906,431,981</u>
Net Debt Percentage	<u>1.342%</u>
<u>REMAINING STATUTORY BORROWING POWER*</u>	
3-1/2% of Equalized Valuation Basis	\$241,725,119
Less: Statutory Net Debt	<u>92,659,294</u>
Remaining Borrowing Power December 31, 2024	<u>\$149,065,825</u>

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

TOWNSHIP OF BLOOMFIELD
COUNTY OF ESSEX, NEW JERSEY

OVERLAPPING DEBT
DECEMBER 31, 2024

County of Essex	\$721,160,781
Essex County Utilities Authority:	
Guaranteed Project Bonds and Notes Under Deficiency Agreement and	289,462,166
Essex County Improvement Authority:	
Guarantee of Bonds Pursuant to N.J.S.A. 40:37A-80	<u>1,270,000</u>
*Gross Debt December 31, 2024	<u>\$1,011,892,947</u>
Apportionment to Township of Bloomfield	
Basis of Debt Apportionment:	
Ratio of Equalized Valuation	
Township of Bloomfield - 2024	<u>\$6,925,327,747</u>
Total Essex County - 2024	<u>\$123,198,283,264</u>
Ratio of Township of Bloomfield	<u>5.621%</u>

*Includes both the Essex County Improvement Authority Guarantee of Bonds and Bonds Issued and Bonds Authorized but Not Issued - Capital Projects for County Colleges.

GROSS DEBT COMPARED WITH TRUE VALUE

	Municipal Debt	Municipal Debt Including Apportioned Overlapping Debt
Net Debt as of December 31, 2024	<u>\$92,659,294</u>	<u>\$149,537,797</u>
Aggregate Fair Value for 2024 - All Taxable Property - Assessed Valuation	\$5,314,862,400	
Amount Added for Equalization: Real Property Assessed at 85.89% of True Value	<u>1,610,465,347</u>	
Total - With Real Property at True Value - 2024	<u>\$6,925,327,747</u>	
Net Debt as a Percentage of True Value	<u>1.342%</u>	<u>2.448%</u>

TOWNSHIP OF BLOOMFIELD
COUNTY OF ESSEX, NEW JERSEY

ASSESSED VALUATION AND TAX RATES

<u>Year</u>	<u>Real Property</u>	Net Taxable Value Real and *Personal Property	Tax Rate per \$100.00	Real Property Assessed Valuation Percentage of True Value
2021	5,284,179,100	5,292,892,526	3.143	100.90
2022	5,300,647,500	5,308,651,600	3.202	96.64
2023	5,315,013,300	5,322,238,200	3.268	85.89
2024	5,308,284,200	5,314,862,400	3.394	77.35
2025	5,308,221,500	5,896,700	3.489	69.15

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

COMPARISON OF COMPONENTS OF TAX RATE

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Tax Rate	<u>\$3.489</u>	<u>\$3.392</u>	<u>\$3.268</u>	<u>\$3.202</u>	<u>\$3.143</u>
Apportionment of Tax Rate					
Municipal	\$1.331	\$1.284	\$1.193	\$1.177	\$1.143
Municipal Open Space	.005	.005	.005	.005	.005
County	.516	.500	.503	.482	.479
Local School	1.589	1.560	1.528	1.504	1.483
Library	<u>.048</u>	<u>.043</u>	<u>.039</u>	<u>.034</u>	<u>.033</u>
	<u>\$3.489</u>	<u>\$3.392</u>	<u>\$3.268</u>	<u>\$3.202</u>	<u>\$3.143</u>

TOWNSHIP OF BLOOMFIELD
COUNTY OF ESSEX, NEW JERSEY

TAX COLLECTION EXPERIENCE

<u>Year</u>	<u>Tax Levy</u>	Collections During Year of Levy	
		<u>Amount</u>	<u>Percentage</u>
2020	\$164,389,306	\$160,553,667	97.67%
2021	167,468,385	164,120,556	98.00
2022	170,342,093	167,703,784	98.45
2023	174,713,132	172,286,022	98.61
2024	180,871,769	178,560,212	98.72

TOWNSHIP OF BLOOMFIELD
COUNTY OF ESSEX, NEW JERSEY

POPULATION

<u>Year</u>		<u>Population</u>
2020	Federal Census	\$53,105
2010	Federal Census	47,315
2007	Federal Census	46,288
2000	Federal Census	47,683
1990	Federal Census	45,061
1980	Federal Census	47,792

Source: U.S. Bureau of the Census

TOWNSHIP OF BLOOMFIELD
COUNTY OF ESSEX, NEW JERSEY

TEN LARGEST TAXPAYERS

<u>Taxpayer</u>	<u>2026</u>	<u>Assessed</u>	<u>Value</u>
Forest Hill Properties c/o Cammeby's	\$81,714,300		
AR North Developers, LLC	54,826,800		
Broadacres ERCT 1, LLC	43,767,600		
Shelbourne Broad Street, LLC	34,037,900		
Troy Towers, Inc., c/o Harborside F.C.	31,000,000		
7978 CCB 13, LLC	18,000,000		
1409 Broad Street, LLC	13,942,300		
Arlington Developers, LLC	13,760,000		
Newels Develop./S & S c/o Ahold	13,000,000		
DHC Investments, Inc.	12,685,000		

Source: The Township

TOWNSHIP OF BLOOMFIELD
COUNTY OF ESSEX, NEW JERSEY

REAL PROPERTY CLASSIFICATION
2021 - 2025 (ASSESSED VALUATION)

<u>Year</u>	<u>Vacant Land</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Total Real Property</u>	<u>Business Personal Property</u>	<u>Net Valuation Taxable</u>
2021	\$37,780,100.00	\$4,109,378,500.00	\$421,189,600.00	\$668,804,400.00	\$47,026,500.00	\$5,284,179,100.00	\$8,156,026.00
2022	37,740,400.00	4,131,809,400.00	383,865,100.00	700,206,100.00	47,026,500.00	5,300,647,500.00	8,004,100.00
2023	51,321,800.00	4,128,374,400.00	428,667,500.00	659,824,500.00	46,825,100.00	5,315,013,300.00	7,224,900.00
2024	49,014,600.00	4,135,492,500.00	422,025,200.00	657,219,600.00	46,825,100.00	5,308,284,200.00	6,578,200.00
2025	51,958,300.00	4,139,224,700.00	419,235,700.00	650,977,700.00	46,825,100.00	5,308,221,500.00	5,896,700.00

Source: The Township

TOWNSHIP OF BLOOMFIELD
COUNTY OF ESSEX, NEW JERSEY

BUILDING PERMITS

<u>Year</u>	<u>*Total Number</u>	<u>Construction Value</u>
2021	2,358	\$89,789,110.00
2022	2,036	47,792,077.00
2023	1,987	42,815,679.00
2024	1,609	36,609,327.00
2025	2,025	51,232,512.00

*Includes new building, alterations and additions.

Source: The Township

APPENDIX B

**EXCERPTS FROM AUDITED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

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WIELKOTZ & COMPANY LLC

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Members of the Township Council
Township of Bloomfield
Bloomfield, NJ 07003

Report on the Financial Statements

Adverse Opinion on U.S. Generally Accepted Accounting Principles

We have audited the accompanying balance sheets – regulatory basis of the various funds and account group of the Township of Bloomfield, as of December 31, 2024 and 2023, the related statements of operations and changes in fund balance – regulatory basis for the years then ended, and the related statements of revenues - regulatory basis and the statements of expenditures – regulatory basis of the various funds for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

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

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") and Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Township of Bloomfield, 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 adverse audit opinion.



Honorable Mayor and
Members of the Township Council
Page 2.

As described in Note 1 of the financial statements, the financial statements are prepared by the Township of Bloomfield on the basis of the financial reporting provisions prescribed by 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 New Jersey.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above, present fairly, in all material respects, the regulatory basis balance sheets and account group as of December 31, 2024 and 2023, the regulatory basis statements of operations and changes in fund balance for the years then ended and the regulatory basis statements of revenues and expenditures for the year ended December 31, 2024 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township of Bloomfield's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. 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 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgement 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 judgement, 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.

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

Other Information

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Bloomfield's basic financial statements. The supplementary information listed in the table of contents and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 and the letter of comments and recommendations section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information listed in the table of contents and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulation Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information listed in the table of contents and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulation Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The letter of comments and recommendations section has not been subject to the auditing procedures applied in the audit of the basic financial statements and accordingly, we do not express an opinion or any form of assurance thereon.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 2, 2025, on our consideration of the Township of Bloomfield's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Bloomfield's internal control over financial reporting and compliance.

Steven D. Wielkotz

Steven D. Wielkotz, C.P.A.
Registered Municipal Accountant
No. CR00413

Wielkotz & Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

July 2, 2025

Exhibit A

TOWNSHIP OF BLOOMFIELD, N.J.

Comparative Balance Sheet - Regulatory Basis

Current Fund

December 31, 2024 and 2023

	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
<u>Assets</u>			
Current Fund:			
Cash - Treasurer	A-4	\$ 15,843,170	22,484,065
Change Fund	A-5	900	900
Due from the Internal Revenue Service		3,506	3,506
Petty Cash		200	200
		<u>15,847,776</u>	<u>22,488,671</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Taxes Receivable	A-7	2,229,396	2,204,425
Tax Title Liens	A-8	194,816	177,851
Property Acquired for Taxes -			
Assessed Valuation	A-9	168,200	168,200
Revenue Accounts Receivable	A-10	154,420	108,224
Interfunds Receivable	A-13	1,156,628	57,308
Prepaid Payroll	A-1	1,521,219	
Other Accounts Receivable -			
Interest on Municipal Lien Redemption	A-16		59,846
		<u>5,424,679</u>	<u>2,775,854</u>
Deferred Charges:			
Special Emergency	A-11	792,400	1,309,800
Over-expenditure of Appropriation Reserves	A-12		100,000
		<u>792,400</u>	<u>1,409,800</u>
		<u>22,064,855</u>	<u>26,674,325</u>
Federal and State Grant Fund:			
Grants Receivable	A-31	8,724,542	8,135,053
Interfunds Receivable	A-30		898,496
		<u>8,724,542</u>	<u>9,033,549</u>
		<u>\$ 30,789,397</u>	<u>35,707,874</u>

Exhibit A**TOWNSHIP OF BLOOMFIELD, N.J.****Comparative Balance Sheet - Regulatory Basis****Current Fund****December 31, 2024 and 2023**

	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Current Fund:			
Appropriation Reserves	A-3/A-14	\$ 3,379,494	2,620,390
Encumbrances Payable	A-3/A-17	1,755,716	1,533,003
Interfunds Payable	A-13	534,535	1,166,968
Due to Bloomfield Library	A-15		27,345
Due to State of New Jersey:			
Senior Citizens and Veterans Deductions	A-6	46,321	43,946
Reserve for Revaluation	A-18	125,772	125,772
Special Emergency Notes Payable	A-19	792,400	1,309,800
Accounts Payable	A-20	296,896	228,565
County Taxes Payable	A-21	32,014	64,489
Reserve for Retroactive Salaries & Wages	A-22	1,193,923	2,653,000
Tax Overpayments	A-24	589,497	753,103
Special Improvement District Taxes Payable	A-25	693	1,551
Tax Appeals Pending	A-26	583,130	583,130
Prepaid Taxes	A-27	1,206,409	640,587
Reserve for Municipal Relief Aid	A-28		664,962
Lead Inspection Fees Payable	A-29	<u>39,315</u>	<u>17,715</u>
		10,576,115	12,434,326
Reserve for Receivables	Contra	5,424,679	2,775,854
Fund Balance	A-1	<u>6,064,061</u>	<u>11,464,145</u>
		<u>22,064,855</u>	<u>26,674,325</u>
Federal and State Grant Fund:			
Interfunds Payable	A-30	150,205	
Appropriated Reserves for Grants	A-32	8,481,791	8,850,460
Unappropriated Reserves for Grants	A-33	<u>92,546</u>	<u>183,089</u>
		<u>8,724,542</u>	<u>9,033,549</u>
	\$	<u>30,789,397</u>	<u>35,707,874</u>

See accompanying notes to financial statements.

TOWNSHIP OF BLOOMFIELD, N.J.

Comparative Statement of Operations and Changes in
Fund Balance - Regulatory Basis

Current Fund

Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Revenues and Other Income:		
Fund Balance Utilized	\$ 7,765,141	6,375,000
Miscellaneous Revenue Anticipated	26,464,941	32,592,196
Receipts from Delinquent Taxes	2,085,308	1,721,794
Receipts from Current Taxes	178,560,212	172,286,022
Non-Budget Revenue	1,933,223	1,865,632
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	997,715	2,239,626
Interfunds Returned	149,624	216,032
Cancellation of Appropriated Grant Reserves	537,859	512,409
Tax Overpayments Cancelled	<u>95,322</u>	<u>140,268</u>
	<u>218,589,345</u>	<u>217,948,979</u>
Total Revenues and Other Income		
Expenditures:		
Budget and Emergency Appropriations:		
Operations:		
Salaries and Wages	38,177,970	36,226,209
Other Expenses	45,066,351	45,954,513
Judgements		100
Capital Improvement Fund	250,000	650,000
Municipal Debt Service	7,048,396	6,636,873
Deferred Charges and Statutory Expenditures -		
Municipal	11,531,948	11,791,400
Local District School Tax	82,914,333	81,313,009
County Taxes including Added Taxes	26,570,253	26,810,540
Local Open Space Taxes	266,063	266,754
Special Improvement District Taxes	376,150	364,192
Interfunds Advanced	975,659	21,886
Prepaid Payroll	1,521,219	
Grant Receivable Cancellations	398,711	191,800
Reimburse Lien Redemption Trust for Prior Year Expenses	286,902	
Cancellation of Prior Year Reconciling Items	840,208	
Revenue Refunds	<u>125</u>	<u>130,725</u>
	<u>216,224,288</u>	<u>210,358,001</u>
Total Expenditures		
Excess (Deficit) Revenue Over Expenditures	<u>2,365,057</u>	<u>7,590,978</u>

TOWNSHIP OF BLOOMFIELD, N.J.

**Comparative Statement of Operations and Changes in
Fund Balance - Regulatory Basis**

Current Fund

Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Statutory Excess to Surplus	2,365,057	7,590,978
Fund Balance, January 1,	<u>11,464,145</u>	<u>10,248,167</u>
	13,829,202	17,839,145
Decreased by:		
Fund Balance Utilized as Budget Revenue	<u>7,765,141</u>	<u>6,375,000</u>
Fund Balance, December 31,	<u>\$ 6,064,061</u>	<u>11,464,145</u>

See accompanying notes to the financial statements.

TOWNSHIP OF BLOOMFIELD, N.J.

Statement of Revenues - Regulatory Basis

Current Fund

Year Ended December 31, 2024

	<u>Budget</u>	<u>Realized</u>	Excess or (Deficit)
Fund Balance Anticipated	\$ 7,765,141	7,765,141	
Miscellaneous revenues:			
Licenses:			
Alcoholic beverages	89,313	87,814	(1,499)
Other	90,524	186,285	95,761
Fees and permits:			
Other	286,311	304,754	18,443
Fines and costs municipal court	988,247	1,568,924	580,677
Interest and costs on taxes	397,194	535,957	138,763
Interest on investments and deposits	532,414	391,400	(141,014)
Anticipated Operating Surplus - Water	900,000	900,000	
Anticipated Operating Surplus - Parking	850,000	850,000	
Energy Receipts Tax	6,451,151	6,451,151	
Municipal Relief Fund Aid	664,962	664,962	
Uniform Construction Code Fees	1,072,193	803,180	(269,013)
Interlocal Service Agreements			
Board of Health Services			
Borough of Caldwell	56,880	42,666	(14,214)
Borough of Glen Ridge	31,190	31,190	
Township of Chatham	57,570	57,570	
Borough of Madison	61,000	19,993	(41,007)
Borough of Cranford	64,204	64,204	
Borough of Mountain Lakes	13,492	13,492	
Animal Control Services			
Borough of Caldwell	16,560	17,082	522
Borough of Glen Ridge	18,547	18,458	(89)
Township of Nutley	79,476	79,103	(373)
Township of Maplewood	72,000	36,000	(36,000)
Heritage Village - Case Manager Service	15,000	17,500	2,500
Public and Private Revenues offset by Appropriations:			
Local Transportation Projects Fund Program (NJDOT)	1,800,000	1,800,000	
2023 Drive Sober or Get Pulled Over Year End Holiday Crackdown	8,750	8,750	
2024 Local Arts Program Grant	4,947	4,947	
2024 Local History Program Grant	5,443	5,443	
NJDOT Newark Avenue Improvement Project 07	521,652	521,652	
NJDOT JFK/Dodd/Watsessing Roadway Improvement Project	833,913	833,913	
Sustainable Jersey-PSE&G Energy Efficiency Partnership Program	2,500	2,500	
Pedestrian Safety Grant 2024	24,500	24,500	
Social Services for the Homeless	134,000	134,000	
Municipal Drug Alliance Grant (GCADA)	14,121	14,121	
ROID Grant	20,000	20,000	
Morris Canal Greenway Phase 3 - Modification #1	53,300	53,300	
OLPH24CLP Childhood Lead 2024 Program	12,500	12,500	
2024 Safe and Secure Communities Grant Program	45,150	45,150	
2024 ARP FF Grant	30,000	30,000	

TOWNSHIP OF BLOOMFIELD, N.J.

Statement of Revenues - Regulatory Basis

Current Fund

Year Ended December 31, 2024

	<u>Budget</u>	<u>Realized</u>	Excess or (Deficit)
Distracted Driving U Drive U Text U Pay - April 2024	12,250	12,250	
Strengthening Local Public Health Grant 2025	74,664	74,664	
Lackawanna Transit Station Improvement	161,332	161,332	
(NJDOT) - Almira-Davis-Petit-Thomas-Washington Streets	1,100,000	1,100,000	
PSEG Sustainable Jersey Grant 2024	20,000	20,000	
Local Recreation Improvement Grant 2024	65,000	65,000	
Opioid Settlement Funds	63,696	63,696	
2022 Federal Bulletproof Vest Partnership Program	10,050	10,050	
NJDEPT - Stormwater Assistance Grant	15,000	15,000	
2023 Bullet Proof Vest Partnership Program	5,264	5,264	
Distracted Driving Enforcement	11,200	11,200	
Emergency Management Assistance	10,000	10,000	
2023 Body Armor Replacement Grant	8,626	8,626	
Federal Treasury Deposits	50,210	50,210	
Pedestrian Safety	35,000	35,000	
Opiods Settlement	41,439	41,439	
Recycling Tonnage Grant	61,839	61,839	
DOT-Morris Canal Greenway Phase III	193,300	193,300	
DOT-Morris Canal Greenway Phase III	26,700	26,700	
Click it or Ticket	8,750	8,750	
Essex County Local Arts Program	4,966	4,966	
Essex County History Grant	3,960	3,960	
Clean Communities	111,771	111,771	
Opiods Settlement	71,359	71,359	
Drive Sober or get Pulled Over	7,000	7,000	
NJACCHO	168,049	168,049	
Childhood Lead Poisoning	198,500	198,500	
DOT-Walnut Street Bridge	800,000	800,000	
Cable Television Franchise Fee	501,762	481,989	(19,773)
Cell Tower Fees	34,208	35,234	1,026
Police Outside Duty - Administrative Fees	71,485	73,307	1,822
Sewer User Fees - Passaic Valley Sewerage Commission	413,929	471,119	57,190
Payments in Lieu of Taxes			
Felicity Towers	239,828	202,360	(37,468)
Kinder Towers	121,960	121,961	1
Oakes Pond	1,200,000	1,475,532	275,532
The Green	350,841	350,836	(5)
Heritage Village	30,000	46,847	16,847
Section 8 Housing Program - Office Space Rent	32,000		(32,000)
Township Cannabis Tax	980,281	842,406	(137,875)

TOWNSHIP OF BLOOMFIELD, N.J.

