

PRELIMINARY OFFICIAL STATEMENT DATED APRIL 16, 2026

NEW ISSUE (BOOK-ENTRY)

RATING ON BONDS: S&P: "AA"
RATING ON NOTES: S&P: "SP-1+"
(See "RATINGS" 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 Bonds and Notes (as respectively 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 purposes 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 Bonds and the 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 (N.J.S.A. 54A:1-1 et seq.), as amended and supplemented. Bond Counsel's opinions described herein are given in reliance on representations, certifications of fact, and statements of reasonable expectation that will be made by the Township in tax certificates related to the Bonds and Notes, respectively, assume continuing compliance by the Township with certain covenants set forth in its tax certificates, and are based on existing statutes, regulations, administrative pronouncements and judicial decisions. See "TAX MATTERS" herein.

TOWNSHIP OF ROCHELLE PARK
IN THE COUNTY OF BERGEN
STATE OF NEW JERSEY

\$8,097,000*
GENERAL IMPROVEMENT BONDS, SERIES 2026

\$3,000,000
BOND ANTICIPATION NOTES, SERIES 2026

(CALLABLE)
(BANK QUALIFIED)

(NON-CALLABLE)
(BANK QUALIFIED)

Dated: Date of Delivery

Dated: Date of Delivery

Due: May 1, as shown on the inside front cover

Due: May 4, 2027

Coupon: ___%

Yield: ___

CUSIP*: 771282___

The \$8,097,000* aggregate principal amount of General Improvement Bonds, Series 2026 (the "Bonds"), dated their date of delivery, are general obligations of the Township of Rochelle Park, in the County of Bergen (the "Township"), a municipal corporation organized and existing under the laws of the State of New Jersey, for which the full faith and credit of the Township are pledged, and are payable ultimately from ad valorem taxes levied upon all the taxable property located within the Township, without limitation as to rate or amount, for the payment of the principal of the Bonds and the interest thereon.

The \$3,000,000 aggregate principal amount Bond Anticipation Notes, Series 2026, dated their date of delivery (the "Notes"), are also general obligations of the Township, for which the full faith and credit of the Township are pledged, and are 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, without limitation as to rate or amount, for the payment of the principal of the Notes and the interest thereon.

The Bonds and 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 Bonds and the Notes. Individual purchases of the Bonds and the Notes will be made in book-entry form in the principal amount 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.

The Bonds shall bear interest from the date of delivery thereof, payable semi-annually on the first (1st) day of May and November of each year, commencing November 1, 2026, at such rates of interest as shown on the inside front cover page hereof, until maturity or prior redemption. The Notes will bear interest at the rate set forth above, commencing from their date of delivery. Interest on the Notes will be payable on the maturity date thereof as set forth above.

While DTC is acting as securities depository for the Bonds and Notes, the principal of and interest on the Bonds and Notes will be payable by wire transfer to DTC or its nominee, which is obligated to remit such principal and interest payments to DTC Participants. DTC Participants and Indirect Participants will be responsible for remitting such principal and interest payments to the Beneficial Owners of the Bonds and Notes. See "BOOK-ENTRY SYSTEM" herein.

The Bonds 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 Committee of the Township on the dates set forth herein, approved by the Mayor (if applicable), and published as required by law; and (iii) a resolution duly adopted by the Township Committee of the Township on April 8, 2026 (the "Resolution").

The 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 Committee of the Township on the dates set forth herein, approved by the Mayor (if applicable), and published as required by law; and (iii) the Resolution.

The Bonds are being issued to (i) refund, on a current basis, a \$6,269,239 principal portion of outstanding bond anticipation notes of the Township issued in the aggregate principal amount of \$8,270,000 on August 7, 2025 and maturing on May 6, 2026 (the "Prior Notes") and (ii) permanently finance various general capital improvements and acquisitions in and by the Township in the amount of \$1,827,761, including paying the costs associated with the issuance of the Bonds.