Statement of Revenues - Regulatory Basis

Current Fund

Year Ended December 31, 2024

	<u>Budget</u>	<u>Realized</u>	Excess or (Deficit)
American Rescue Plan Loss of Revenue	1,965,216	1,905,964	(59,252)
General Capital Surplus	465,000	465,000	
Due from Payroll Deductions	570,000		(570,000)
Due from CDBG Section 8	137,000		(137,000)
 Total Miscellaneous Revenues	 26,772,439	 26,464,941	 (307,498)
Receipts from Delinquent Taxes	2,108,000	2,085,308	(22,692)
 Subtotal General Revenues	 36,645,580	 36,315,390	 (330,190)
Amount to be Raised by Taxes for Support of Municipal Budget - Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	70,521,933	73,158,413	2,636,480
Budget Totals	107,167,513	109,473,803	2,306,290
Non-Budget Revenue		1,933,223	1,933,223
	\$ <u>107,167,513</u>	<u>111,407,026</u>	<u>4,239,513</u>
Adopted Budget	105,434,880		
Added by: N.J.S.A. 40A:4.87	1,732,633		
	\$ <u>107,167,513</u>		

Analysis of Realized Revenues

Revenue from Current Tax Collections	\$ 178,560,212
Less: Reserve for Tax Appeals Pending	
Allocated to Municipal Open Space	266,063
Allocated to Special Improvement District	376,150
Allocated to County and Local and Regional School Taxes	<u>109,484,586</u>
 Balance for Support of Municipal Budget Appropriations	 68,433,413
Add : Appropriation - Reserve for Uncollected Taxes	<u>4,725,000</u>
Amount for Support of Municipal Budget Appropriations	\$ <u>73,158,413</u>
Receipts from Delinquent Taxes: Delinquent Taxes	\$ <u>2,085,308</u>

TOWNSHIP OF BLOOMFIELD, N.J.

Statement of Revenues - Regulatory Basis

Current Fund

Year Ended December 31, 2024

	<u>Budget</u>	<u>Realized</u>	Excess or (Deficit)
<u>Analysis of Non-budget Revenues</u>			
DMV Inspection Fines	\$ 6,950		
Assessor	1,110		
Collector	518,720		
Engineering	306		
Clerk	625		
Board of Health	188		
Police	5		
Towing	24,740		
Accident Reports	7,620		
Restitution	2,694		
Retirees Drug Subsidy	119,134		
UFS Reports	8,435		
Cert of Habitability	151,800		
Sale of Assets	139,566		
Advertising	11,375		
Lead Inspection Fees	102,000		
Lead Inspection Filing Fees	18,595		
Sale of Assets	40,062		
LEA Rebates	72,307		
Comptroller	173,222		
5 Year Abatements	212,144		
Sale of Township Property	10		
PILOT - 110-116 Washington	69,444		
Miscellaneous	2,171		
Prior Year Void Check	125,000		
Budget Offsets not Applied	70,000		
PILOT 71 Locust	55,000		
		\$ 1,933,223	
<u>Collected by:</u>			
Cash	\$ 1,933,223		
	\$ 1,933,223		

See accompanying notes to the financial statements.

TOWNSHIP OF BLOOMFIELD, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2024

		Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
General Government:						
Administrative and Executive:						
Salaries and Wages		\$ 60,000	84,000	80,115		3,885
Mayor and Council		425,000	363,795	345,318		18,477
Township Administrator's Office		300,000	295,000	288,550		6,480
Municipal Clerk's Office		95,000	172,000	169,138		2,862
Human Resources		10,000	5,000			5,000
Purchasing						
Other Expenses						
Mayor and Council		117,000	122,000	121,815		185
Township Administrator's Office		300,000	235,000	193,294		41,706
Municipal Clerk's Office		100,000	100,000	97,194		2,806
Human Resources		40,000	41,000	40,308		692
Purchasing		1,500	1,500	1,336		164
Department of Assessment						
Salaries and Wages		120,000	120,000	111,876		8,124
Other Expenses		114,000	99,075	44,046		55,029
Department of Finance:						
Salaries and Wages:						
Division of Revenue		35,000	38,000	35,316		2,684
Division of Accounts and Controls		225,000	210,000	191,355		18,645
Other Expenses						
Division of Revenue						
Division of Accounts and Controls		85,000	95,000	81,048		13,952
Annual Audit		250,000	290,000	278,076		11,924
Division of Accounts and Controls		75,000	50,000	42,600		7,400
Department of Law:						
Salaries and Wages		175,000	175,000	169,924		5,076
Other Expenses		700,000	754,000	661,682		92,318
Department of Information Systems:						
Salaries and Wages		190,000	190,000	187,146		2,854
Other Expenses		1,016,000	1,152,000	1,151,635		365
Historic District:						
Salaries and Wages		10	10			10
Other Expenses		25,000	25,000	15,000		10,000

TOWNSHIP OF BLOOMFIELD, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2024

	<u>Budget</u>	Budget after Modification and Transfer	Paid or Charged	<u>Reserved</u>	Unexpended Balance Canceled
Rent Leveling					
Salaries and Wages	10	10			10
Other Expenses	20,000	20,000	15,260		4,740
Postage and Office Supplies:					
Other Expenses	260,000	300,000	299,329		671
Cable Television Committee:					
Other Expenses	115,000	133,396	133,396		
Division of Engineering:					
Salaries and Wages	85,000	115,000	111,874		3,126
Other Expenses	17,500	17,500	15,572		1,928
Department of Planning:					
Salaries and Wages	80,000	80,000	72,636		7,364
Other Expenses	85,000	96,500	41,067		55,433
Housing Inspections:					
Salaries and Wages	130,000	165,000	157,083		7,917
Other Expenses	7,500	4,500			4,500
Insurance:					
General Liability	50,000	50,000			
Workers Compensation	840,000	840,000	617,620		222,380
Group Insurance for Employees	15,000,000	15,025,000	15,006,317		18,683
Health Benefit Waiver	450,000	463,000	434,222		28,768
Bonds and Other Insurance Premiums	1,080,000	1,080,000	580,646		499,354
Public Safety:					
Police Department:					
Salaries and Wages	16,255,000	15,705,000	15,319,078		385,922
American Rescue Plan - Salaries and Wages	1,965,216	1,965,216	1,965,216		
Other Expenses	725,000	658,000	545,100		112,900
Communication Center:					
Salaries and Wages	1,090,000	940,000	913,312		26,688
Other Expenses	20,000	20,000	12,390		7,610

TOWNSHIP OF BLOOMFIELD, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2024

	<u>Budget</u>	Budget after Modification and Transfer	Paid or Charged	<u>Reserved</u>	Unexpended Balance Canceled
Emergency Management:					
Salaries and Wages	15,000	10,000	1,921		10,000
Other Expenses	10,000	10,000			8,079
Fire Department:					
Salaries and Wages	10,550,000	10,495,000	10,337,946		157,054
Other Expenses	350,000	390,000	349,601		40,399
Community Ambulance:					
Other Expenses	49,000	49,000	49,000		
Municipal Court					
Administration of Court:					
Salaries and Wages	630,000	671,000	658,681		12,319
Other Expenses	22,500	22,500	18,154		4,346
Public Defender:					
Salaries and Wages	10	10			10
Other Expenses	45,000	45,000	33,000		12,000
Public Works:					
Recycling Operations					
Salaries and Wages	10,000	10,000	1,000		9,000
Other Expenses	250,000	250,000			250,000
Public Buildings and Grounds:					
Salaries and Wages	715,000	705,000	653,574		51,426
Other Expenses	190,000	229,000	227,174		1,826
Service Buildings:					
Salaries and Wages	430,000	197,000	164,410		32,590
Other Expenses	500,000	485,000	401,662		83,338
Road Repairs and Maintenance:					
Salaries and Wages	555,000	733,000	720,365		12,635
Other Expenses	190,000	199,000	181,964		17,036
Sewer Maintenance:					
Salaries and Wages	170,000	215,000	210,752		4,248
Other Expenses	2,500	2,500			2,500

TOWNSHIP OF BLOOMFIELD, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2024

	<u>Budget</u>	Budget after Modification and Transfer	Paid or Charged	<u>Reserved</u>	Unexpected Balance Canceled
Care of Shade Trees and Greens:					
Salaries and Wages	470,000	560,000	553,622	6,378	
Other Expenses	45,000	55,000	47,877	7,123	
Snow Removal:					
Salaries and Wages	100,000	100,000		100,000	
Other Expenses	290,000	290,000	278,714	11,286	
Parks and Playgrounds:					
Salaries and Wages	120,000	120,000	113,149	6,851	
Other Expenses	45,000	45,000	44,140	860	
Health and Welfare:					
Division of Health:					
Salaries and Wages	900,000	900,000	880,861	19,139	
Other Expenses	75,000	75,000	67,099	7,901	
Division of Human Services:					
Salaries and Wages	290,000	270,000	228,724	41,276	
Other Expenses	40,000	40,000	39,976	24	
Animal Control:					
Salaries and Wages	285,000	405,000	398,968	6,032	
Other Expenses	125,000	144,000	143,511	489	
Geese Control					
Other Expenses	25,000	25,000	17,238	7,762	
Rodent Control					
Other Expenses	25,000	25,000	13,390	11,610	
Heritage Village - Case Manager Service					
Salaries and Wages	15,000	15,000		15,000	
Recreation and Education					
Department of Recreation:					
Salaries and Wages	1,070,000	1,065,000	939,433	125,567	
Other Expenses	90,000	90,000	81,113	8,887	

TOWNSHIP OF BLOOMFIELD, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2024

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>
Celebration of Public Events:					
Other Expenses	95,000	97,000	96,797	203	
Oak Side Cultural Center	17,500	17,500	16,038	1,462	
Other Expenses	5,000	5,000	4,729	271	
Beautification Committee	10	10	10	10	
Other Expenses	10	10	10	10	
Civil Rights Commission	450,000	450,000	317,640	132,360	
Other Expenses	10	10	10	10	
Cultural Committee	525,000	525,000	452,278	72,722	
Other Expenses	215,000	225,000	224,185	815	
Unclassified	485,000	520,000	519,543	457	
Gasoline	180,000	225,000	5,400,000	5,134,750	
Fuel Oil	10	10	223,973	265,250	
Electricity				1,077	
Telephone				10	
Street Lighting					
Recycling Act and Sanitary Landfill Closure Fund					
Garbage and Trash Removal					
Telecommunications					
Terminal Leave					
Storm Response					
Salary and Wage Adjustment					
Uniform Construction Code:					
Construction Code Official:					
Salaries and Wages	710,000	613,000	592,573	20,427	
Other Expenses	119,000	114,000	106,177	7,823	
Total Operations within "CAPS"	69,629,306	69,429,072	66,092,522	3,336,550	
B. Contingent	100	26,410	26,409	1	

TOWNSHIP OF BLOOMFIELD, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2024

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
Total Operations Including Contingent-within "CAPS"	<u>69,629,406</u>	<u>69,455,482</u>	<u>66,118,931</u>		<u>3,336,551</u>
Detail:					
Salaries & Wages	38,275,256	37,707,051	36,571,965	1,135,086	
Other Expenses (Including Contingent)	31,354,150	31,748,431	29,546,966	2,201,465	
(E) Deferred Charges and Statutory Expenditures- Municipal within "CAPS"					
(1) DEFERRED CHARGES	100,000	100,000	100,000		
Overexpenditure of Appropriation Reserves					
(2) STATUTORY EXPENDITURES:					
Contribution to:					
Public Employees Retirement System	1,583,000	1,583,000	1,582,109	891	
Social Security System (O.A.S.I.)	1,190,000	1,355,000	1,338,547	16,453	
Consolidated Police and Firemen's Pension Fund	14,500	14,500	14,354	146	
Police and Firemen's Retirement System of NJ	7,836,549	7,836,548	7,836,548		
Defined Contribution Retirement Program (DCRP)	500	499	61	438	
Unemployment Compensation Insurance	25,000	25,000		25,000	
Total Deferred Charged and Statutory Expenditures-Municipal within "CAPS"	<u>10,749,549</u>	<u>10,914,547</u>	<u>10,871,619</u>	<u>42,928</u>	
(F) Judgements	<u>100</u>	<u>100</u>			<u>100</u>
Total General Appropriations for Municipal Purposes within "CAPS"	<u>80,379,055</u>	<u>80,370,129</u>	<u>76,990,550</u>	<u>3,379,479</u>	<u>100</u>
Operations - Excluded from "CAPS":					
Maintenance of Free Public Library	2,292,866	2,292,866	2,292,866		
Operation and Maintenance of Outlet Sewers:					
Third River Joint Meeting	1,726	1,726	1,725	1	
Passaic Valley Sewerage Commission	3,963,450	3,965,450	3,965,446	4	
Township of Nutley	70,979	70,979	70,979		
Second River Joint Meetings	109,786	109,786	109,786		
Tax Appeals Pending	10	10		10	
Total Other Operations - Excluded from "CAPS"	<u>6,440,817</u>	<u>6,440,817</u>	<u>6,440,802</u>	<u>15</u>	

TOWNSHIP OF BLOOMFIELD, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31 2024

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpected Balance <u>Canceled</u>
Shared Service Agreements					
Board of Health:					
Health Services - Caldwell:					
Salaries and Wages	56,880	56,880	56,880		
Health Services - Glen Ridge					
Salaries and Wages	31,190	31,190	31,190		
Health Services - Mountain Lakes					
Salaries and Wages	13,492	13,492	13,492		
Health Services - Madison					
Salaries and Wages	61,000	61,000	61,000		
Health Services - Cranford					
Salaries and Wages	64,204	64,204	64,204		
Health Services - Chatham					
Salaries and Wages	57,570	57,570	57,570		
Animal Control - Contractual					
Borough of Caldwell	16,560	16,560	16,560		
Borough of Glen Ridge	18,547	18,547	18,547		
Township of Nutley	79,476	79,476	79,476		
Township of Maplewood	72,000	72,000	72,000		
Total Interlocal Municipal Service Agreements	470,919	470,919	470,919		

Total [Inter]local Municipal Service Agreements

TOWNSHIP OF BLOOMFIELD, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2024

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpected Balance Canceled
Public and Private Programs Offset by Revenues					
Matching Funds for Grants	17,477	26,403			26,403
Local Transportation Projects Fund Program (NJDOT)	1,800,000	1,800,000			1,800,000
2023 Drive Sober or Get Pulled Over Year End Holiday Crackdown	8,750	8,750			8,750
2024 Local Arts Program Grant	4,947	4,947			4,947
2024 Local History Program Grant	5,443	5,443			5,443
NJDOT FY 2024- Newark Avenue Improvement Project 07	521,652	521,652			521,652
NJDOT FY 2023 JFK/Dodd/Watsegg Roadway Improvement Project	833,913	833,913			833,913
Sustainable Jersey-PSE&G Energy Efficiency Partnership Program	2,500	2,500			2,500
Pedestrian Safety Grant 2024	24,500	24,500			24,500
Social Services for the Homeless	134,000	134,000			134,000
Municipal Drug Alliance Grant (GCADA)	14,121	14,121			14,121
ROID Grant	20,000	20,000			20,000
Morris Canal Greenway Phase 3 - Modification #1	53,300	53,300			53,300
OLPH24CLP Childhood Lead 2024 Program	12,500	12,500			12,500
2024 Safe and Secure Communities Grant Program	45,150	45,150			45,150
2024 ARP Firefighter Grant	30,000	30,000			30,000
Distracted Driving U Drive U Text U Pay - April 2024	12,250	12,250			12,250
Strengthening Local Public Health Grant 2025	74,664	74,664			74,664
Lackawanna Transit Station Improvement	161,332	161,332			161,332
NJDOT - Almira-Davis-Petit-Thomas-Washington Streets	1,100,000	1,100,000			1,100,000
PSSEG Sustainable Jersey Grant 2024	20,000	20,000			20,000
Local Recreation Improvement Grant 2024	65,000	65,000			65,000
Opioid Settlement Funds	63,696	63,696			63,696
2022 Federal Bulletproof Vest Partnership Program	10,050	10,050			10,050

TOWNSHIP OF BLOOMFIELD, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2024

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
NJDEPT - Stormwater Assistance Grant	15,000	15,000			15,000
2023 Bullet Proof Vest Partnership Program	5,264	5,264			5,264
Distracted Driving Enforcement	11,200	11,200			11,200
NJ Dept of Law and Public Safety - Emergency Management Assistance	10,000	10,000			10,000
2023 Body Armor Replacement Grant	8,626	8,626			8,626
Federal Treasury Deposits	50,210	50,210			50,210
Pedestrian Safety	35,000	35,000			35,000
Opioids Settlement	41,439	41,439			41,439
Recycling Tonnage Grant	61,839	61,839			61,839
DOT-Morris Canal Greenway Phase III	193,300	193,300			193,300
DOT-Morris Canal Greenway Phase III	26,700	26,700			26,700
Click it or Ticket	8,750	8,750			8,750
Essex County Local Arts Program	4,966	4,966			4,966
Essex County History Grant	3,960	3,960			3,960
Clean Communities	111,771	111,771			111,771
Opioids Settlement	71,359	71,359			71,359
Drive Sober or get Pulled Over	7,000	7,000			7,000
NIACCHO	168,049	168,049			168,049
Childhood Lead Poisoning	198,500	198,500			198,500
DOT-Walnut Street Bridge	800,000	800,000			800,000
	<hr/> <u>6,868,178</u>	<hr/> <u>6,877,104</u>			<hr/> <u>6,877,104</u>
Total Public and Private Programs Offset by Revenues					

TOWNSHIP OF BLOOMFIELD, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2024

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpected Balance Canceled
Total Operations-Excluded from "CAPS"	<u>13,779,914</u>	<u>13,788,840</u>	<u>13,788,825</u>		<u>15</u>
Detail:					
Salaries and Wages	470,919	470,919	470,919		
Other Expenses	13,308,995	13,317,921	13,317,906		15
Capital Improvements - Excluded from "CAPS"					
Capital Improvement Fund	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>		
Total Capital Improvements Excluded from "CAPS"	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>		
Municipal Debt Service - Excluded from "CAPS"					
Payment of Bond Principal	3,980,000	3,980,000	3,980,000		
Payment of Bond Anticipation Notes and Capital Notes	368,000	368,000	300		367,700
Interest on Bonds	2,069,022	2,069,022	2,069,022		
Interest on Notes	956,622	956,622	956,622		
Green Trust Loan Program:					
Loan Repayments for Principal and Interest	42,500	42,500	42,452		48
Total Municipal Debt Service-Excluded from "CAPS"	<u>7,416,144</u>	<u>7,416,144</u>	<u>7,048,396</u>		<u>367,748</u>
Deferred Charges and Statutory Expenditures- Municipal excluded from "CAPS"					
(1) DEFERRED CHARGES:					
Special Emergency Authorization - 5 Years (N.J.S. 40A:4-5)	517,400	517,400	517,400		
Deferred Charge to Future Taxation - Unfunded	100,000	100,000	100,000		
Total Deferred Charged and Statutory Expenditures-Municipal exclude from "CAPS"	<u>617,400</u>	<u>617,400</u>	<u>617,400</u>		<u>617,400</u>

TOWNSHIP OF BLOOMFIELD, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2024

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance <u>Canceled</u>
Total General Appropriations for Municipal Purposes Excluded from "CAPS"					
Subtotal General Appropriations	102,442,513	102,442,513	98,695,171	3,379,494	367,848
Reserve for Uncollected Taxes	4,725,000	4,725,000	4,725,000		
Total General Appropriations	<u><u>\$ 107,167,513</u></u>	<u><u>107,167,513</u></u>	<u><u>103,420,171</u></u>	<u><u>3,379,494</u></u>	<u><u>367,848</u></u>
Adopted Budget \$ 105,434,880					
Added by 40A:4-87		1,732,633			
		<u><u>\$ 107,167,513</u></u>			
Reserve for Uncollected Taxes \$ 4,725,000					
Federal and State Grant Fund 6,877,104					
Deferred Charges 717,400					
Encumbrances 1,755,716					
Cash 89,344,951					
		<u><u>\$ 103,420,171</u></u>			

See accompanying notes to the financial statements.

Exhibit B**TOWNSHIP OF BLOOMFIELD****Comparative Balance Sheet - Regulatory Basis****Trust Funds****December 31, 2024 and 2023**

	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
<u>Assets</u>			
Animal Trust Fund:			
Cash - Treasurer	B-1	\$ 68,194	14,475
Due from State of New Jersey	B-2		125
Deficit in Reserve	B-5	_____	114,975
		<u>68,194</u>	<u>129,575</u>
Other Trust Funds:			
Cash - Treasurer	B-1	6,302,491	7,239,781
Interfund Accounts Receivable	B-3	<u>534,535</u>	<u>268,472</u>
		<u>6,837,026</u>	<u>7,508,253</u>
Community Development Trust Fund:			
Cash	B-1	445,998	371,634
Grants Receivable	B-4	<u>1,816,261</u>	<u>2,750,714</u>
		<u>2,262,259</u>	<u>3,122,348</u>
	\$	<u>9,167,479</u>	<u>10,760,176</u>

TOWNSHIP OF BLOOMFIELD**Comparative Balance Sheet - Regulatory Basis****Trust Funds****December 31, 2024 and 2023**

<u>Liabilities, Reserves & Fund Balance</u>	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
Animal Trust Fund:			
Due to State of New Jersey	B-2	\$ 24	
Interfund Payable - Current Fund	B-3	7,360	
Reserve for Restricted Donations	B-6	25,598	129,575
Reserve for Animal Trust Fund Expenditures	B-5	<u>35,212</u>	<u>129,575</u>
		<u>68,194</u>	<u>129,575</u>
Other Trust Fund:			
Due to State of New Jersey	B-2	34,232	42,610
Interfund Accounts Payable	B-3	166,363	29,871
Elevator Inspection Fees Payable	B-7	42,576	37,041
Reserve for Expenditures	B-8	<u>6,593,855</u>	<u>7,398,731</u>
		<u>6,837,026</u>	<u>7,508,253</u>
Community Development Trust Fund:			
Interfunds Payable	B-3	246,229	
Reserve for Grant Expenditures	B-9	<u>2,262,259</u>	<u>2,876,119</u>
		<u>2,262,259</u>	<u>3,122,348</u>
		<u>\$ 9,167,479</u>	<u>10,760,176</u>

See accompanying notes to financial statements.

TOWNSHIP OF BLOOMFIELD

Comparative Balance Sheet - Regulatory Basis

General Capital Fund

December 31, 2024 and 2023

	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
<u>Assets</u>			
Cash	C-2/C-3	\$ 2,429,060	3,778,886
Deferred Charges to Future Taxation:			
Funded	C-4	74,470,066	56,819,874
Unfunded	C-5	19,887,158	41,788,463
Grants Receivable	C-6	175,575	475,575
Demolition Loan Receivable	C-7	1,500,000	
Interfunds Receivable	C-8		240,678
		<u>\$ 98,461,859</u>	<u>103,103,476</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Interfunds Payable	C-8	\$ 832,700	
General Serial Bonds	C-9	72,779,000	56,589,000
NJ Green Trust Loans Payable	C-10	191,066	230,874
Dept. of Community Affairs - Demolition Loan Payable	C-11	1,500,000	
Bond Anticipation Notes Payable	C-12		21,235,300
Improvement Authorizations:			
Funded	C-13	3,979,361	208,398
Unfunded	C-13	11,063,658	16,779,366
Contracts Payable	C-13	3,639,844	7,036,499
Capital Improvement Fund	C-14	159,000	4,169
Reserve for Grants Receivable	C-15	175,575	475,575
Reserve for Payment of Debt	C-16	3,309,557	29,557
Fund Balance	C-1	832,098	514,738
		<u>\$ 98,461,859</u>	<u>103,103,476</u>

There were \$19,887,157 and \$20,553,162 of Bonds and Notes Authorized But Not Issued on, December 31, 2024 and 2023 respectively (Exhibit C-17).

See accompanying notes to the financial statements.

TOWNSHIP OF BLOOMFIELD**Comparative Statement of Changes in Fund Balance - Regulatory Basis****General Capital Fund****For the Years Ended December 31, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
Balance - December 31, 2023	\$ 514,738	249,715
Increased By:		
Premiums Received:		
General Improvement Bonds	730,537	262,251
Cancelled Improvement Authorizations	<u>51,823</u>	<u>2,772</u>
	782,360	265,023
	1,297,098	514,738
Decreased By:		
Budget Revenue - Interfund	<u>465,000</u>	<u> </u>
Balance - December 31, 2024	<u>\$ 832,098</u>	<u>514,738</u>

See accompanying notes to the financial statements.

Exhibit D**TOWNSHIP OF BLOOMFIELD****Comparative Balance Sheet - Regulatory Basis****Water Utility Fund****December 31, 2024 and 2023**

<u>Assets</u>	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
Water Utility Operating Fund:			
Cash	D-5	\$ 2,949,799	5,027,659
Change Fund	D-7	200	200
Prepaid Payroll	D-5	66,184	
Interfunds Receivable	D-8	<u>366,489</u>	<u>38,621</u>
		<u>3,382,672</u>	<u>5,066,480</u>
Receivables with Full Reserves:			
Municipal Liens Receivable	D-9	2,669	327
Consumers' Accounts Receivable	D-10	<u>1,155,938</u>	<u>1,126,092</u>
		<u>1,158,607</u>	<u>1,126,419</u>
Deferred Charges:			
Special Emergency	D-19	<u>344,539</u>	<u>516,810</u>
Total Water Utility Operating Fund		<u>4,885,818</u>	<u>6,709,709</u>
Capital Fund:			
Cash	D-5,D-6	23,805	1,800,265
Fixed Capital	D-11	26,180,788	23,080,788
Fixed Capital Authorized and Uncompleted	D-12	<u>29,717,000</u>	<u>24,817,000</u>
Total Capital Fund		<u>55,921,593</u>	<u>49,698,053</u>
		<u>\$ 60,807,411</u>	<u>56,407,762</u>

Exhibit D**TOWNSHIP OF BLOOMFIELD****Comparative Balance Sheet - Regulatory Basis****Water Utility Fund****December 31, 2024 and 2023**

	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Water Utility Operating Fund:			
Appropriation Reserves	D-4,D-14	\$ 252,494	617,695
Reserve for Encumbrances	D-4,D-14	11,833	12,809
Overpayments	D-15	167,099	138,042
Accounts Payable	D-16		206,238
Reserve for Retroactive Salaries and Wages -			
Department of Public Works	D-17	50,000	50,000
Reserve for Purchase of Water	D-18	49,000	49,000
Accrued Interest on Bonds	D-20	<u>199,191</u>	<u>121,743</u>
		729,617	1,302,402
Reserve for Receivables		1,158,607	1,126,419
Fund Balance	D-2	<u>2,997,594</u>	<u>4,280,888</u>
Total Water Utility Operating Fund		<u>4,885,818</u>	<u>6,709,709</u>
Capital Fund:			
Interfund Payable	D-13	366,489	
Serial Bonds Payable	D-22	10,132,000	7,562,000
NJ Infrastructure Bank Loans Payable	D-24	6,229,096	1,003,517
NJ Infrastructure Bank Short Term Loan	D-23	1,006,991	5,777,274
Bond Anticipation Notes Payable	D-26		3,000,000
Improvement Authorizations:			
Funded	D-25	1,750,323	661,213
Unfunded	D-25	7,509,313	7,098,867
Contracts Payable	D-25	3,826,023	99,868
Capital Improvement Fund	D-27	76,250	76,250
Reserve for Amortization	D-28	24,528,899	24,037,560
Deferred Reserve for Amortization	D-29	124,000	124,000
Fund Balance	D-1	<u>372,209</u>	<u>257,504</u>
Total Capital Fund		<u>55,921,593</u>	<u>49,698,053</u>
		<u>\$ 60,807,411</u>	<u>56,407,762</u>

There were \$13,910,069 and \$6,426,704 of Bonds and Notes Authorized But Not Issued on December 31, 2024 and 2023 respectively (Exhibit D-30).

See accompanying notes to financial statements.

TOWNSHIP OF BLOOMFIELD**Comparative Statement of Changes in Fund Balance - Regulatory Basis****Water Utility Capital Fund****For the Years ended December 31, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
Balance, December 31	<u>\$ 257,504</u>	<u>214,964</u>
Increased By:		
Prior Year Voided Check	21,888	
Premium on Sale of Notes	<u>92,817</u>	<u>42,540</u>
	<u>114,705</u>	<u>42,540</u>
Balance, December 31	<u>\$ 372,209</u>	<u>257,504</u>

See accompanying notes to the financial statements.

TOWNSHIP OF BLOOMFIELD

Comparative Statement of Operations and Changes in
Fund Balance - Regulatory Basis

Water Utility Operating Fund

For the Years ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Revenue and Other Income:		
Fund Balance Utilized	\$ 1,822,465	1,549,561
Water Rents	8,334,672	8,463,492
Miscellaneous Revenue	101,079	291,822
Miscellaneous Revenue Not Anticipated	84,482	126,056
Liabilities Cancelled	235,665	61,146
Unexpended Balance of Appropriation Reserves	<u>520,268</u>	<u>1,575,469</u>
 Total Revenue and Other Income	<u>11,098,631</u>	<u>12,067,546</u>
Expenditures:		
Operating	8,290,032	7,919,483
Debt Service	802,119	752,807
Deferred Charges and Statutory Expenditures	567,271	552,271
Refunds - Other	<u>38</u>	<u></u>
 Total Expenditures	<u>9,659,460</u>	<u>9,224,561</u>
Excess(Deficit) in Revenues	1,439,171	2,842,985
Adjustments to Income before Surplus:		
Budget Appropriation - Surplus (General Budget)	<u>900,000</u>	<u>1,000,000</u>
Statutory Excess to Surplus	539,171	1,842,985
Fund Balance, January 1	<u>4,280,888</u>	<u>3,987,464</u>
	4,820,059	5,830,449
Decreased by:		
Anticipated as Current Fund Revenue	<u>1,822,465</u>	<u>1,549,561</u>
Balance, December 31	<u>\$ 2,997,594</u>	<u>4,280,888</u>

See accompanying notes to financial statements.

TOWNSHIP OF BLOOMFIELD

Statement of Revenues - Regulatory Basis

Water Utility Operating Fund

Year ended December 31, 2024

	<u>Anticipated</u>	<u>Realized</u>	Excess (deficit)
Operating Surplus Anticipated	\$ 1,822,465	1,822,465	
Water Rents	8,445,136	8,334,672	(110,464)
Miscellaneous	291,821	101,079	(190,742)
Miscellaneous Revenue Not Anticipated	_____	84,482	84,482
	\$ 10,559,422	10,342,698	(301,206)

Analysis of Realized Revenue

Rents	8,231,406
Overpayments Applied	<u>103,266</u>
\$ 8,334,672	

Miscellaneous

Interest on Water Bills	90,161
Meter Replacements	1,980
Ad Fee - Tax Sale	932
Sprinklers/Pipelines	771
Other Miscellaneous	7,235
	\$ 101,079

Miscellaneous Revenue Not Anticipated

Miscellaneous	6
Interest on Investments - Operating	62,987
Interest on Investments - Water Capital	21,489
	<hr/>
\$	84,482

Interfund - Due from Water Capital
 Cash Receipts
 \$ 21,489
62,993
84,482

See accompanying notes to financial statements.

TOWNSHIP OF BLOOMFIELD

Statement of Expenditures - Regulatory Basis

Water Utility Operating Fund

Year ended December 31, 2024

	Appropriations			
	<u>Budget</u>	Budget	After	Paid or
		<u>Modifi- cation</u>	<u>Charged</u>	<u>Reserved</u>
Operating:				
Salaries and Wages	\$ 2,400,000	2,320,039	2,175,210	144,829
Other Expenses	575,000	575,000	489,355	85,645
Purchase of Water	650,000	650,000	627,980	22,020
Bloomfield's Share of Costs - Wanaque North	1,075,000	1,074,523	1,074,523	
Bloomfield's Share of Costs - Wanaque South	1,575,000	1,570,470	1,570,470	
Group Insurance for Employees	2,000,000	2,000,000	2,000,000	
Liability Insurance	50,000	50,000	50,000	
Worker's Compensation Insurance	50,000	50,000	50,000	
Total Operating	8,375,000	8,290,032	8,037,538	252,494
Debt Service:				
Payment of Bond Principal	270,000	270,000	270,000	
NJ Ibank Principal and Interest	33,026	118,061	118,061	
Interest on Bonds	279,500	279,433	279,433	
Interest on Notes	134,625	134,625	134,625	
Total Debt Service	717,151	802,119	802,119	
Deferred Charges and Statutory Expenditures:				
Special Emergency Authorization - COVID-19	172,271	172,271	172,271	
Statutory Expenditures - Contribution to:				
Public Employees' Retirement System	200,000	200,000	200,000	
Social Security System (O.A.S.I.)	150,000	150,000	150,000	
Unemployment Compensation Insurance	45,000	45,000	45,000	
Total Deferred Charges and Statutory Expenditures	567,271	567,271	567,271	
Surplus (General Budget)	900,000	900,000	900,000	
	\$ 10,559,422	10,559,422	10,306,928	252,494
	Cash Disbursed	\$ 9,708,766		
	Reserve for Encumbrances	11,833		
	Accrued Interest on Notes	134,625		
	Accrued Interest on Bonds	279,433		
	Deferred Charges	172,271		
			\$ 10,306,928	

See accompanying notes to financial statements.

Exhibit E**TOWNSHIP OF BLOOMFIELD****Balance Sheet - Regulatory Basis****Parking Utility Fund****December 31, 2024 and 2023**

<u>Assets</u>	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
Operating Fund:			
Cash	E-5	\$ 2,369,645	3,324,541
Interfunds Receivable	E-7	77,000	
Prepaid Payroll	E-5	17,671	
Deferred Charges:			
Special Emergency	E-15	373,403	560,106
		<hr/>	<hr/>
Total Parking Utility Operating Fund		2,837,719	3,884,647
		<hr/>	<hr/>
Capital Fund:			
Cash	E-5,E-6	320,115	870,713
Fixed Capital	E-8	25,921,782	25,921,782
Fixed Capital Authorized and Uncompleted	E-9	4,500,000	4,500,000
Interfunds Receivable	E-10		
		<hr/>	<hr/>
Total Parking Capital Fund		30,741,897	31,292,495
		<hr/>	<hr/>
	\$	33,579,616	35,177,142
		<hr/>	<hr/>

Exhibit E**TOWNSHIP OF BLOOMFIELD****Balance Sheet - Regulatory Basis****Parking Utility Fund****December 31, 2024 and 2023**

<u>Liabilities, Reserves and Fund Balance</u>	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
Operating Fund:			
Appropriation Reserves	E-4	\$ 215,491	112,435
Reserve for Encumbrances	E-4/E-12	71,443	35,335
Accrued Interest on Bonds	E-13	20,877	20,877
Accrued Interest on Notes	E-14	120,833	120,833
Accounts Payable	E-16	35,247	35,247
		463,891	324,727
Fund Balance	E-1	2,373,828	3,559,920
		2,837,719	3,884,647
Total Parking Utility Operating Fund			
Capital Fund:			
Serial Bonds Payable	E-17	17,072,000	11,480,000
Bond Anticipation Notes Payable	E-18	6,924,000	12,694,000
Improvement Authorizations:			
Funded	E-19	199,175	
Unfunded	E-19	157,920	794,018
Contracts Payable	E-19	185,260	415,398
Interfund Payable	E-10	77,000	
Reserve for Amortization	E-20	5,925,782	5,747,782
Reserve for Escrow	E-21	57,233	57,233
Fund Balance	E-2	143,527	104,064
		30,741,897	31,292,495
Total Parking Utility Capital Fund			
		\$ 33,579,616	35,177,142

There were \$500,000 and \$500,000 of Bonds and Notes Authorized But Not Issued on December 31, 2024 and December 31, 2023 respectively (Exhibit E-22).

See accompanying notes to financial statements.

TOWNSHIP OF BLOOMFIELD

Statement of Operations and Changes in
Fund Balance - Regulatory Basis

Parking Utility Operating Fund

For the Year ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Revenue and Other Income:		
Fund Balance Utilized	\$ 1,537,611	1,330,733
Parking Meter	810,824	654,053
Parking Permit Revenue	840,141	803,458
PILOT Revenue	1,204,158	720,003
Miscellaneous	32,011	30,705
Other		
Prior year voided checks	9,009	
Liabilities Cancelled		6,158
Unexpended Balance of Appropriation Reserves	83,471	494,493
	<u>4,517,225</u>	<u>4,039,603</u>
Total Revenue and Other Income	<u>4,517,225</u>	<u>4,039,603</u>
Expenditures:		
Operating	1,680,000	1,285,964
Debt Service	1,260,066	990,536
Deferred Charges and Statutory Expenditures	331,703	281,703
Prior year deposit transit cancelled	43,937	
	<u>3,315,706</u>	<u>2,558,203</u>
Total Expenditures	<u>3,315,706</u>	<u>2,558,203</u>
Excess(Deficit) in Revenues	1,201,519	1,481,400
Adjustments to Income before Surplus:		
Budget Appropriation - Surplus (General Budget)	<u>850,000</u>	<u>500,000</u>
Statutory Excess to Surplus	351,519	981,400
Fund Balance, January 1	<u>3,559,920</u>	<u>3,909,253</u>
Decreased by:		
Anticipated as Current Fund Revenue	<u>1,537,611</u>	<u>1,330,733</u>
Balance, December 31,	<u>\$ 2,373,828</u>	<u>3,559,920</u>

See accompanying notes to financial statements.