The Notes are being issued to: (i) refund, on a current basis, the remaining \$2,000,761 principal portion of the Prior Notes; and (ii) temporarily finance the costs of various capital improvements and acquisitions in and by the Township in the amount of \$999,239, including paying the costs associated with the issuance of the Notes.

The Bonds are subject to optional redemption prior to their stated maturities as set forth herein. See "DESCRIPTION OF THE BONDS" under the subheading entitled "Optional Redemption". The Notes are not subject to optional redemption prior to their stated maturity. See "DESCRIPTION OF THE NOTES" under the subheading entitled "Optional Redemption".

The Bonds and 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 and inside front cover page contain 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 Bonds and Notes are offered when, as and if issued and delivered to the Underwriters 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 issuance of the Bonds and the Notes. Certain legal matters will be passed upon for the Township by the Township Attorney, Law Office of John L. Schettino, LLC, Hackensack, New Jersey. It is anticipated that the Bonds and the Notes will be available for delivery through DTC on or about May 5, 2026.

ELECTRONIC BID SUBMISSIONS FOR THE BONDS, IN ACCORDANCE WITH THE FULL NOTICE OF SALE FOR THE BONDS, MUST BE MADE VIA THE PARITY ELECTRONIC BID SYSTEM ("PARITY") OF IDEAL LLC AT HTTPS://NEWISSUE.MUNISPGLOBAL.COM UNTIL 11:00 A.M., PREVAILING NEW JERSEY TIME, ON APRIL 23, 2026. FOR MORE DETAILS ON HOW TO BID ELECTRONICALLY, VIEW THE FULL NOTICE OF SALE FOR THE BONDS POSTED AT WWW.MUNIHUB.COM.

ELECTRONIC BID SUBMISSIONS FOR THE NOTES, IN ACCORDANCE WITH THE FULL NOTICE OF SALE FOR THE NOTES, WILL BE RECEIVED BY BOND COUNSEL, ON BEHALF OF THE CHIEF FINANCIAL OFFICER OF THE TOWNSHIP, UNTIL 11:15 A.M., PREVAILING NEW JERSEY TIME, ON APRIL 23, 2026 VIA ELECTRONIC MAIL AT TEISMEIER@NWFINANCIAL.COM OR VIA PARITY AT HTTPS://NEWISSUE.MUNISPGLOBAL.COM. FOR MORE DETAILS ON HOW TO BID ELECTRONICALLY, VIEW THE FULL NOTICE OF SALE FOR THE NOTES POSTED AT WWW.MUNIHUB.COM.

* Preliminary, subject to change.

** 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 above is being provided solely for the convenience of the Noteholders only at the time of issuance of the Notes and the Township does not make any representation with respect to such number or undertake any responsibility for its accuracy now or at any time in the future. The CUSIP number is subject to being changed after the issuance of the Notes as a result of 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.

This is a Preliminary Official Statement "deemed final" by the Township within the meaning of, and with the exception of, certain information permitted to be omitted by Rule 15c2-12 of the Securities and Exchange Commission, and is otherwise subject to change in accordance with applicable law. The Township will deliver a final Official Statement in compliance with Rule 15c2-12. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of these Bonds or Notes in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, qualification or exemption under the securities laws of any such jurisdiction.

**TOWNSHIP OF ROCHELLE PARK
IN THE COUNTY OF BERGEN
STATE OF NEW JERSEY**

\$8,097,000*
GENERAL IMPROVEMENT BONDS, SERIES 2026

**(CALLABLE)
(BANK QUALIFIED)**

Dated: Date of Delivery

Due: May 1, as shown below

**MATURITIES, PRINCIPAL AMOUNTS*, INTEREST RATES,
YIELDS AND CUSIP NUMBERS****

Year (May 1)	Principal Amounts*	Interest Rates	Yields	CUSIP Numbers**
2027	\$ 370,000	%	%	771282__
2028	370,000			771282__
2029	370,000			771282__
2030	370,000			771282__
2031	735,000			771282__
2032	735,000			771282__
2033	735,000			771282__
2034	735,000			771282__
2035	735,000			771282__
2036	735,000			771282__
2037	735,000			771282__
2038	735,000			771282__
2039	<u>737,000</u>			771282__
Total:	<u>\$ 8,097,000</u>			

* Preliminary, subject to change.