Exhibit E-2

TOWNSHIP OF BLOOMFIELD

Statement of Changes in Fund Balance - Regulatory Basis

Parking Utility Capital Fund

For the Years ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Balance, December 31	\$ 104,064	76,758
Increased By:		
Premium on Note Sale	18,972	27,306
Premium on Bond Sale	<u>20,491</u>	<u> </u>
	<u>39,463</u>	<u>27,306</u>
Balance, December 31	<u><u>\$ 143,527</u></u>	<u><u>104,064</u></u>

See accompanying notes to the financial statements.

TOWNSHIP OF BLOOMFIELD

Statement of Revenues - Regulatory Basis

Parking Utility Operating Fund

Year ended December 31, 2024

	<u>Anticipated</u>	<u>Realized</u>	Excess (deficit)
Operating Surplus Anticipated	\$ 1,537,611	1,537,611	
Parking Meter	654,000	810,824	156,824
Parking Permit Revenue	803,000	840,141	37,141
PILOT Revenue	1,204,158	1,204,158	
Miscellaneous	<hr/>	32,011	<hr/> 32,011
	\$ <u>4,198,769</u>	<u>4,424,745</u>	<u>225,976</u>

Analysis of Realized Revenue

Cash Receipts - Anticipated Revenue	\$ 2,855,123
Cash Receipts - Miscellaneous Revenue	<hr/> 32,011
	\$ <u>2,887,134</u>

Analysis of Miscellaneous Revenue

Interest on Investments	<hr/> 32,011
	\$ <u>32,011</u>

See accompanying notes to financial statements.

Exhibit E-4

TOWNSHIP OF BLOOMFIELD

Statement of Expenditures - Regulatory Basis

Parking Utility Operating Fund

Year ended December 31, 2024

	<u>Appropriations</u>				
	<u>Budget</u>	<u>Budget</u> After Modifi- cation	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Canceled</u>
Operating:					
Salaries and Wages	\$ 660,000	660,000	549,591	110,409	
Other Expenses	500,000	500,000	394,918	105,082	
Group Insurance for Employees	400,000	400,000	400,000		
Liability Insurance	75,000	75,000	75,000		
Worker's Compensation Insurance	45,000	45,000	45,000		
Total Operating	1,680,000	1,680,000	1,464,509	215,491	
Debt Service:					
Payment of Bond Principal	140,000	140,000	140,000		
Payment of Bond Anticipation and Capital Notes	115,000	115,000	38,000	77,000	
Interest on Bonds	501,050	501,050	501,050		
Interest on Bond Anticipation Notes	581,016	581,016	581,016		
Total Debt Service	1,337,066	1,337,066	1,260,066	77,000	

Exhibit E-4

TOWNSHIP OF BLOOMFIELD

Statement of Expenditures - Regulatory Basis

Parking Utility Operating Fund

Year ended December 31, 2024

	Appropriations				
	<u>Budget</u>	<u>Budget</u> After Modifi- cation	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Canceled</u>
Deferred Charges and Statutory Expenditures:					
Deferred Charges:					
Special Emergency Authorization - 5 Years (N.J.S. 40A:4-55)	186,703	186,703		186,703	
Statutory Expenditures - Contribution to:					
Public Employees' Retirement System	75,000	75,000		75,000	
Social Security System (O.A.S.I.)	45,000	45,000		45,000	
Unemployment Compensation Insurance	25,000	25,000		25,000	
Total Deferred Charges and Statutory Expenditures	<u>331,703</u>	<u>331,703</u>		<u>331,703</u>	
Surplus in Operations	<u>850,000</u>	<u>850,000</u>		<u>850,000</u>	
\$ 4,198,769	<u>4,198,769</u>		<u>3,906,278</u>	<u>215,491</u>	<u>77,000</u>
Cash Disbursed	\$ 2,566,067				
Deferred Charges	186,703				
Reserve for Encumbrances	71,443				
Accrued Interest on Bonds	501,050				
Accrued Interest on Notes	581,016				
	<u>\$ 3,906,278</u>				

See accompanying notes to financial statements.

Exhibit F**TOWNSHIP OF BLOOMFIELD, N.J.****Comparative Balance Sheet-Regulatory Basis****Payroll Account****December 31, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
<u>Assets</u>		
Cash - Payroll Agency	\$ 2,049,219	393,504
Cash - Net Payroll	—————	4,360
	<u>\$ 2,049,219</u>	<u>397,864</u>
<u>Reserves</u>		
Due to Current Fund - Payroll Agency	\$ 21,886	
Due to Water Utility Operating		38,621
Reserve for:		
Net Payroll	4,360	
Payroll Deductions and Withholdings	—————	332,997
	<u>\$ 2,049,219</u>	<u>397,864</u>

See accompanying notes to financial statements.

Exhibit G**TOWNSHIP OF BLOOMFIELD****Comparative Statement of General Fixed Assets - Regulatory Basis****December 31, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
<u>General Fixed Assets:</u>		
Land & Buildings	\$ 45,966,562	45,458,098
Furniture and Fixtures	130,816	108,761
Vehicles	8,387,509	8,003,987
Machinery and Equipment	<u>11,747,513</u>	<u>9,832,501</u>
	<u>\$ 66,232,400</u>	<u>63,403,347</u>
Investment in Fixed Assets	<u>\$ 66,232,400</u>	<u>63,403,347</u>

See accompanying notes to financial statements.

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The financial statements of the Township of Bloomfield have been prepared in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the Division) which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township accounts for its financial transactions through the following separate funds which differ from the fund structure required by GAAP.

A. Reporting Entity

The Township of Bloomfield (the Township) operates under a Mayor/Council form of government. The Township's major operations include public safety, road repair and maintenance, sanitation, fire protection, recreation and parks, health services, and general administrative services.

GASB has issued Statement No. 14 which requires the financial reporting entity to include both the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component units board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

However, the municipalities in the State of New Jersey do not prepare financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements. The financial statements contained herein include only those boards, bodies, officers or commissions as required by NJS 40A:5-5. Accordingly, the financial statements of the Township do not include the volunteer fire department which is considered a component unit under GAAP. Complete financial statements of the above components can be obtained by contacting the Treasurer of the respective entity.

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation

The Township uses funds, as required by the Division, to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial administration by segregating transactions related to certain Township functions or activities. An account group, on the other hand, is designed to provide accountability for certain assets and liabilities that are not recorded in those Funds.

The Township has the following funds and account group:

Current Fund - This fund accounts for resources and expenditures for governmental operations of a general nature, including Federal and State grants.

Trust Funds - Trust Funds are used to account for assets held by the government in a trustee capacity. Funds held by the Township as an agent for individual, private organizations, or other governments are recorded in the Trust Funds.

Other Trust Fund - This fund is established to account for the assets and resources which are also held by the Township as a trustee or agent for individuals, private organizations, other governments and/or other funds.

Animal License Trust Fund - This fund is used to account for fees collected from dog licenses and expenditures which are regulated by NJS 4:19-15.11.

Community Development Block Grant Trust Fund - This fund is used to account for the award of and subsequent receipt and disbursements related to Community Development Block Grants and Section 8 Voucher Program.

General Capital Fund - This fund is used to account for the receipt and disbursement of funds used for acquisition or improvement of general capital facilities, other than those acquired in the Current Fund.

Water Utility Operating Fund - This fund is used to account for all revenues and expenditures applicable to the operations of the water department.

Water Utility Capital Fund - This fund is used to account for financial resources to be used for the acquisition or improvement of water capital facilities. The major resources are derived from the issuance of debt.

Parking Utility Operating Fund - This fund is used to account for all revenues and expenditures applicable to the operations of the parking department.

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation, (continued)

Parking Utility Capital Fund - This fund is used to account for financial resources to be used for the acquisition or improvement of parking capital facilities. The major resources are derived from the issuance of debt.

General Fixed Assets Account Group - To account for all fixed assets of the Township. The Township's infrastructure is not reported in the group.

Basis of Accounting

A modified accrual basis of accounting is followed by the Township of Bloomfield. Under this method of accounting revenues, except State/Federal Aid, are recognized when received and expenditures are recorded, when incurred. The accounting principles and practices prescribed for municipalities by the Division differ in certain respects from accounting principles generally accepted in the United States of America (GAAP) applicable to local government units. The more significant differences are as follows:

Property Tax Revenues - Real property taxes are assessed locally, based upon the assessed value of the property. The tax bill includes a levy for Municipal, County, and School purposes. The bills are mailed annually in June for that calendar year's levy. Taxes are payable in four quarterly installments on February 1, May 1, August 1, and November 1. The amounts of the first and second installments are determined as one quarter of the total tax levied against the property for the preceding year. The installment due the third and fourth quarters is determined by taking the current year levy less the amount previously charged for the first and second installments, with the remainder being divided equally. If unpaid on these dates, the amount due becomes delinquent and subject to interest at 8% per annum, or 18% on any delinquency amount in excess of \$1,500. Additionally, a 6% penalty is assessed for balances over \$10,000 if not paid by the end of the calendar year. The school levy is turned over to the Board of Education as expenditures are incurred, and the balance, if any, must be transferred as of June 30, of each fiscal year. County taxes are paid quarterly on February 15, May 15, August 15 and November 15, to the County by the Township. When unpaid taxes or any municipal lien, or part thereof, on real property, remains in arrears on the 11th day of the 11th month of the current calendar year levy when the same became in arrears, the collector in the municipality shall subject to the provisions of the New Jersey Statutes enforce the lien by placing the property on a tax sale. Annual in rem tax foreclosure proceedings are instituted to enforce the tax collection or acquisition of title to the property by the Township. In accordance with the accounting principles prescribed by the State of New Jersey, current and delinquent taxes are realized as revenue when collected. Since delinquent taxes and liens are fully reserved, no provision has been made to estimate that portion of the taxes receivable and tax title liens that are uncollectible. GAAP requires property tax revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation, (continued)

Basis of Accounting, (continued)

Miscellaneous Revenues - Miscellaneous revenues are recognized on a cash basis. Receivables for the miscellaneous items that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the Township's Current Fund and Water Utility Operating Fund. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

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

Budgets and Budgetary Accounting - An annual budget is required to be adopted and integrated into the accounting system to provide budgetary control over revenues and expenditures for the Current Fund and Water Utility Fund and Parking Utility Fund. Budget amounts presented in the accompanying financial statements represent amounts adopted by the Township and approved by the State Division of Local Government Services per N.J.S.A. 40A:4 et seq.

The Township is not required to adopt budgets for the following funds:

General Capital Fund
Trust Fund
Water Utility Capital Fund
Parking Utility Capital Fund

The governing body shall introduce and approve the annual budget not later than March 29, of the fiscal year. The budget shall be adopted not later than April 30, and prior to adoption must be certified by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The Director of the Division of Local Government Services, with the approval of the Local Finance Board may extend the introduction and approval and adoption dates of the municipal budget. The budget is prepared by fund, function, activity and line item (salary or other expense) and includes information on the previous year. The legal level of control for appropriations is exercised at the individual line item level for all operating budgets adopted. Emergency appropriations, those made after the adoption of the budget and determination of the tax rate, may be authorized by the governing body of the municipality.

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation, (continued)

Basis of Accounting, (continued)

During the years ended December 31, 2024 and 2023, the Governing Body approved additional revenues and appropriations of \$1,732,633 and \$6,963,212, respectively, in accordance with N.J.S.A. 40A:4-87. In addition, several budget transfers were approved by the Governing Body in 2024 and 2023.

Expenditures - Are recorded on the budgetary basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with an encumbrance accounting system. Outstanding encumbrances at December 31, are reported as a cash liability in the financial statements. Unexpended or uncommitted appropriations, at December 31, are reported as expenditures through the establishment of appropriation reserves unless canceled by the governing body. GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.

Encumbrances - Contractual orders outstanding at December 31, are reported as expenditures through the establishment of an encumbrance payable. Encumbrances do not constitute expenditures under GAAP.

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

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

Property Acquired for Taxes - Is recorded in the Current Fund at the assessed valuation when such property was acquired and fully reserved. GAAP requires such property to be recorded in the General Fixed Assets Account Group at market value on the date of acquisition.

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

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation, (continued)

Basis of Accounting, (continued)

Inventories - 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 balance sheets.

Cash and Investments - Cash includes amounts in demand deposits as well as short-term investments with a maturity date within one year of the date acquired by the government. Investments are stated at fair value which approximates cost and are limited by N.J.S.A. 40A:5-15.1(a).

Deferred Charges to Future Taxation Funded and Unfunded - Upon the authorization of capital projects, the Township establishes deferred charges for the costs of the capital projects to be raised by future taxation. Funded deferred charges relate to permanent debt issued, whereas unfunded deferred charges relate to temporary or non-funding of the authorized cost of capital projects. According to N.J.S.A. 40A:2-4, the Township may levy taxes on all taxable property within the local unit to repay the debt. Annually, the Township raises the debt requirements for that particular year in the current budget. As the funds are raised by taxation, the deferred charges are reduced.

General Fixed Assets - The Township of Bloomfield has developed a fixed assets accounting and reporting system, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles.

Fixed assets used in governmental operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain (infrastructure) general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

Fixed assets acquired by the Water and Parking Utility Funds are capitalized as Fixed Capital and not depreciated.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available.

No depreciation has been provided for in the financial statements.

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation, (continued)

Basis of Accounting, (continued)

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

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

GAAP requires that fixed assets be capitalized at historical or estimated historical cost if actual historical cost is not available.

Use of Estimates - The preparation of financial statements requires management of the Township to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Comparative Data - Comparative data for the prior year has been presented in the accompanying balance sheets and statements of operations in order to provide an understanding of changes in the Township's financial position and operations. However, comparative data have not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand.

Recent Accounting Pronouncements

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

GASB Statement No. 101, Compensated Absences. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. As a result of the regulatory basis of accounting described in note 1, this Statement will have no impact on the financial statements of the Township.

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation, (continued)

Recent Accounting Pronouncements, (continued)

The Governmental Accounting Standards Board (GASB) has issued the following statements that have effective dates that may affect future financial presentations:

In December 2023, the Government Accounting Standards Board issued GASB Statement No. 102, Certain Risk Disclosures. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Management is currently evaluating whether or not this Statement will have an impact on the basic financial statements of the Township.

In April 2024, the Government Accounting Standards Board issued GASB Statement No. 103, Financial Reporting Model Improvements. The objective of this Statement is to improve key components of the financial reporting model to enhance its' effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter, though, earlier application is encouraged. Management is currently reviewing the provisions of this Statement and plans to implement, as needed, before the effective date.

C. Basic Financial Statements

The GASB Codification also defines the financial statements of a governmental unit to be presented in the general purpose financial statements to be in accordance with GAAP. The Township presents the financial statements listed in the table of contents which are required by the Division and which differ from the financial statements required by GAAP. In addition, the Division requires the financial statements listed in the table of contents to be referenced to the supplementary schedules. This practice differs from GAAP.

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Township's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A:5-15.1(a) that are treated as cash equivalents. As of December 31, 2024 and 2023, \$-0- of the Township's bank balance of \$31,282,227 and \$45,348,762, respectively, was exposed to custodial credit risk.

Investments

Investment Rate Risk

The Township does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 40A:5-15.1(a) limits the length of time for most investments to 397 days.

Credit Risk

New Jersey Statutes 40A:5-15.1(a) limits municipal investments to those specified in the Statutes. The type of allowance investments are Bonds of the United States of America, bonds or other obligations of the towns or bonds or other obligations of the local unit or units within which the town is located: obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

Concentration of Credit Risk

The Township places no limit on the amount the Township may invest in any one issuer.

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 3. MUNICIPAL DEBT

Long-term debt as of December 31, 2024 and 2023 consisted of the following:

	Balance Dec. 31, 2023	Additions	Reductions	Balance Dec. 31, 2024	Amounts Due Within One Year
Bonds Payable - General					
General Capital Fund	56,589,000	20,170,000	3,980,000	72,779,000	3,390,000
Water Utility Capital Fund	7,562,000	2,840,000	270,000	10,132,000	400,000
Parking Utility Capital Fund	11,480,000	5,732,000	140,000	17,072,000	380,000
Other Liabilities:					
PERS/PFRS Deferral	308,885	333,057	(*)	308,885	333,057
Demolition Loan Payable	-	1,500,000		1,500,000	150,000
NJ Infrastructure Bank Loan Payable	1,003,517	5,286,918	61,339	6,229,096	172,008
Green Trust Loan Payable	230,874		39,808	191,066	40,384
Compensated Absences Payable	<u>6,557,771</u>	<u>941,885</u>	<u>158,435</u>	<u>7,341,221</u>	<u>-</u>
	<u>\$83,732,047</u>	<u>\$ 36,803,860</u>	<u>\$ 4,958,467</u>	<u>\$ 115,577,440</u>	<u>\$ 4,865,449</u>

(*) Balance was adjusted to reflect the payment of interest against principal in prior years.

	Balance Dec. 31, 2022	Additions	Reductions	Balance Dec. 31, 2023	Amounts Due Within One Year
Bonds Payable:					
General Capital Fund	\$60,469,000	\$	\$3,880,000	\$56,589,000	\$3,980,000
Water Capital Fund	7,827,000		265,000	7,562,000	270,000
Parking Utility Capital Fund	11,580,000		100,000	11,480,000	140,000
Other Liabilities:					
PERS/PFRS Pension Deferral	448,912	144,696	*	284,723	308,885
NJ Infrastructure Bank Loan					
Green Acres Trust Loan Payable	270,118		39,244	230,874	39,808
Compensated Absences Payable	<u>4,998,078</u>	<u>2,346,163</u>	<u>786,470</u>	<u>6,557,771</u>	<u>-</u>
	<u>\$85,593,108</u>	<u>\$3,494,376</u>	<u>\$5,355,437</u>	<u>\$83,732,047</u>	<u>\$4,746,612</u>

(*) Balance was adjusted to reflect the payment of interest against principal in prior years.

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 3. MUNICIPAL DEBT, (continued)

The Local Bond Law governs the issuance of bonds and notes to finance capital expenditures. General obligation bonds have been issued for the general capital fund. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township. Bond anticipation notes, which are issued to temporarily finance capital projects, must be paid off within ten years and five months or retired by the issuance of bonds.