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**TOWNSHIP OF ROCHELLE PARK
IN THE COUNTY OF BERGEN
STATE OF NEW JERSEY**

MAYOR

Thomas Miller

TOWNSHIP COMMITTEE MEMBERS

Thomas Miller, Mayor
Matthew Trawinski
Jennifer Appice
Teresa Judge Cravello
Sean Smyth

TOWNSHIP ADMINISTRATOR

Samantha I. Carpio

CHIEF FINANCIAL OFFICER

Roy Riggitano

TOWNSHIP CLERK

Gina S. Kim

TOWNSHIP ATTORNEY

Law Office of John L. Schettino, LLC
Hackensack, New Jersey

TOWNSHIP AUDITOR

Lerch, Vinci & Bliss, LLP
Fair Lawn, New Jersey

TOWNSHIP 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 Rochelle Park, in the County of Bergen, State of New Jersey (the "Township"), to give any information or to make any representations with respect to the Bonds and 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 Bonds or the Notes in any jurisdiction in which it is unlawful for any 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 Bonds or 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 circumstances, create an 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 or the other sources, which information has been provided by DTC or such other sources.

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. 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 provided 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 the Bonds and the Notes, the respective Underwriters may engage in transactions intended to stabilize the price of the Bonds or 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 the Bonds and the Notes are offered to the public by the respective Underwriters and the yields resulting there from may vary from the initial public offering prices or yields on the cover page and/or inside cover page hereof. In addition, the 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 of the United States of America as applied to the facts and circumstances of the aforementioned transactions, but the Underwriters do not guarantee the accuracy or completeness of such information.

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OFFICIAL STATEMENT
OF THE
TOWNSHIP OF ROCHELLE PARK
IN THE COUNTY OF BERGEN, STATE OF NEW JERSEY

RELATING TO

\$8,097,000*
GENERAL IMPROVEMENT BONDS, SERIES 2026

and

\$3,000,000
BOND ANTICIPATION NOTES, SERIES 2026

INTRODUCTION

The purpose of this Official Statement is to provide certain information regarding the financial and economic condition of the Township of Rochelle Park (the "Township"), in the County of Bergen (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 \$8,097,000* aggregate principal amount of General Improvement Bonds, Series 2026 (the "Bonds") and \$3,000,000 aggregate principal amount of Bond Anticipation Notes, Series 2026 (the "Notes"). This Official Statement, which includes the cover page, inside front cover page and appendices attached hereto, has been authorized by the Township Council of the Township, 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 Bonds and Notes.

This Official Statement contains specific information relating to the Bonds and 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 Bonds and 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 promulgated by the Securities and Exchange Commission (the "Rule").

DESCRIPTION OF THE BONDS

General Description

The Bonds are dated the date of delivery thereof and shall bear interest at the rates shown on the inside front cover page hereof from such date, and shall be payable semi-annually on the first (1st) day of May and November in each year (each an "Interest Payment Date"), commencing November 1, 2026, until maturity or prior redemption. Interest on the Bonds is calculated on the basis of twelve (12) thirty (30) day months in a three hundred sixty (360) day year and will be paid by check, draft or wire transfer mailed, transmitted or delivered to the registered owners of the Bonds as of each respective April 15 and October 15 preceding each

* Preliminary, subject to change.

Interest Payment Date (the “Record Dates”), at the address shown on the registration books for the Bonds kept for that purpose by the Township’s Chief Financial Officer, as Registrar and Paying Agent.

The Bonds will mature on May 1 in each of the years and in the respective principal amounts as set forth on the inside front cover page.