The Township's debt is summarized as follows:

Summary of Municipal Debt (Excluding Current Operating Debt)

	<u>Year 2024</u>	<u>Year 2023</u>	<u>Year 2022</u>
<u>Issued:</u>			
General - Bonds, Notes and Loans	\$ 74,470,066	\$ 78,055,174	\$ 74,139,120
Water Utility - Bonds, Notes and Loans	17,368,087	17,342,791	13,827,803
Parking Utility - Bonds, Notes and Loans	<u>23,996,000</u>	<u>24,174,000</u>	<u>20,389,000</u>
	<u>115,834,153</u>	<u>119,571,965</u>	<u>108,355,923</u>
<u>Authorized not Issued</u>			
General - Bonds, Notes and Loans	19,887,157	20,553,162	16,039,345
Water Utility - Bonds, Notes and Loans	13,910,069	6,426,704	10,725,749
Parking Utility - Bonds, Notes and Loans	<u>500,000</u>	<u>500,000</u>	<u>4,500,000</u>
	<u>34,297,226</u>	<u>27,479,866</u>	<u>31,265,094</u>
Total Bonds, Notes and Loans Issued and Authorized But Not Issued	<u>150,131,379</u>	<u>147,051,831</u>	<u>139,621,017</u>
<u>Less:</u>			
Reserve for payment of debt	<u>3,309,557</u>	<u>29,557</u>	<u>29,557</u>
Net Bonds and Notes Issued and Authorized But Not Issued	<u>\$ 146,821,822</u>	<u>\$ 147,022,274</u>	<u>\$ 139,591,460</u>

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 3. MUNICIPAL DEBT, (continued)

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 1.342% for 2024.

<u>2024</u>	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
School District Debt	\$ 7,750,000	\$ 7,750,000	\$ -
General Debt	94,357,225	3,309,557	91,047,668
Water Utility Debt	31,278,156	29,666,530	1,611,626
Parking Utility Debt	<u>24,496,000</u>	<u>24,496,000</u>	<u>-</u>
	<u><u>\$ 157,881,381</u></u>	<u><u>\$ 65,222,087</u></u>	<u><u>\$ 92,659,294</u></u>

Net debt of \$92,659,294 divided by equalized valuation basis per N.J.S.A. 40A:2-2 as amended of \$6,906,431,981 equals 1.342%.

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 1.598% for 2023.

<u>2023</u>	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
School District Debt	\$ 9,865,000	\$ 9,865,000	\$ -
General Debt	98,608,336	29,557	98,578,779
Water Utility Debt	23,769,495	23,769,495	-
Parking Utility Debt	<u>24,674,000</u>	<u>24,674,000</u>	<u>-</u>
	<u><u>\$ 156,916,831</u></u>	<u><u>\$ 58,338,052</u></u>	<u><u>\$ 98,578,779</u></u>

Net debt of \$98,578,779 divided by equalized valuation basis per N.J.S.A. 40A:2-2 as amended of \$6,170,239,663 equals 1.598%.

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

	<u>2024</u>	<u>2023</u>
3 1/2% of Equalized Valuation Basis (Municipal)	\$ 241,725,119	\$ 215,958,388
Net Debt	<u>92,659,294</u>	<u>98,578,779</u>
Remaining Borrowing Power	<u><u>\$ 149,065,825</u></u>	<u><u>\$ 117,379,609</u></u>

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 3. MUNICIPAL DEBT, (continued)

Calculation of " Self-Liquidating Purpose", Water Utility Per N.J.S.A. 40A:2-45

	<u>2024</u>	<u>2023</u>
Cash receipts from fees, rents or other charges for year	\$ 10,342,698	\$ 10,430,931
Deductions:		
Operating and Maintenance Cost	8,857,303	8,672,290
Debt Services per Water Account	802,119	552,271
Total Deductions	<u>9,659,422</u>	<u>9,224,561</u>
Excess (Deficit) in Revenue - Self Liquidating	<u>\$ 683,276</u>	<u>\$ 1,206,370</u>

Calculation of " Self-Liquidating Purpose", Parking Utility Per N.J.S.A. 40A:2-45

	<u>2024</u>	<u>2023</u>
Cash receipts from fees, rents or other charges for year	\$ 4,424,745	\$ 3,538,952
Deductions:		
Operating and Maintenance Cost	2,011,703	1,380,964
Debt Services per Water Account	<u>1,260,066</u>	<u>990,536</u>
Total Deductions	<u>3,271,769</u>	<u>2,371,500</u>
Excess (Deficit) in Revenue - Self Liquidating	<u>\$ 1,152,976</u>	<u>\$ 1,167,452</u>

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TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 3. MUNICIPAL DEBT, (continued)

The Township's long-term debt consisted of the following at December 31, 2024 and 2023.

<u>General Obligation Bonds - Paid by Current Fund</u>	<u>2024</u>	<u>2023</u>
\$4,374,000, 2012B General Improvement Bonds, due in annual installments of \$120,000 to \$235,000 through January 2042, interest at 3.00% to 5.00%	\$ 2,935,000	\$ 3,055,000
\$5,663,000, 2013 General Improvement Bonds, due in annual installments of \$180,000 to \$350,000 through January 2038, interest at 2.00% to 4.00%	3,645,000	3,835,000
\$9,905,000, 2015 Refunding Bonds, due in annual installments of \$100,000 to \$1,500,000 through June 2024, interest at 2.00% to 4.00%	-	1,500,000
\$19,950,000, 2018 General Improvement Bonds, due in annual installments of \$555,000 to \$3,210,000 through February 2044, interest at 3.00% to 5.00%	16,530,000	17,125,000
\$4,808,000, 2018 General Improvement Bonds, due in annual installments of \$135,000 to \$1,108,000 through February 2048, interest at 3.75% to 5.00%	3,998,000	4,133,000
\$13,731,000, 2019 General Improvement Bonds, due in annual installments of \$565,000 to \$1,121,000 through February 2035, interest at 2.00% to 4.00%	10,281,000	11,036,000
\$14,630,000, 2020 General Improvement Bonds, due in annual installments of \$395,000 to \$745,000 through February 2045, interest at 3.50% to 5.00%	12,750,000	13,250,000
\$2,830,000, 2021 General Improvement Refunding Bonds, due in annual installments of \$175,000 to \$310,000 through January 2034, interest at 4.00%	2,470,000	2,655,000
\$20,170,000, 2024 General Improvement Bonds, due in annual installments of \$860,000 to \$1,715,000 through January 2039, interest at 4.00% to 5.00%	<u>20,170,000</u>	<u>-</u>
	<u>\$ 72,779,000</u>	<u>\$ 56,589,000</u>

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 3. MUNICIPAL DEBT, (continued)

Water Utility Bonds - Paid by Water Utility Fund

	<u>2024</u>	<u>2023</u>
\$5,387,000, 2018 Water Utility Capital Bonds, due in annual installments of \$155,000 to \$307,000 through February 2044, interest at 3.00% to 5.00%	\$ 4,592,000	\$ 4,757,000
\$3,100,000, 2020 Water Utility Bonds, due in annual installments of \$85,000 to \$160,000 through February 2045, interest at 3.50% to 5.00%	2,700,000	2,805,000
\$2,840,000, 2024 Water Utility Bonds, due in annual installments of \$120,000 to \$240,000 through January 2039, interest at 4.00% to 5.00%	2,840,000	-
	<u>\$ 10,132,000</u>	<u>\$ 7,562,000</u>

Parking Utility Bonds - Paid by Parking Utility Fund

	<u>2024</u>	<u>2023</u>
\$11,825,000, 2019 Refunding Bonds, due in annual installments of \$30,000 to \$1,420,000 through December 2040, interest at 3.00% to 5.00%	\$ 11,340,000	\$ 11,480,000
\$5,732,000, 2024 Parking Utility Revenue Bonds, Series 2024 (Federally Taxable), due in annual installments of \$200,000 to \$397,000 through January 15, 2044, interest at 4.850% to 5.250%	5,732,000	-
	<u>\$ 17,072,000</u>	<u>\$ 11,480,000</u>

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TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 3. MUNICIPAL DEBT, (continued)

Aggregate debt service requirements during the next five years and thereafter are as follows:

Year	General Capital Debt							
	Serial Bonds		Green Acres Loans		Demolition Loan		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Interest	
2025	\$ 3,390,000	\$ 3,040,212	\$ 40,383	\$ 1,772	\$ 150,000	\$ 6,000	\$ 6,628,367	
2026	3,690,000	2,610,072	40,970	1,185	150,000	6,000	6,498,227	
2027	3,790,000	2,444,772	30,531	587	150,000	6,000	6,421,890	
2028	3,910,000	2,280,372	18,124	317	150,000	6,000	6,364,813	
2029	4,035,000	2,117,247	18,263	178	150,000	6,000	6,326,688	
2030-2034	22,385,000	8,020,000	42,795	36	750,000	30,000	31,227,831	
2035-2039	18,526,000	4,067,702	-	-	-	-	22,593,702	
2040-2044	11,200,000	1,556,503	-	-	-	-	12,756,503	
2045-2048	1,853,000	173,898	-	-	-	-	2,026,898	
	<u>\$ 72,779,000</u>	<u>\$ 26,310,778</u>	<u>\$ 191,066</u>	<u>\$ 4,075</u>	<u>\$ 1,500,000</u>	<u>\$ 60,000</u>	<u>\$ 100,844,919</u>	

Year	Water Utility Capital				Total Debt	
	Serial Bonds		NJ Infrastructure Bank Loans		Service	
	Principal	Interest	Principal	Interest		
2025	\$ 400,000	\$ 422,346	\$ 172,008	\$ 164,646	\$ 1,159,000	
2026	435,000	364,182	177,008	160,646	1,136,836	
2027	450,000	343,833	182,008	156,396	1,132,237	
2028	460,000	323,732	187,008	151,896	1,122,636	
2029	475,000	303,908	197,008	147,146	1,123,062	
2030-2034	2,580,000	1,213,509	1,065,040	651,979	5,510,528	
2035-2039	3,000,000	699,191	1,217,454	493,899	5,410,544	
2040-2044	2,172,000	233,434	945,645	344,193	3,695,272	
2045-2049	160,000	3,200	1,098,753	193,943	1,455,896	
2050-2053	-	-	987,164	51,138	1,038,302	
	<u>\$ 10,132,000</u>	<u>\$ 3,907,335</u>	<u>\$ 6,229,096</u>	<u>\$ 2,515,882</u>	<u>\$ 22,784,313</u>	

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 3. MUNICIPAL DEBT, (continued)

<u>Year</u>	<u>Parking Utility Capital</u>		<u>Total Debt</u>	
	<u>Serial Bonds</u>			
	<u>Principal</u>	<u>Interest</u>		
2025	\$ 380,000	\$ 875,482	\$ 1,255,482	
2026	440,000	761,873	1,201,873	
2027	495,000	739,748	1,234,748	
2028	560,000	714,748	1,274,748	
2029	645,000	685,811	1,330,811	
2030-2034	4,410,000	2,856,428	7,266,428	
2035-2039	6,915,000	1,575,696	8,490,696	
2040-2044	<u>3,227,000</u>	<u>297,467</u>	<u>3,524,467</u>	
	<u>\$ 17,072,000</u>	<u>\$ 8,507,253</u>	<u>\$ 25,579,253</u>	

General capital, water capital, parking utility capital and assessment serial bonds and loans payable are direct obligations of the Township for which its full faith and credit are pledged, and are payable from taxes levied on all taxable property located within the Township and/or water and parking utilities revenues and special assessments.

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TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 4. INTERGOVERNMENTAL LOANS PAYABLE

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

	<u>2024</u>	<u>2023</u>
Halcyon Park Redevelopment loan #0702-01-052 at a rate of 2% for a term of 20 years in the amount of \$105,000 with semi-annual loan repayments of \$3,265 made on January 13 and July 13 of each year through January 2027.	\$ 15,844	\$ 21,964
Halcyon Park Redevelopment loan #0702-01-052A at a rate of 2% for a term of 20 years in the amount of \$26,356 with semi-annual loan repayments of \$819 made on January 5 and July 5 of each year through July 2027.	4,750	6,271
Clark's Pond loan #0702-04-040 at a rate of 2% for a term of 20 years in the amount of \$250,000 with semi-annual loan repayments of \$7,773 made on January 16 and July 16 of each year through January 2027.	37,725	52,297
Bloomfield Skate Park loan #0702-05-023 at a rate of 2% for a term of 20 years in the amount of \$116,400 with semi-annual loan repayments of \$3,619 made on March 11 and September 11 of each year through March 2030.	37,521	43,913
Bloomfield Upper Memorial Park loan #0702-05-024 at a rate of 0% for a term of 39 years in the amount of \$218,460 with semi-annual loan repayments of \$5,602 made on January 12 and July 12 of each year through January 2033.	95,226	106,429
	<u><u>\$ 191,066</u></u>	<u><u>\$ 230,874</u></u>

The Township entered into a loan with the Department of Community Affairs for participation in the Urban and Rural Centers Unsafe Buildings Demolition Bond Loan Program as follows:

	<u>2024</u>	<u>2023</u>
Demolition Bond Loan Program #24-01051 at a rate of 4% for a term of 10 years in the amount of \$1,500,000 with annual loan repayments of \$150,000 due on October 11 of each year through October 2034.	<u><u>\$ 1,500,000</u></u>	<u><u>\$ -</u></u>

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 5. INTERGOVERNMENTAL NOTES PAYABLE

The Township received temporary loan proceeds from the New Jersey Infrastructure Bank in anticipation of finalizing loans related to the replacement of water meters and the construction of a booster station. Proceeds of \$6,293,909 have been received since August 4, 2020 and mature no later than June 30, 2025 at 0%. Repayment of this loan will be offset by loan agreements entered into with the New Jersey Environmental Infrastructure Bank when project costs are finalized. The Township finalized Project S340516-01 in the amount of \$5,286,918 on June 3, 2024. Temporary loan proceeds at December 31, 2024 are \$1,006,991 and are related to the Construction of a Booster Station, Project W0702001-005.

The Township has entered into 5 loans with the New Jersey Infrastructure Bank to finance the replacement of lead services lines and water meters.

	<u>2024</u>	<u>2023</u>
Lead Service Line Replacement Trust loan W0702001-005 entered into on December 15, 2023 in the amount of \$726,366 at rates of 3.03-5.00% payable in annual installments of \$30,000 to \$65,506.	\$ 726,366	\$ 726,366
Lead Service Line Replacement Trust loan W0702001-003 entered into on December 15, 2023 in the amount of \$91,048 at rates of 3.03-5.00% payable in annual installments of \$5,000 to \$10,000.	91,048	91,048
Lead Service Line Replacement Fund loan W0702001-003 entered into on December 15, 2023 in the amount of \$186,103 at 0% interest payable in semi-annual installments of \$3,960 and \$7,919.	178,184	186,103
Water Meter Replacement Trust loan S340 516-01 entered into on August, 30, 2024 in the amount of \$2,909,756 at rates of 3.03-5.00% payable in annual installments of \$45,000 to 174,412.	2,909,756	-
Water Meter Replacement Fund Loan S340 516-01 entered into on August 30, 2024, in the amount of \$2,377,162 at 0% interest payable in semi-annual installments of \$26,710 and \$53,419.	2,323,742	-
	<u>\$ 6,229,096</u>	<u>\$ 1,003,517</u>

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 6. BOND ANTICIPATION NOTES

The Township issues bond anticipation notes to temporarily fund various capital projects prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. Generally, such notes must be paid no later than the first day of the fifth month following the close of the tenth anniversary of the date of the original note. The State of New Jersey also prescribes that on or before the third anniversary date of the original note a payment of an amount at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid or retired. A second and third legal installment must be paid if the notes are to be renewed beyond the fourth and fifth anniversary date of the original issuance.

On December 31, 2024, and 2023, the Township had \$-0- and \$21,235,300, respectively, in outstanding General Capital bond anticipation notes, and \$-0- and \$3,000,000, respectively, in outstanding Water Utility Capital bond anticipation notes. The Township also had \$6,924,000 and \$12,694,000, respectively, in outstanding Parking Utility bond anticipation notes.

The following activity related to bond anticipation notes occurred during the periods ended December 31, 2024, and 2023:

	<u>Beginning Balance</u>		<u>Additions</u>		<u>Reductions</u>		<u>Ending Balance</u>
<u>2024</u>							
General Capital Notes Payable:							
JP Morgan Securities LLC	\$ 18,290,300		\$ -		\$ 18,290,300		\$ -
Piper Sandler & Co.	<u>2,945,000</u>		<u>-</u>		<u>2,945,000</u>		<u>-</u>
	<u>21,235,300</u>		<u>-</u>		<u>21,235,300</u>		<u>-</u>
Water Utility Capital Notes Payable:							
JP Morgan Securities LLC	<u>3,000,000</u>		<u>-</u>		<u>3,000,000</u>		<u>-</u>
Parking Utility Capital Notes Payable:							
Fidelity Capital Markets	8,694,000		-		8,694,000		-
Piper Sandler & Co.	4,000,000		-		4,000,000		-
Oppenheimer & Co., Inc.	<u>-</u>		<u>6,924,000</u>		<u>-</u>		<u>6,924,000</u>
	<u>12,694,000</u>		<u>6,924,000</u>		<u>12,694,000</u>		<u>6,924,000</u>
	<u><u>\$ 36,929,300</u></u>		<u><u>\$ 6,924,000</u></u>		<u><u>\$ 36,929,300</u></u>		<u><u>\$ 6,924,000</u></u>

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 6. BOND ANTICIPATION NOTES, (continued)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
<u>2023</u>				
General Capital Notes Payable:				
JP Morgan Securities LLC	\$ -	\$ 18,290,300	\$ -	\$ 18,290,300
Piper Sandler & Co.	- -	2,945,000	- -	2,945,000
Cede & Co.	8,900,000	- -	8,900,000	- -
Amboy Bank	<u>4,500,000</u>	<u>- -</u>	<u>4,500,000</u>	<u>- -</u>
	<u>13,400,000</u>	<u>21,235,300</u>	<u>13,400,000</u>	<u>21,235,300</u>
Water Utility Capital Notes Payable:				
JP Morgan Securities LLC	- -	3,000,000	- -	3,000,000
Amboy Bank	<u>3,000,000</u>	<u>- -</u>	<u>3,000,000</u>	<u>- -</u>
	<u>3,000,000</u>	<u>3,000,000</u>	<u>3,000,000</u>	<u>3,000,000</u>
Parking Utility Capital Notes Payable:				
Cede & Co.	8,809,000	- -	8,809,000	- -
Fidelity Capital Markets	- -	8,694,000	- -	8,694,000
Piper Sandler & Co.	<u>- -</u>	<u>4,000,000</u>	<u>- -</u>	<u>4,000,000</u>
	<u>8,809,000</u>	<u>12,694,000</u>	<u>8,809,000</u>	<u>12,694,000</u>
	<u><u>\$ 25,209,000</u></u>	<u><u>\$ 36,929,300</u></u>	<u><u>\$ 25,209,000</u></u>	<u><u>\$ 36,929,300</u></u>

There were bonds and notes authorized but not issued in the following amounts at December 31, 2024, and 2023:

	<u>Balance Dec. 31, 2024</u>	<u>Balance Dec. 31, 2023</u>
General Capital Fund:		
General Improvements	<u>\$ 19,887,157</u>	<u>\$ 20,553,162</u>
Water Utility Capital Fund:		
General Improvements	<u>\$ 13,910,069</u>	<u>\$ 6,476,704</u>
Parking Utility Capital Fund:		
General Improvements	<u>\$ 500,000</u>	<u>\$ 500,000</u>

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 7. PENSION PLANS

Description of Plans:

Township employees participate in one of the two contributory, defined benefit public employee retirement systems: the State of New Jersey Public Employees' Retirement System (PERS) or the State of New Jersey Police and Firemen's Retirement System (PFRS); or the Defined Contribution Retirement Program (DCRP), a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) 401(a).