The Bonds, when issued, will be registered in the name of, and held by, Cede & Co., as nominee for The Depository Trust Company, Brooklyn, New York (“DTC”). DTC will act as securities depository (the “Securities Depository”) for the Bonds. Purchases of beneficial ownership interests in the Bonds 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, through book entries made on the books and records of DTC and its participants. Under certain circumstances, such beneficial interests in the Bonds are exchangeable for one or more fully registered Bond certificates of like series, maturity and tenor in authorized denominations.

The Bond 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/or the transfers of the interests among its participants. The participants will be responsible for maintaining records regarding the beneficial ownership interests in the Bonds on behalf of the individual purchasers. Individual purchasers of the Bonds will not receive certificates representing their beneficial ownership interests in the Bonds, 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 Bonds purchased. So long as DTC or its nominee, Cede & Co., is the registered owner of the Bonds, payments of the principal of and interest on the Bonds will be made by the Township, as Paying Agent, or a duly designated paying agent as may be designated by the Township, directly to DTC or its nominee, Cede & Co., which will, in turn, remit such payments to DTC Participants and Indirect Participants (each as hereinafter defined), which will, in turn, remit such payments to the beneficial owners of the Bonds. See “BOOK-ENTRY SYSTEM” herein.

Optional Redemption

The Bonds of this issue maturing prior to May 1, 2034 are not subject to redemption prior to their stated maturities. The Bonds of this issue maturing on or after May 1, 2034 are redeemable at the option of the Township, in whole or in part, on any date on or after May 1, 2033, upon notice as required herein, at a redemption price equal to one hundred percent (100%) of the principal amount being redeemed (the “Redemption Price”), plus accrued interest to the date fixed for redemption.

Notice of Redemption

Notice of Redemption (“Notice of Redemption”) shall be given by mailing such notice at least thirty (30) days, but not more than sixty (60) days, before the date fixed for redemption by first class mail in a sealed envelope with postage prepaid to the registered owners of such Bonds at their respective addresses as they last appear on the registration books kept for that purpose by the Township or a duly appointed bond registrar. So long as DTC (or any successor thereto) acts as Securities Depository for the Bonds, Notices of Redemption shall be sent to such Securities Depository and shall not be sent to the beneficial owners of the Bonds. Any failure of the Securities Depository to advise any of its Participants or any failure of any Participant to notify any beneficial owner of any Notice of Redemption shall not affect the validity of the redemption proceedings. If the Township determines to redeem a portion of the Bonds prior to maturity, such Bonds shall be redeemed by the Township in inverse order of maturity and within any maturity shall be selected by the Township by lot.

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

Authorization for the Issuance of the Bonds

The Bonds 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 Committee of the Township on the dates set forth in the chart below under the subheading “Purpose of the Bonds”, approved by the Mayor (if applicable), and published as required by law; and (iii) a resolution duly adopted by the Township Committee of the Township on April 8, 2026 (the “Resolution”).

The bond ordinances authorizing the Bonds 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 has concluded as of the date of this Official Statement.

Purpose of the Bonds

The Bonds are being issued to (i) refund, on a current basis, a \$6,269,239 principal portion of outstanding bond anticipation notes of the Township issued in the aggregate principal amount of \$8,270,000 on August 7, 2025 and maturing on May 6, 2026 (the “Prior Notes”), and (ii) permanently finance various general capital improvements and acquisitions in and by the Township in the amount of \$1,827,761, including paying the costs associated with the issuance of the Bonds.

The improvements or purposes for which the Bonds are to be issued have been authorized by duly adopted, approved and published bond ordinances 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 Bond Proceeds to be Issued for such improvements or purposes. The bond ordinances are as follows:

\$8,097,000*
General Improvement Bonds, Series 2026

<u>Ordinance Number</u>	<u>Description and Date of Final Adoption</u>	<u>Amount of Bond Proceeds to be Issued</u>
1126-18	Various public improvements, finally adopted 6/27/18	\$ 675,220.00
1138-19, amends 1128-18 in its entirety	Resurfacing of Terrace Avenue and Brooks Avenue, finally adopted 4/24/19	204,104.00
1142-19	Various public improvements, finally adopted 7/24/19	421,212.00
1165-20	Various public improvements, finally adopted 5/27/20	422,753.00
1182-21	Various public improvements, finally adopted 9/22/21	751,912.00
2022-02	Replacement of the Rochelle Avenue Pump Station, finally adopted 2/23/22	256,708.00
2023-16 amends 2022-20 in its entirety	Various public improvements, finally adopted 10/11/23	1,105,330.00

* Preliminary, subject to change.

<u>Ordinance Number</u>	<u>Description and Date of Final Adoption</u>	<u>Amount of Bond Proceeds to be Issued</u>
2023-10	Various public improvements, finally adopted 6/14/23	932,000.00
1196-24	Funding of the Township's portion of the cost of energy efficient improvements at various Township Buildings and Facilities, finally adopted 3/13/24	98,625.00
1197-24 as supplemented by 1240-25	Amending and Supplementing 1197-24 finally adopted 3/19/24 and providing for various improvements to Carlock Field, finally adopted 7/23/25	171,400.00
1198-24	Resurfacing of Harvey Avenue, finally adopted 3/13/24	404,217.00
1208-24	Various public improvements, finally adopted 6/26/24	1,545,000.00
1227-25	Various capital acquisitions and improvements, finally adopted 4/9/25	<u>1,108,519.00</u>
		<u>\$ 8,097,000.00</u>

Payment of Bonds

As hereinafter stated, the Bonds 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 Bonds, without limitation as to rate or amount, unless paid from other sources.

DESCRIPTION OF THE NOTES

General Description

The Notes shall be dated the date of delivery thereof and shall bear interest at the rate as indicated on the front cover page of this Official Statement, 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.

The Notes will be issued as fully registered notes in book-entry form, and when issued, will be issued with one certificate for the principal amount of the Notes and will be registered in the name of, and held by, Cede & Co., as nominee of DTC. DTC will act as Securities Depository for the Notes. Principal of and interest on the Notes will be payable by the Township, as Paying Agent, or a duly designated paying agent as may be designated by the Township, on the date of maturity thereof 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, 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 certificate will be on deposit with DTC. DTC will be responsible for maintaining a book-entry system for recording the interests of its participants and/or the transfers of the interests among its participants. The participants will be responsible for maintaining records regarding the beneficial ownership interests in the Notes on behalf of the individual purchasers. Individual purchasers of the Notes will not receive certificates representing their beneficial ownership interests in the Notes, but each book-entry owner will receive a credit balance on the books of its nominee, and this credit balance will be confirmed by an initial

transaction statement stating the details of the Notes purchased. So long as DTC or its nominee, Cede & Co., is the registered owner of the Notes, payments of the principal of and interest on the Notes will be made by the Township or a duly designated paying agent directly to DTC or its nominee, Cede & Co., which will, in turn, remit such payments to DTC Participants 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 maturity.

Authorization for the Issuance of the Notes

The 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 Committee of the Township on the dates set forth in the chart below under the subheading "Purpose of the Notes", approved by the Mayor (if applicable), and published as required by law; and (iii) the Resolution.

The bond ordinances authorizing the 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 has concluded as of the date of this Official Statement.

Purpose of the Notes

The Notes are being issued to: (i) refund, on a current basis, the remaining \$2,000,761 principal portion of the Prior Notes; and (ii) temporarily finance the costs of various capital improvements and acquisitions in and by the Township in the amount of \$999,239, including paying the costs associated with the issuance of the Notes.