Public Employees Retirement System (PERS)

Plan Description

The State of New Jersey Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the "Division"). For additional information about the PERS, please refer to the Division's annual financial statements, which can be found at www.state.nj.us/treasury/pensions/annual-reports.shtml.

Benefits Provided

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

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

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

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 7. PENSION PLANS, (continued)

Police and Firemens Retirement System (PFRS)

Plan Description

The State of New Jersey Police and Firemen's Retirement System (PFRS), is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey Division of Pensions and Benefits (the "Division"). For additional information about the PFRS, please refer to the Division's annual financial statement, which can be found at www.state.nj.us/treasury/pensions/annual-reports.shtml.

Benefits Provided

The vesting and benefit provisions are set by N.J.S.A. 43:16A. PFRS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for disability benefits, which vest after 4 years of service. The following represents the membership tiers for PFRS:

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

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service, as defined, up to 30 years plus 1% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (Tiers 1 and 2 members) and 60% (Tier 3 members) of final compensation plus 1% for each year 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.

Defined Contribution Retirement Program

Empower jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. If an employee is ineligible to enroll in the PERS or PFRS, the employee may be eligible to enroll in the DCRP. DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 7. PENSION PLANS, (continued)

Defined Contribution Retirement Program, (continued)

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the DCRP. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625-0295.

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

Contribution Requirements

The contribution policy is set by laws of the State of New Jersey, and, in most retirement systems, contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The pension funds provide for employee contributions based on 5.5% for PERS. This amount will increase to 6.5% plus an additional 1% phased in over 7 years beginning 2012 and 8.5% for PFRS, which increased to 10% in October 2011, of the employee's annual compensation, as defined by law. Employers are required to contribute at an actuarially determined rate in all Funds. The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits in the PERS and PFRS. In the PERS and PFRS, the employer contribution includes funding for post-retirement medical premiums.

The Townships contribution to the various plans, equal to the required contributions for each year, were as follows:

<u>Year</u>	<u>PERS</u>	<u>PFRS</u>	<u>DCRP</u>
2024	1,871,708	7,668,257	-
2023	1,881,062	7,503,984	-
2022	1,756,038	7,662,886	-

Statement No's 68 and 71 require a state or local government employer to recognize a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. However, since the financial statements are prepared on another comprehensive basis of accounting, the net pension liability of the various pension systems is not recorded in the financial statements and is only required to be disclosed in the notes to the financial statements.

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 7. PENSION PLANS, (continued)

*The Township's contribution to the PERS includes the amount applicable to the Bloomfield Parking Authority, which was dissolved on September 13, 2017, and re-established as a Township operated utility.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Public Employees Retirement System (PERS)

At June 30, 2024, the Township had a liability of \$18,690,726 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. 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 governmental entities, actuarially determined. At June 30, 2024, the Township's proportion was .1375527186 percent, which was an increase of .0020476634 percent from its proportion measured as of June 30, 2023.

For the year ended December 31, 2024, the Township recognized pension expense of \$1,871,708.

At June 30, 2024, deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Outflows of Resources</u>	<u>Inflows of Resources</u>
Difference between expected and actual experience	\$ 374,410	\$ 49,760
Changes of assumptions	23,220	212,657
Net difference between projected and actual earnings on pension plan investments		866,638
Changes in proportion and differences between the Township's contributions and proportionate share of contributions	<u>265,331</u>	<u>1,287,580</u>
	<u><u>\$ 662,961</u></u>	<u><u>\$ 2,416,635</u></u>

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 7. PENSION PLANS, (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, (continued)

Public Employees Retirement System (PERS), (continued)

Amounts reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date (June 30, 2024) will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

Year ended June 30:		
2025	\$	(793,563)
2026		614,035
2027		(353,268)
2028		(203,938)
2029		5,309

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.08, 5.08, 5.04, 5.13, 5.16 and 5.21 years for 2024, 2023, 2022, 2021, 2020 and 2019, respectively.

Additional Information

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2024 and June 30, 2023 are as follows:

	<u>June 30, 2024</u>	<u>June 30, 2023</u>
Collective deferred outflows of resources	\$ 1,079,580,780	\$ 1,080,204,730
Collective deferred inflows of resources	1,611,322,898	1,780,216,457
Collective net pension liability	13,588,045,796	14,484,374,047
Township's Proportion	0.1375527186%	0.1355050552%

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 7. PENSION PLANS, (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, (continued)

Public Employees Retirement System (PERS), (continued)

Actuarial Assumptions

The collective total pension liability for the June 30, 2024, measurement date was determined by an actuarial valuation as of July 1, 2023, which rolled forward to June 30, 2024. This actuarial valuation used the following assumptions, applied to all periods in the measurement.

Inflation Rate:

Price	2.75%
Wage	3.25%
Salary Increases:	2.75%-6.55% (based on years of service)
Investment Rate of Return	7.00 Percent

Mortality Rates

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 based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 7. PENSION PLANS, (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, (continued)

Public Employees Retirement System (PERS), (continued)

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2024, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	28.00%	8.63%
Non-U.S. Developed Markets Equity	12.75%	8.85%
International Small Cap Equity	1.25%	8.85%
Emerging Markets Equity	5.50%	10.66%
Private Equity	13.00%	12.40%
Real Estate	8.00%	10.95%
Real Assets	3.00%	8.20%
High Yield	4.50%	6.74%
Private Credit	8.00%	8.90%
Investment Grade Credit	7.00%	5.37%
Cash Equivalents	2.00%	3.57%
U.S. Treasuries	4.00%	3.57%
Risk Mitigation Strategies	3.00%	7.10%

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 7. PENSION PLANS, (continued)

Public Employees Retirement System (PERS), (continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% 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 in determining the total pension liability.

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 June 30, 2024, 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:

	June 30, 2024		
	1%	At Current	1%
	Decrease	Discount Rate	Increase
	<u>6.00%</u>	<u>7.00%</u>	<u>8.00%</u>
Township's proportionate share of the pension liability	\$ 24,887,103	\$ 18,690,726	\$ 13,417,644

Pension Plan Fiduciary Net Position

Detailed information about the pension plans fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The financial report may be accessed at www.state.nj.us/treasury/pensions.

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 7. PENSION PLANS, (continued)

Police and Firemen's Retirement System (PFRS)

At June 30, 2024, the Township had a liability of \$57,247,515 for its proportionate share of the PFRS net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. 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 governmental entities, actuarially determined. At June 30, 2024, the Township's proportion was .5543694800 percent, which was a decrease of .009330780 percent from its proportion measured as of June 30, 2023.

For the year ended December 31, 2024, the Township recognized pension expense of \$7,668,257.

At June 30, 2024, deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 3,606,549	\$ 1,959,835
Changes of assumptions	90,497	1,681,265
Net difference between projected and actual earnings on pension plan investments		448,066
Changes in proportion and differences between the Township's contributions and proportionate share of contributions	<u>1,034,235</u>	<u>4,504,452</u>
	<u><u>\$ 4,731,281</u></u>	<u><u>\$ 8,593,618</u></u>

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 7. PENSION PLANS, (continued)

Police and Firemen's Retirement System, (continued)

Amounts reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date (June 30, 2024) will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

Year ended June 30:	
2025	\$ (2,772,939)
2026	3,195,075
2027	(801,926)
2028	(372,393)
2029	331,287
Thereafter	28,776

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 6.09, 6.16, 6.22, 6.17, 5.90, 5.92 and 5.73 years for 2024, 2023, 2022, 2021, 2020 and 2019 amounts, respectively.

Additional Information

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2024 and June 30, 2023 are as follows:

	<u>June 30, 2024</u>	<u>June 30, 2023</u>
Collective deferred outflows of resources	\$ 1,350,355,724	\$ 1,753,080,638
Collective deferred inflows of resources	1,421,121,200	1,966,439,601
Collective net pension liability	10,326,599,453	11,048,782,843
Township's Proportion	0.5543694800%	0.5637002600%

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 7. PENSION PLANS, (continued)

Police and Firemen's Retirement System, (continued)

Actuarial Assumptions

The collective total pension liability for the June 30, 2024, measurement date was determined by an actuarial valuation as of July 1, 2023, which rolled forward to June 30, 2024. This actuarial valuation used the following actuarial assumptions

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through all future years	3.25-16.25% (based on years of service)
Thereafter	Not Applicable
Investment Rate of Return	7.00%

Mortality Rates

Employee mortality rates were based on the PubS-2010 Safety Employee amount-weighted mortality table (sex-specific) projected generationally from 2010 with Scale MP-2021 mortality projection. For healthy annuitants, mortality rates were based on the PubS-2010 Safety Retiree Below Median amount-weighted mortality table (sex specific), projected generationally from 2010 with Scale MP-2021 mortality projection. Disability rates were 144% of the Pub-2010 Safety Disabled Retiree amount-weighted mortality table for males and 100% of the Pub-201 Safety Disabled Retiree amount-weighted mortality table for females, projected generationally from 2010 with Scale MP-2021 mortality projections.

The actuarial assumptions used in the July 1, 2023, valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2024, are summarized in the following table:

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 7. PENSION PLANS, (continued)

Police and Firemen's Retirement System, (continued)

Long-Term Rate of Return, (continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Large-Cap Equity	24.00%	6.90%
U.S. Small/Mid Cap Equity	4.00%	7.40%
Non-U.S. Developed Large-Cap Equity	9.50%	6.70%
Non-U.S. Developed Small-Cap Equity	2.00%	7.50%
Emerging Markets Large-Cap Equity	6.00%	9.60%
Emerging Markets Small-Cap Equity	1.50%	9.60%
U.S. Treasury Bond	7.00%	4.10%
U.S. Corporate Bond	5.00%	5.90%
U.S. Mortgage-Backed Securities	5.00%	4.40%
Global Multisector Fixed Income	6.00%	6.50%
Cash	2.00%	3.40%
Real Estate Core	3.00%	5.10%
Real Estate Non-Core	4.00%	6.50%
Infrastructure	3.00%	7.00%
Private Debt/Credit	8.00%	9.10%
Private Equity	10.00%	10.10%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plans 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 BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 7. PENSION PLANS, (continued)

Police and Firemen's Retirement System, (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 June 30, 2024, 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:

	June 30, 2024		
	1%	At Current	1%
	Decrease	Discount Rate	Increase
	<u>6.00%</u>	<u>7.00%</u>	<u>8.00%</u>
Township's proportionate share of the pension liability	\$ 86,633,243	\$ 57,247,516	\$ 32,775,644

Special Funding Situation - PFRS

Under N.J.S.A. 43:16A-15, the Township is responsible for their own PFRS contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State to make contributions 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 Township by the State under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Accordingly, the Township's proportionate share percentage of the net pension liability, deferred outflows and inflows determined under GASB Statement No. 68 is zero percent and the State's proportionate share is 100% for PFRS under this legislation.

At June 30, 2024 and 2023, the State proportionate share of the net pension liability attributable to the Township for the PFRS special funding situation is \$11,286,225 and \$11,476,186, respectively. For the years ended June 30, 2024, and 2023, the pension system has determined the State's proportionate share of the pension expense attributable to the Township for the PFRS special funding situation is \$1,298,390 and \$1,305,393, respectively, which is more than the actual contributions the State made on behalf of the Township of \$1,298,389 and \$1,312,434, respectively. The State's proportionate share attributable to the Township was developed based on actual contributions made to PFRS allocated to employers based upon covered payroll. These on-behalf contributions have not been reported on the Township's financial statements.

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 7. PENSION PLANS, (continued)

Police and Firemen's Retirement System, (continued)

Pension Plan Fiduciary Net Position

Detailed information about the pension plans fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Police and Firemen's Retirement System (PFRS). The financial report may be accessed at www.state.nj.us/treasury/pensions.

NOTE 8. OTHER POST EMPLOYMENT BENEFITS (OPEB)

In addition to the pension benefits described in Note 7, the Township provides post-employment health care benefits in accordance with the provisions of Ch. 88, P.L. 1974 as amended by Chapter 436, P.L. 1981, at its cost.

General Information about the OPEB Plan

Employees who retire from the Township may be eligible for subsidized post-employment medical and prescription drug benefits based on the number of years of service completed. Effective 2023, the Township participates in the Gateway Bergen Municipal Employee Benefits Fund (BMED). BMED contracts with Aetna for medical services. Pharmacy services are offered through Benecard. Pre-65 retiree medical benefits provided by the Township are fully insured through the BMED Health Insurance Fund. Post-65 retiree medical benefits are fully insured through an Aetna Medicare Advantage Plan. Both pre-65 and post-65 retiree pharmacy benefits are fully insured through Benecard. Neither dental, vision, nor life insurance benefits are subsidized by the Township in retirement.

Base plan costs for pre-65 and post-65 retirees are based on rates provided by the Township effective January 1, 2024, and January 1, 2025. Plan costs are based 100% before retiree contributions and assumed to include all administrative expenses and PPACA fees.

The valuation reflects the reimbursement of Medicare Part B premium to retirees and spouses over age 65 that are eligible for the benefit. For valuation purposes, it is assumed that the Township reimburses at the standard Medicare Part B premium level and that there is no additional reimbursement due to income level surcharge.

Employees Covered by Benefit Terms: At January 1, 2024, the following employees were covered by the benefit terms:

Actives	383
Retirees	448
Total	<u>831</u>

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 8. OTHER POST EMPLOYMENT BENEFITS (OPEB), (continued)

Total OPEB Liability

At December 31, 2024, the Township had a liability of \$345,664,365 for its OPEB Liability. The OPEB liability was measured as of December 31, 2024, and was determined by an actuarial valuation as January 1, 2024

Actuarial Assumptions and Other Inputs

The Total OPEB liability in the January 1, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

Valuation Date	January 1, 2024
Initial Implementation Year for GASB 75	January 1, 2018 to December 31, 2018
Assets	Not Applicable. Assets are Zero.
Expected Return on Assets	Not Applicable. Assets are Zero.
Discount Rate	4.22% The selected discount rate is based on the prescribed discount interest rate methodology under GASB No. 74/75 using an average of two 20-year municipal bond indices as of December 31, 2024.
Information for Valuation	All information was provided by the Township.
Retirement Benefits	Coverage for pre-65 and post-65 retirement benefits. This valuation is provided to a single employer plan.
Covered Benefits	Employees who retire from the Township may be eligible for subsidized post-employment medical and prescription drug benefits based on number of years of service completed. No subsidized coverage for dental, vision or life insurance is available.
Actuarial Cost Method	Entry Age Normal as a Level Percentage of Payroll

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 8. OTHER POST EMPLOYMENT BENEFITS (OPEB), (continued)

Health Care Cost Trend Assumption	The following assumptions are used for annual healthcare cost inflation (trend):		
Year 1 Trend	Year	Pre-65	Post-65
Ultimate Trend	January 1, 2026	7.00%	7.00%
Grading Per Year	January 1, 2035 & Later	4.50%	4.50%
Starting Claim Cost	<p>Base plan costs for pre-65 and post-65 retirees are based on rates provided by the Township effective January 1, 2024 and January 1, 2025. Plan costs are based 100% before retiree contributions and assumed to include all administrative expenses and applicable PPACA fees. Plan costs effective January 1, 2026 and beyond are trended forward using the trend rates illustrated under the "Health Care Cost Trend Assumptions" selection above.</p>		
Projected Benefit Costs	<p>The Township's plan costs are experience rated and therefore adjusted for aging. Actuarial Standards of Practice No. 6 requires age adjusted costs be measured by estimating the expected costs by age whether or not a pooling or community rating applies. The current valuation contemplates an assumption for aging, which is consistent with the prior valuation.</p>		
Medicare Part D Reimbursements	<p>The Township does not reimburse Medicare Part D premiums to retirees and/or spouses that are eligible.</p>		
Medicare Part B Reimbursements	<p>Valuation reflects the reimbursement of Medicare Part B premium to retirees and spouses over age 65 that are eligible for the benefit. For valuation purposes, it is assumed the Township reimburses 100% of the standard Medicare Part B premium and that there is no additional reimbursement due to income level surcharge (IRMAA).</p>		
Implicit Subsidy	<p>This reflects the difference between the premium rate or cost charged to a retiree for a particular benefit as compared to the estimated rate of cost to the retiree, if those benefits were calculated reflecting retirees as a separate group (rather than their costs bundled with the active population). The results in this valuation reflect an implicit subsidy in the cost projections.</p>		

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 8. OTHER POST EMPLOYMENT BENEFITS (OPEB), (continued)

Health Care Reform Impact

The Patient Protection and Affordable Care Act (PPACA) enacted in March 2010 (Healthcare Reform) includes several fees and/or taxes levied on employer groups either directly (e.g., self-funded employer groups which calculates and pays the fees directly) or indirectly (e.g., fully insured employer groups in which the health insurer pays and passes on to the group in their premium rates.) The fees included in this valuation are 1) Comparative Effectiveness Research fee (aka PCORI), 2) Health Insurance Industry fee, and 3) High Cost Plans Excise Tax ("Cadillac tax"). The Reinsurance Assessment, also initiated with the passing of the PPACA, was a short-term fee levied on fully insured and self-funded employer groups between 2014 - 2016.

The Comparative Effectiveness Research fee runs through 2029 and is tax deductible. The initial fee was \$1 per participant per year increasing to \$2 in the next year. Subsequent years are increased based on medical inflation. The fee applies to post-65 retirees where Medicare is the primary payer. Initially, this fee was to expire in 2019, however, legislation signed into law by President Trump on December 20, 2019 HR 1865 "Further Consolidated Appropriations Act, 2020" extended the fee 10 years.

The Health Insurance Industry fee is based on targeted fixed fees to be paid by the health insurance industry and is not tax deductible. The total fee amount to be paid by health insurers starts at \$8 billion in 2014 and increases to \$14.3 billion in 2018. After 2018, the fee increases annually based on premium growth. The fee was suspended for the 2017 plan year and resumed in 2018 with the estimated fee to be approximately 3.0% to 4.0% of premium. The fee applies to fully insured plans including Medicare Advantage plans and excludes self-funded employer sponsored group health plans. Effective with legislation passed on January 22, 2018, this fee was suspended again for the 2019 plan year and will resume in 2020, however has been repealed beginning 2021 and beyond based on 12/20/19 HR 1865 "Further Consolidated Appropriations Act, 2020".

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 8. OTHER POST EMPLOYMENT BENEFITS (OPEB), (continued)

Health Care Reform Impact, (cont.) The High Cost Plans Excise tax included a 40% tax ("Cadillac tax") on high cost plans to be levied on insurers and third party administrators (TPA) beginning in 2022 and was to be tax deductible. The calculation was to be done separately for single and family coverage and was equal to 40% of the excess of per employee plan costs, net of patient cost sharing, over the 2022 stated cost limits of:

- o - \$10,200 single / \$27,500 family
- o - \$11,850 single / \$30,950 family for retirees age 55-64

This valuation excludes the Cadillac tax in its entirety based on legislation signed into law by President Trump on 12/20/19, HR 1865 "Further Consolidated Appropriations Act, 2020" repealing the "Cadillac Tax".

COVID-19 Pandemic No special adjustments or considerations were made to valuation results due to the COVID-19 pandemic. Since the Township is not funding this benefit in a separate OPEB trust, no special considerations were made for the impact on assets. Similarly, no special adjustments were made to the OPEB liability calculations. The impact of COVID-19 will be reviewed in future years including the potential impact on selected assumptions (e.g., mortality, morbidity, etc.).

Plan Design Changes Valuation assumes no changes in future plan design from current benefits offered for the current plan year. It is assumed that the current level of benefits will remain, with no modifications to avoid the potential excise tax imposed by the Patient Protection and Affordable Care Act.

% Future Retirees Opting Out It is assumed that 100% of future retirees (active employees) eligible for coverage will elect benefits in retirement. All eligible active and retiree employee records provided by the Township were valued.

Census Information Participant data was provided by the Township in May 2025. We relied on information as being accurate and we have not conducted any data audits.

New Hires This valuation is based on a closed group and does not reflect the impact of future new entrants (e.g., new hires after date of data collection, i.e., May 2025) into the plan.

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 8. OTHER POST EMPLOYMENT BENEFITS (OPEB), (continued)

Payroll Information	Payroll information was supplied by the Township and reflected in the valuation for use in determining retiree contribution rates as well as the actuarial cost method. Contribution rates for future retirees with less than (20) years of service prior to implementation of Chapter 78 on June 28, 2011 will have their contribution for healthcare benefits based on base salary at retirement with a minimum of 1.5% of base salary. Average salary increase used in the valuation for the Entry Age Normal (EAN) actuarial cost method is assumed to be 3.0%
Retirement System	Annual salary is based on a contribution of current salary along with salary used in the prior valuation for those active employees missing salary.
Retirement Eligibility Assumptions	Valuation is based on the New Jersey Public Employees' Retirement System (PERS), and the New Jersey Police and Firemen's Retirement System (PFRS).
Retiree Contribution Rates	Eligibility for retirement is based on meeting a criteria of minimum years of service requirement. For this valuation, retirees are eligible for subsidized healthcare benefits based on achieving twenty-five years of service in the NJPERS/NJPFRS with ten of those years with the Township.
	Contribution rates for future retirees will be based on the State of New Jersey's contribution formula per implementation of Chapter 78. Contributions are calculated using a varying formula based on the retirees' base salary at retirement with a minimum contribution of 1.5% of base salary. Active employees hired prior to implementation of Chapter 78 (June 28, 2011) with less than twenty years of service at implementation had their contribution phased in over a four-year period. Employees hired on or after June 28, 2011 will have their contribution set at the highest year four contribution level. As the four-year phase in period has expired, all active employees' contribution level is set at the highest level.
	Contributions for current retirees and future retirees with twenty or more years of service at June 28, 2011 are 0% (non-contributory). The Township pays 100% of the benefit cost.

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 8. OTHER POST EMPLOYMENT BENEFITS (OPEB), (continued)

Mortality	Society of Actuaries Pub-2010 Public Retirement Plans Healthy Male and Female Total Dataset Headcount-Weighted Mortality tables based on Employee and Healthy Annuitant Tables for both pre and post retirement projected with mortality improvements using the most current Society of Actuaries Mortality Improvements Scale MP-2021.
Turnover Assumptions	This reflects rate of separation from the active plan and excludes retirement and disability. Turnover table varies by age and years of service with rates of turnover based on the NJ PERS and NJ PFRS.
Disability Assumptions	This reflects disability assumptions from the active plan for ordinary and accidental disability and is based on age.
Retirement Assumptions	This reflects the rate of retirement from the active plan and is based on age and years of service.
Surviving Spouses & Surviving Dependents	Surviving spouses may elect to continue medical coverage but pay 100% of the cost including Medicare Part B premium, therefore \$0 cost to the Township.
Valuation of Spouses & Marital Status	Spouses are valued for benefits similar to retired employees. Employees with spouses are assumed to be married to those spouses at and throughout retirement. Employees that are without spouses (or not covering a spouse) are assumed to be single at and throughout retirement. Based on the contribution rates for future retirees, it is assumed that active employees with dependent coverage will elect dependent coverage in retirement 100% of the time.
Spouse Age Assumptions	It is assumed that female spouses are three years younger than male employees and male spouses are three years older than female employees unless actual spouse date of birth information was provided.

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 8. OTHER POST EMPLOYMENT BENEFITS (OPEB), (continued)

Waivers & Buyouts	Valuation includes 104 active employees and 13 retirees that currently waive coverage. For valuation purposes, it is assumed that 100% of these individuals elect coverage in the future with coverage tier similar to current retiree distribution. Costs for opt-outs are based on an enrollment weighted average of the pre-65 and post-65 plans currently available to retirees.
Vested & Leave of Absence	No individuals were listed as vested in benefits or on leave of absence.
COBRA & Terminated Participants	No individuals were listed on COBRA or terminated from the plan.
Eligible Population	Population reflects all benefit eligible employees provided. Any new hires after date of data collection are not reflected herein.
Medicare Tax Subsidy	The Medicare tax subsidy is not reflected in valuation. There is no offset in premium rates charged to employer and post-65 costs are illustrated gross of subsidy.
Special Adjustments	No other special adjustments were provided since client data was complete for purposes of completing the valuation. All active and retired employees provided were valued.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2024, the Township recognized OPEB expense of \$3,411,185 based on actuarial estimates at December 31, 2024. At December 31, 2024, the Township reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience		
Changes of assumptions	\$ 3,989,316	\$ _____ -
Total	<u>\$ 3,989,316</u>	<u>\$ _____ -</u>

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 8. OTHER POST EMPLOYMENT BENEFITS (OPEB), (continued)

Changes in Net OPEB Liability FYE 2024

Discount Rate (Proj.)	4.22% FYE 12/31/2024
Investment Return Rate (Proj.)	N/A; Index will apply

Changes in Total OPEB Liability During the Year

Total OPEB Liability at beginning of year	\$ 336,986,721
Service Cost	3,684,845
Interest Cost	13,947,716
Benefit Payments	(12,944,233)
Changes to assumptions	3,989,316
Total OPEB Liability at the end of year	<u><u>\$ 345,664,365</u></u>

TOTAL GASB #75 Expense for FYE 2024

1. Service Cost with Interest - Period January 1, 2024, to December 31, 2024	\$3,684,845
2. Interest Cost - Period January 1, 2024, to December 31, 2024	
(a) Discount Rate	4.22%
(b) Total OPEB Liability as of January 1, 2024	336,986,721
(c) Actual Benefit Payments - Illustrated as Projected for Period January 1, 2024, to December 31, 2024	12,944,233
(d) Interest Cost: (2a)x[(2b)-(2c)/2]	13,947,716
3. Investment Return - Period January 1, 2024, to December 31, 2024	-0-
4. Employee Contributions - Period January 1, 2024, to December 31, 2024 (Amount is illustrated as zero since employer contributions are illustrated net of employee contributions)	-0-
5. Administrative expenses	-0-
6. Plan Changes	-0-
7. Amortization of Unrecognized Amounts	
(a) Liability (Gain)/Loss	(14,221,376)
(b) Asset (Gain)/Loss	-
(c) Net (Gain)/Loss: (7a)-(7b)	<u><u>\$(14,221,376)</u></u>
8. Total Expense - Period January 1, 2024, to December 31, 2024	\$3,411,185
(1)+(2)+(3)+(4)+(5)+(6)+(7)	\$3,411,185

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 8. OTHER POST EMPLOYMENT BENEFITS (OPEB), (continued)

Sensitivity of Total OPEB Liability to Changes in the Discount Rate

The following presents the Township's total OPEB liability as well as what the Township's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease <u>3.22%</u>	At Current Discount Rate <u>4.22%</u>	1% Increase <u>5.22%</u>
Townships Total OPEB Liability	\$408,653,695	\$345,664,365	\$297,226,018

Sensitivity of Total OPEB Liability to Changes in Healthcare Trend Rate

The following presents the Townships total OPEB liability as well as what the Townships total OPEB liability would be if it were calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease <u>3.22%</u>	At Current Discount Rate <u>4.22%</u>	1% Increase <u>5.22%</u>
Townships Total OPEB Liability	\$294,994,070	\$345,664,365	\$411,967,085

Special Funding Situation PFRS with State Health Local Government Retired Employees Plan

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 supervisors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L. 1989.

Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan, there is no net OPEB liability, deferred inflows of resources or deferred outflows of resources to report in the financial statements of the local participating employers related to this legislation.

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 8. OTHER POST EMPLOYMENT BENEFITS (OPEB), (continued)

to report in the financial statements of the local participating employers related to this legislation.

At June 30, 2024, the States proportionate share of the net OPEB liability attributable to the Township for the PFRS special funding situation is \$32,431,156 and the States proportionate share of OPEB expense for the PFRS special funding situation is \$(5,880,403).

NOTE 9. FUND BALANCE APPROPRIATED

The fund balance at December 31, 2024 and 2023 which has been appropriated as revenue in the 2025 and 2024 budgets is as follows:

	<u>2025</u>	<u>2024</u>
Current Fund	<u>\$ 5,000,000</u>	* <u>\$ 7,765,141</u>
Water Utility Operating	<u>\$ 1,532,000</u>	* <u>\$ 1,822,465</u>
Parking Utility Operating	<u>\$ 1,009,320</u>	* <u>\$ 1,537,611</u>

NOTE 10. FIXED ASSETS

The following is a summary of General Fixed Assets Account Group as of December 31, 2024, and 2023:

	<u>Dec. 31, 2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Dec. 31, 2024</u>
Land and Buildings	\$ 45,458,098	\$ 508,464		\$ 45,966,562
Furniture and Fixtures	108,761	22,055		130,816
Automobiles and Vehicles	8,003,987	731,669	(348,147)	8,387,509
Machinery and Equipment	<u>9,832,501</u>	<u>2,012,786</u>	<u>(97,774)</u>	<u>11,747,513</u>
	<u>\$ 63,403,347</u>	<u>\$ 3,274,974</u>	<u>\$ (445,921)</u>	<u>\$ 66,232,400</u>

	<u>Dec. 31, 2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Dec. 31, 2023</u>
Land and Buildings	\$ 31,341,739	\$ 14,116,359		\$ 45,458,098
Furniture and Fixtures	108,761			108,761
Automobiles and Vehicles	7,139,769	1,062,616	(198,398)	8,003,987
Machinery and Equipment	<u>8,095,869</u>	<u>1,736,632</u>	<u>-</u>	<u>9,832,501</u>
	<u>\$ 46,686,138</u>	<u>\$ 16,915,607</u>	<u>\$ (198,398)</u>	<u>\$ 63,403,347</u>

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 11. ACCRUED SICK AND VACATION BENEFITS

The Township has permitted employees to accrue unused vacation and sick pay, which may be taken as time off or paid at a later date at an agreed-upon rate. It is estimated that the current cost of such unpaid compensation would approximate \$7,341,221 as of December 31, 2024. The amount is not reported either as an expenditure or liability.

NOTE 12. INTERFUND BALANCES AND ACTIVITY

Balances due to/from other funds at December 31, 2024 consist of the following:

\$ 150,205	Due to the Current Fund from the Federal and State Grant Fund for appropriated grant cancellations, ARP monies utilized as budget revenue and to reimburse for expenditures paid less budget match appropriations, grant receivables cancelled and grants received.
7,360	Due to the Current Fund from the Animal Control Trust Fund for Statutory Excess and to reimburse expenses paid.
23	Due to the Current Fund from the Escrow Trust Fund for the Township share of interest earned on escrow deposits.
166,340	Due to the Current Fund from the General Trust Fund for various deposit errors less the reimbursement of expenditures paid.
534,535	Due to the Municipal Open Space Trust Fund from the Current Fund for municipal open space taxes collected not turned over.
832,700	Due to the Current Fund from the General Capital fund for excess bond anticipation note paydown appropriation not required and capital surplus budgeted revenue not turned over.
77,000	Due to the Parking Utility Operating Fund from the Parking Utility Capital Fund for paydown on note appropriation transferred but not required.
366,489	Due to the Water Utility Operating Fund from the Water Utility Capital Fund to reimburse interfunds advanced.
<u>\$ 2,134,652</u>	

NOTE 13. RISK MANAGEMENT

The Township is exposed to various risks of loss related to general liability, automobile coverage, damage and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Township has obtained insurance coverage to guard against these events which will provide minimum exposure to the Township should they occur. During the 2024 calendar year, the Township did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 13. RISK MANAGEMENT, (continued)

The Township of Bloomfield is a member of the Garden State Municipal Joint Insurance Fund (GSMJIF). The joint insurance fund is both an insured and self-administered group of municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability. The GSMJIF coverage amounts are on file with the Township.

The relationship between the Township and respective insurance funds is governed by a contract and by-laws that have been adopted by resolution of each units governing body. The Township is contractually obligated to make all annual and supplementary contributions to insurance funds, to report claims on a timely basis, cooperate with the management of the Fund, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the insurance funds. Members have a contractual obligation to fund any deficit of the insurance funds attributable to a membership year during which they were a member.

The funds provide its members with risk management services, including the defense of and settlement of claims, and established reasonable and necessary loss reduction and prevention procedures to be followed by the members.

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverages in any of the prior three years.

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 BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 13. RISK MANAGEMENT, (continued)

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

<u>Year Ended</u>	<u>Township Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Interest Earnings</u>	<u>Ending Balance</u>
2024	\$ -	\$ 54,316	\$ 204,903	\$ 3,936	\$ 229,646
2023	-	51,751	120,154	5,656	376,297
2022	-	51,507	65,769	1,714	439,045

NOTE 14. SELF-INSURANCE WORKER'S COMPENSATION PLAN

The Township has established a workers compensation plan for its employees. The Township funds the cost of the plan up to a certain threshold at which point coverage is maintained through an excess workers compensation policy with the Garden State Municipal Joint Insurance Fund containing the following limits:

Worker's Compensation	\$13,000,000 of which the first \$200,000 is the Township's responsibility and in excess of \$200,000 is covered by Safety National Casualty Corporation with no limit.
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The reserve balance in the Workers Compensation Trust Fund for 2024 and 2023, respectively, are \$63,268 and \$62,399 as reflected on Exhibit B-8.

There has been no provision included in the financial statements for claims incurred but not reported as of December 31, 2024.

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TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 15. SELF-INSURANCE HEALTH BENEFITS PLAN

The Township had historically established a self-insured Health Benefits Plan for its employees that was funded entirely by the Township. Effective January 1, 2023, the Township switched to a premium based self-insurance fund through the Bergen Municipal Employee Benefits Fund. The Health Insurance Claims fund would continue to process outstanding claims that fell under the old self-insurance plan administered by Meritain until such point as there are no unresolved claims. All outstanding claims under the old self-insurance plan were liquidated in 2024 and the remaining balance in the account was closed to the Current Fund.

Reserve balances for 2024 and 2023, respectively, are \$-0- and \$176,210. A summary of activity for this fund is detailed as follows:

Balance, December 31, 2023	\$176,210
Receipts	8,041
Disbursements	<u>184,251</u>
Balance, December 31, 2023	<u>\$-0-</u>

There has been no provision included in the financial statements for claims incurred but not reported as of December 31, 2024.

NOTE 16. SELF-INSURANCE LIABILITY

The Township maintains a self-insurance liability account to cover legal settlements and other miscellaneous expenses not covered by its policies under the Garden State Municipal Joint Insurance Fund. Reserve balances for 2024 and 2023, respectively, are \$5,834 and \$17,182.

NOTE 17. TAXES COLLECTED IN ADVANCE

Taxes collected in advance are recorded as cash liabilities in the financial statements. Following is a comparison of the liability for the previous two years:

	Balance <u>Dec 31, 2024</u>	Balance <u>Dec 31, 2023</u>
Prepaid Taxes	<u>\$1,206,409</u>	<u>\$640,587</u>
Cash Liability for Taxes Collected in Advance	<u>\$1,206,409</u>	<u>\$640,587</u>

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 18. LITIGATION

The Township is a defendant in various legal proceedings. These cases, if decided against the Township, would be raised by future taxation. The Township's legal counsel estimates such amounts to be immaterial.

There are various tax appeals cases that were also pending at December 31, 2024. The Township is defending its assessments in each case. Under the accompanying principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the Township does not recognize a liability would be provided for in succeeding years' budgets or through a refunding bond ordinance, which would allow the Township to fund these liabilities over several years. The Township's legal counsel estimates such amounts to be immaterial.

NOTE 19. DEFERRED CHARGES

Certain expenditures are required to be deferred to budgets of succeeding years. The following deferred charges are shown on the balance sheets of the Township of Bloomfield:

<u>2024</u>	<u>Balance</u> <u>Dec. 31,</u>	<u>Subsequent</u> <u>Year Budget</u>	<u>Balance to</u> <u>Succeeding</u> <u>Year Budget</u>
<u>Current Fund:</u>			
Special Emergency Authorizations, N.J.S.A. 40A:4-53			
COVID-19 Revenue Losses	\$ 550,000	\$ 275,000	\$ 275,000
Severance Liabilities	<u>242,400</u>	<u>242,400</u>	<u>-</u>
Total Deferred Charges - Current Fund	<u>\$ 792,400</u>	<u>\$ 517,400</u>	<u>\$ 275,000</u>
<u>Water Utility Operating Fund:</u>			
Special Emergency Authorizations, N.J.S.A. 40A:4-53			
COVID-19 Revenue Losses	\$ 344,539	\$ 172,270	\$ 172,269
<u>Parking Utility Operating Fund:</u>			
Special Emergency Authorizations, N.J.S.A. 40A:4-53			
COVID-19 Revenue Losses	<u>\$ 373,403</u>	<u>\$ 186,703</u>	<u>\$ 186,700</u>
Total Deferred Charges	<u>\$ 1,510,342</u>	<u>\$ 876,373</u>	<u>\$ 633,969</u>

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 19. DEFERRED CHARGES, (continued)

	<u>2023</u>	Balance <u>Dec. 31,</u>	Subsequent Year Budget	Balance to Succeeding <u>Appropriation</u>	Balance to Year Budget
Current Fund:					
Special Emergency Authorizations, N.J.S.A. 40A:4-53					
COVID-19 Revenue Losses	\$ 825,000	\$ 275,000	\$ 550,000		
Severance Liabilities	<u>484,800</u>	<u>242,400</u>		<u>242,400</u>	
	<u>1,309,800</u>	<u>517,400</u>		<u>792,400</u>	
Over-Expenditure of Appropriation Reserves	<u>100,000</u>	<u>100,000</u>			-
Total Deferred Charges - Current Fund	<u>\$ 1,409,800</u>	<u>\$ 617,400</u>		<u>\$ 792,400</u>	
Water Utility Operating Fund:					
Special Emergency Authorizations, N.J.S.A. 40A:4-53					
COVID-19 Revenue Losses	\$ 516,810	\$ 172,271	\$ 344,539		
Parking Utility Operating Fund:					
Special Emergency Authorizations, N.J.S.A. 40A:4-53					
COVID-19 Revenue Losses	<u>\$ 560,106</u>	<u>\$ 186,703</u>	<u>\$ 373,403</u>		
Trust Funds:					
Deficit in Animal License Trust Fund	<u>\$ 114,975</u>	<u>\$ -</u>	<u>\$ 114,975</u>		
Total Deferred Charges	<u>\$ 2,601,691</u>	<u>\$ 976,374</u>	<u>\$ 1,625,317</u>		

NOTE 20. TAX ABATEMENTS

The Township of Bloomfield has long term tax abatement agreements with 9 entities, and 5-year abatement agreements with 7 entities as of December 31, 2024.

The full amount to be raised by taxes for support of each Government's budget is levied on properties not subject to such agreements, therefore there is no aggregate reduction of tax revenue to the Governments as a result of the abatement.

These agreements were negotiated under the Long-Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq. (the "Law"), which authorizes municipalities to enter into financial agreements with Urban Renewal Entities. An Urban Renewal Entity is a limited-dividend entity or a nonprofit entity which undertakes redevelopment projects (both commercial and residential), relocation projects for residents displaced by the redevelopment area, and low- and moderate-income housing projects in return for tax exemptions, or payments in lieu of taxes referred to as "annual service charges".

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 20. TAX ABATEMENTS, (continued)

The Law allows annual service charges to be calculated as a percentage of either gross revenue from each unit of the project or from total project cost, if the project is not undertaken in units.

In the case of low- and moderate-income housing projects, the annual service charge shall not exceed 15% of annual gross revenue or 2% of total project cost. For all other projects, the annual service charge shall not be less than 10% of annual gross revenue or 2% of total project cost. The Township's abatements are across in multiple categories. There are a total of five stages in the abatement period. The final four phases require the Urban Renewal Entity to remit the greater of the agreed upon annual service charge or 20%, 40%, 60% and 80%, respectively, of the amount of taxes otherwise due on the value of the land and improvements. The Township shall remit to the County of Essex 5% of the annual service charge received each year.

Under the Law, abatements may provide for an exemption period of less than 30 years from the completion of the entire project or less than 35 years from the execution of the financial agreement. Further, Urban Renewal Entity profits are restricted, and any excess profits are payable to the municipality as an additional annual service charge.

The Law only allows for taxes on improvements to be abated. Taxes on land are billed quarterly to the Urban Renewal Entity and are credited against the annual service charges due. To administer the billing, the land value and improvement value of the abated property are separate line items in the tax assessment and collection records. The land value is billed quarterly at the total property tax rate. The improvement value is classified as exempt property (Class 15F), generating no bill.

The Law does not provide for the recapture of abated taxes in the event an abatement recipient does not fulfill the commitment it makes in return for the tax abatement. However, in the event of default, the City has the right to proceed against the property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1 and/or may terminate the agreement. The Township has not made any commitments as part of the agreements other than to reduce taxes. The Township is not subject to any tax abatement agreements entered into by other governmental entities.

The Township recognized revenue in the amount of \$3,471,138 from Long-Term Payment in Lieu of Taxes agreements, and \$57,049 from 5-Year Tax Abatement agreements, which is recorded as an anticipated miscellaneous revenue in the Current Fund.

TOWNSHIP OF BLOOMFIELD
Notes to Financial Statements
Years Ended December 31, 2024 and 2023
(continued)

NOTE 21. OTHER MATTERS

On March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 into effect. This plan, among other things, provides direct federal funding to aid county and municipal governments to help offset revenue losses, cover increased costs incurred during the coronavirus pandemic response and to make necessary investments in water, sewer or broadband infrastructure. The amount of federal aid available to the Township of Bloomfield is \$25,827,441 which was available for use until December 31, 2024. As of December 31, 2024, the Township has committed all available funds.

NOTE 22. SUBSEQUENT EVENTS

The Township has evaluated subsequent events through July 2, 2025, the date which the financial statements were available to be issued, and the following items were noted for disclosure.

- Parking Utility (federally-taxable) bond anticipation notes were renewed on March 17, 2025, in the amount of \$6,886,000 at a rate of 4.75% with a due date of March 16, 2026.
- The (federally-taxable) special emergency note was renewed on March 17, 2025, for \$275,000 at an interest rate of 4.75% with a due date of March 16, 2026.
- \$3,330,000 general tax-exempt bond anticipation notes to temporarily finance the costs of various capital improvements and acquisitions were issued on March 17, 2025, at a rate of 4.25% with a due date of March 16, 2026.

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APPENDIX C

FORM OF APPROVING LEGAL OPINION FOR THE TAX-EXEMPT NOTES

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WILENTZ

—ATTORNEYS AT LAW—

90 Woodbridge Center Drive
Suite 900 Box 10
Woodbridge, NJ 07095-0958
732.636.8000

March ___, 2026

Mayor and Township Council
of the Township of Bloomfield
Bloomfield, New Jersey

Ladies and Gentlemen:

We have examined certified copies of the proceedings of the Township Council of the Township of Bloomfield, in the County of Essex, a municipal corporation organized and existing under the laws of the State of New Jersey (the "Township"), and other proofs submitted to us relative to the authorization, issuance, sale, execution and delivery of the \$16,201,700 Bond Anticipation Notes, Series 2026 (Tax-Exempt) consisting of \$14,201,700 General Improvement Notes, Series 2026 (the "General Improvement Notes") and \$2,000,000 Water Utility Notes, Series 2026 (the "Water Utility Notes" and together with the General Improvement Notes, the "Tax-Exempt Notes") of the Township. The Tax-Exempt Notes are dated March 12, 2026, mature March 11, 2027, and bear interest at the rate of _____ per centum (____%) per annum.

The Tax-Exempt Notes are issued in fully registered book-entry form, without certificates, initially registered in the name of, and held by, Cede & Co., as nominee for The Depository Trust Company, Brooklyn, New York ("DTC"), an automated depository for securities and clearing house for securities transactions. Individual purchases of the Tax-Exempt Notes will be made in denominations of \$5,000 each or any integral multiple of \$1,000 in excess thereof, or, as applicable, any odd denomination in excess thereof, through book entries made on the books and records of DTC and its participants. So long as DTC or its nominee is the registered owner of the Tax-Exempt Notes, payments of principal of and interest on the Tax-Exempt Notes will be made by the Township or a duly designated paying agent directly to Cede & Co., as nominee for DTC, which will, in turn, remit such payments to DTC Participants, which will, in turn, remit such payments to the beneficial owners of the Tax-Exempt Notes. The Tax-Exempt Notes are not subject to redemption prior to their stated date of maturity.

The Tax-Exempt Notes are authorized by, and are issued pursuant to: (i) the provisions of the Local Bond Law of the State of New Jersey, N.J.S.A. 40A:2-1 et seq., as amended and supplemented (the “Local Bond Law”); (ii) various bond ordinances duly adopted by the Township Council of the Township, approved by the Mayor, and published as required by law (the “Ordinances”); and (iii) a resolution duly adopted by the Township Council of the Township on February 23, 2026 (the “Resolution”, and together with the Ordinances, the “Authorizing Documents”).

The General Improvement Notes are being issued to (i) refund, on a current basis, prior general improvement notes issued in the aggregate principal amount of \$3,330,000 on March 17, 2025 and maturing on March 16, 2026, and (ii) temporarily finance various general capital improvements in the amount of \$10,871,700, including paying the costs associated with the issuance of the General Improvement Notes. The Water Utility Notes are being issued to temporarily finance various water utility improvements in the amount of \$2,000,000, including paying the costs associated with the issuance of the Water Utility Notes.

We are of the opinion that (i) such proceedings and proofs show lawful authority for the authorization, issuance, sale, execution and delivery of the Tax-Exempt Notes pursuant to, as applicable, the Local Bond Law and the Authorizing Documents, (ii) the Tax-Exempt Notes have been duly authorized, executed and delivered and constitute valid and legally binding general obligations of the Township, which are enforceable in accordance with their terms, and (iii) the Township has pledged its full faith and credit for the payment of the principal of and interest on the Tax-Exempt Notes and, unless paid from other sources, all the taxable property within the Township is subject to the levy of *ad valorem* taxes, without limitation as to rate or amount, for the payment of the principal of and interest on the Tax-Exempt Notes.

The Internal Revenue Code of 1986, as amended (the “Code”), establishes certain requirements which must be met at the time of, and on a continuing basis subsequent to, the issuance and delivery of the Tax-Exempt Notes for interest thereon to be and remain excludable from gross income for Federal income tax purposes under Section 103 of the Code. Noncompliance with such requirements could cause the interest on the Tax-Exempt Notes to be included in gross income for Federal income tax purposes retroactive to the date of the issuance of the Tax-Exempt Notes. The Township has covenanted in a tax certificate relating to the Tax-Exempt Notes to maintain the exclusion of the interest on the Tax-Exempt Notes from gross income for Federal income tax purposes pursuant to Section 103(a) of the Code.

In our opinion, under existing statutes, regulations, rulings and court decisions, and assuming continuing compliance by the Township with the provisions of the Code and the aforementioned covenants in its tax certificate, interest on the Tax-Exempt Notes is not includable for Federal income tax purposes in the gross income of the owners of the Tax-Exempt Notes pursuant to Section 103 of the Code. The Tax-Exempt Notes are not “specified private activity bonds” within the meaning of Section 57 of the Code and, therefore, the interest on the Tax-Exempt Notes will not be treated as a preference item for purposes of computing the Federal alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the Federal alternative minimum tax imposed on corporations for tax years beginning after December 31, 2022.

We are also of the opinion that, under existing laws of the State of New Jersey, interest on the Tax-Exempt Notes and any gain on the sale thereof are not includable in gross income under the New Jersey Gross Income Tax Act, 1976 N.J. Laws c. 47, as amended and supplemented.

Except as stated in the preceding paragraphs, we express no opinion as to any Federal, state, local or foreign tax consequences of the ownership or disposition of the Tax-Exempt Notes. Furthermore, we express no opinion as to any Federal, state, local or foreign tax law consequences with respect to the Tax-Exempt Notes, or the interest thereon, if any action is taken with respect to the Tax-Exempt Notes or the proceeds thereof upon the advice or approval of other bond counsel.

This opinion is qualified to the extent that the enforceability of the rights or remedies with respect to the Tax-Exempt Notes may be limited by bankruptcy, insolvency, debt adjustment, moratorium, reorganization or other similar laws affecting creditors' rights or remedies heretofore or hereafter enacted to the extent constitutionally applicable and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

This opinion is rendered on the basis of Federal law and the laws of the State of New Jersey as enacted and construed on the date hereof.

We have examined the form of the executed Tax-Exempt Note and, in our opinion, the form of the Tax-Exempt Note is regular and proper.

Very truly yours,

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APPENDIX D

FORM OF APPROVING LEGAL OPINION FOR THE TAXABLE NOTES

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WILENTZ

—ATTORNEYS AT LAW—

90 Woodbridge Center Drive
Suite 900 Box 10
Woodbridge, NJ 07095-0958
732.636.8000

March ___, 2026

Mayor and Township Council
of the Township of Bloomfield
Bloomfield, New Jersey

Ladies and Gentlemen:

We have examined certified copies of the proceedings of the Township Council of the Township of Bloomfield, in the County of Essex, a municipal corporation organized and existing under the laws of the State of New Jersey (the "Township"), and other proofs submitted to us relative to the authorization, issuance, sale, execution and delivery of the \$7,297,000 Parking Utility Notes, Series 2026 (the "Taxable Notes") of the Township. The Taxable Notes are dated March 12, 2026, mature March 11, 2027, and bear interest at the rate of _____ per centum (_____) % per annum.

The Taxable Notes are issued in fully registered book-entry form, without coupons, initially registered in the name of, and held by, Cede & Co., as nominee for The Depository Trust Company, Brooklyn, New York ("DTC"), an automated depository for securities and clearing house for securities transactions. Individual purchases of the Taxable Notes will be made in denominations of \$5,000 each or any integral multiple of \$1,000 in excess thereof, through book entries made on the books and records of DTC and its participants. So long as DTC or its nominee is the registered owner of the Taxable Notes, payments of principal of and interest on the Taxable Notes will be made by the Township or a duly designated paying agent directly to Cede & Co., as nominee for DTC, which will, in turn, remit such payments to DTC Participants, which will, in turn, remit such payments to the beneficial owners of the Taxable Notes. The Taxable Notes are not subject to redemption prior to their stated date of maturity.

The Taxable Notes are authorized by, and issued pursuant to: (i) the provisions of the Local Bond Law of the State of New Jersey, N.J.S.A. 40A:2-1 *et seq.*, as amended and supplemented (the “Local Bond Law”); (ii) various bond ordinances duly adopted by the Township Council of the Township, approved by the Mayor, and published as required by law (the “Ordinances”); and (iii) a resolution duly adopted by the Township Council of the Township on February 23, 2026 (the “Resolution”, and together with the Ordinances, the “Authorizing Documents”).

The Taxable Notes are being issued to (i) refund, on a current basis, a \$6,797,000 principal portion of outstanding parking utility notes issued in the aggregate principal amount of \$6,886,000 on March 17, 2025 and maturing on March 16, 2026 (the “Prior Notes”) (the remaining balance of the Prior Notes shall be paid with a 2026 budgetary appropriation in the amount of \$89,000) and (ii) temporarily finance the costs of various parking utility improvements in the amount of \$500,000, including paying the costs associated with the issuance of the Taxable Notes.

We are of the opinion that (i) such proceedings and proofs show lawful authority for the authorization, issuance, sale, execution and delivery of the Taxable Notes pursuant to the Local Bond Law and the Authorizing Documents, (ii) the Taxable Notes have been duly authorized, executed and delivered and constitute valid and legally binding general obligations of the Township, which are enforceable in accordance with their terms, and (iii) the Township has pledged its full faith and credit for the payment of the principal of and interest on the Taxable Notes and, unless paid from other sources, all the taxable property within the Township is subject to the levy of *ad valorem* taxes, without limitation as to rate or amount, for the payment of the principal of and interest on the Taxable Notes.

In our opinion, under existing statutes, regulations, rulings and court decisions, interest on the Taxable Notes is includable in the gross income of the owners of the Taxable Notes for Federal income tax purposes.

We are also of the opinion that, under existing laws of the State of New Jersey, interest on the Taxable Notes and any gain on the sale thereof are not includable in gross income under the New Jersey Gross Income Tax Act, 1976 N.J. Laws c. 47, as amended and supplemented.

Except as stated in the preceding paragraphs, we express no opinion as to any Federal, state, local or foreign tax consequences of the ownership or disposition of the Taxable Notes. Furthermore, we express no opinion as to any Federal, state, local or foreign tax law consequences with respect to the Taxable Notes, or the interest thereon, if any action is taken with respect to the Taxable Notes or the proceeds thereof upon the advice or approval of other bond counsel.

This opinion is qualified to the extent that the enforceability of the rights or remedies with respect to the Taxable Notes may be limited by bankruptcy, insolvency, debt adjustment, moratorium, reorganization or other similar laws affecting creditors’ rights or remedies heretofore or hereafter enacted to the extent constitutionally applicable and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

This opinion is rendered on the basis of the Federal law and the laws of the State of New Jersey as enacted and construed on the date hereof.

We have examined the form of the executed Taxable Note and, in our opinion, the form of the Taxable Note is regular and proper.

Very truly yours,

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APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

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CONTINUING DISCLOSURE CERTIFICATE

I, CARMINE SARNO, Chief Financial Officer of the Township of Bloomfield, in the County of Essex (the "Township"), a municipal corporation organized and existing under the laws of the State of New Jersey, DO HEREBY CERTIFY in connection with the issuance of (i) \$16,201,700 aggregate principal amount of Bond Anticipation Notes, Series 2026 (Tax-Exempt) consisting of \$14,201,700 General Improvement Notes, Series 2026 (the "General Improvement Notes") and \$2,000,000 Water Utility Notes, Series 2026 (the "Water Utility Notes" and together with the General Improvement Notes, the "Tax-Exempt Notes"), and (ii) \$7,297,000 aggregate principal amount of Parking Utility Notes, Series 2026 (Federally Taxable) (the "Taxable Notes"; and together with the Tax-Exempt Notes, the "Notes"), dated March 12, 2026 and maturing on March 11, 2027, that pursuant to the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended and supplemented (the "Rule"), specifically subsections (d)(3) and (b)(5)(i)(C) thereof, the Township will provide notice (the "Notice") to the Municipal Securities Rulemaking Board (the "MSRB") via its Electronic Municipal Market Access system ("EMMA") as a Portable Document File (PDF file) to www.emma.msrb.org, of any of the following events with respect to the Notes herein described, as applicable: (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions or other material events effecting the tax-exempt status of the security; (7) modifications to rights of security holders, if material; (8) bond calls, if material, and tender offers; (9) defeasances; (10) release, substitution or sale of property securing repayment of the securities, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership or similar event of the Township; (13) consummation of a merger, consolidation, or acquisition, or sale of all or substantially all of the assets of the Township other than in the ordinary course of business, entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such action, other than pursuant to its terms, if material; (14) appointment of a successor or additional trustee or change of name of a trustee, if material; (15) incurrence of a Financial Obligation, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation, any of which affect Noteholders, if material; or (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation, any of which reflect financial difficulties (collectively, the "Listed Events").

"*Financial Obligation*" shall mean a: (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b) listed hereinabove. The term "*Financial Obligation*" shall not include municipal securities as to which a final official statement has been provided to the MSRB (as defined below), through the EMMA system, consistent with the Rule (as defined below).

If the Township (a) has or obtains knowledge of the occurrence of any of the Listed Events not requiring a materiality determination, or (b) determines that the occurrence of a Listed Event requiring a materiality determination would be material to the Beneficial Owners of the Notes, the Township shall file a Notice of each such occurrence with the MSRB via EMMA in a timely manner not in excess of ten (10) business days.

The Township's obligations under this Certificate shall terminate upon the redemption, defeasance or payment in full of the Notes.

In the event the Township fails to comply with any provision of this Certificate, any Noteholder may take such action as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Township to comply with its obligations under this Certificate. Notwithstanding the above, the remedy for a breach of the provisions of this Certificate or the Township's failure to perform hereunder shall be limited to bringing an action to compel specific performance.

This Certificate shall inure solely to the benefit of the Township, the purchaser and the holders from time to time of the Notes, and shall create no further rights in any other person or entity hereunder.

The Township may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be NW Financial Group, LLC, Bloomfield, New Jersey. The Township shall compensate the Dissemination Agent (which shall be appointed) for the performance of its obligations hereunder in accordance with an agreed upon fee structure.

IN WITNESS WHEREOF, I have hereunto set my hand on behalf of the Township this ____ day of March, 2026.

**TOWNSHIP OF BLOOMFIELD,
IN THE COUNTY OF ESSEX,
STATE OF NEW JERSEY**

**CARMINE SARNO,
Chief Financial Officer**

Acknowledged and Accepted by:

NW FINANCIAL GROUP, LLC
as Dissemination Agent

Authorized Signatory

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