The improvements or purposes for which the Notes are to be issued have been authorized by duly adopted, approved and published bond ordinances 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 Notes Proceeds to be Issued for such improvements or purposes. The bond ordinances are as follows:

\$3,000,000
Bond Anticipation Notes, Series 2026

<u>Ordinance Number</u>	<u>Description and Date of Final Adoption</u>	<u>Amount of Note Proceeds to be Issued</u>
1231-25	Reconstruction of the sanitary sewer pump station, finally adopted 5/28/25	\$ 2,366,700.00
1241-25	Various capital improvements and acquisitions, finally adopted 8/27/25	<u>633,300.00</u>
		<u>\$ 3,000,000.00</u>

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 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 FOR THE BONDS AND NOTES

The Bonds and 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 Bonds and 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 Bonds and Notes and the interest thereon, without limitation as to rate or amount, unless otherwise 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 Bonds and 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 Bonds and 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 BONDS AND NOTES" herein.

The Bonds and 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.

RECENT HEALTHCARE DEVELOPMENTS

In early March of 2020, the World Health Organization declared a pandemic following the global outbreak of COVID-19, a respiratory disease caused by a newly discovered strain of coronavirus. 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 \$582,899 in Federal Aid under the Plan. 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.

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 cyberattacks, the Township has invested in multiple forms of cybersecurity and operational safeguards. In addition, the Township maintains certain insurance coverage for cyberattacks and related events. 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 Bonds and Notes, payment of principal and interest, and other payments on the Bonds and Notes to DTC Participants or Beneficial Owners (as such terms are defined or used herein), confirmation and transfer of beneficial ownership interests in the Bonds and Notes and other related transactions by and between DTC, DTC Participants and Beneficial Owners, is based on certain information furnished by DTC to the Township. Accordingly, the Township does not make any representations concerning these matters.

DTC will act as securities depository for the Bonds and Notes. The Bonds and 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 Bond certificate will be issued for each maturity of the Bonds as set forth on the inside front cover page hereof, and will be deposited with DTC. One fully registered Note certificate will be issued for the Notes in the aggregate principal amount of the Notes, 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

* Source: The Depository Trust Company.

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 and www.dtc.org.

Purchases of the Bonds or Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds or Notes on DTC's records. The ownership interest of each actual purchaser of the Bonds or 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 Bonds or 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 Bonds or Notes, except in the event that use of the book-entry system for the Bonds or Notes is discontinued.

To facilitate subsequent transfers, all Bonds or 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 Bonds or Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds or Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds or 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 Bonds or Notes may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds or Notes, such as redemptions, tenders, defaults, and proposed amendments to the Bond or Note documents. For example, Beneficial Owners of the Bonds or Notes may wish to ascertain that the nominee holding the Bonds or 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 Bonds or Notes, unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Township as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds or Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Bonds and 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 Bonds and 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 Bonds or 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, Bond and Note certificates are 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, Bond and 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 Bonds or Notes, the following provisions apply: (i) the Bonds or Notes may be exchanged for an equal aggregate principal amount of Bonds or Notes in authorized denominations and of the same maturity, upon surrender thereof at the office of the Chief Financial of the Township or Paying Agent; (ii) the transfer of any Bonds or Notes may be registered on the books maintained by the Chief Financial Officer of 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 Chief Financial of the Township, or Paying Agent; and (iii) for every exchange or registration of transfer of Bonds or Notes, the Chief Financial Officer of the Township or Paying Agent may make a charge sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer of the Bonds or Notes. Interest on the Bonds or Notes will be payable by check or draft, mailed on the Interest Payment Date 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 and, if applicable, approved by the Mayor. The Local Bond Law requires publication and posting of the bond ordinance. 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 Bonds and 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 serial or sinking fund installments, and that, unlike school debt, and with some exceptions, including self-liquidating obligations and the improvements involving State grants, a five percent (5%) cash down payment 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 note 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.

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 township 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 Valuation 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 municipal 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 March 10 (in the case of a county) and not later than March 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 ("Government Obligations"), (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) of three (3) years. Under the regulations prescribed by the Local Finance Board, since the Township is a Faulkner Act or Optional Municipal Charter Law Municipality, it is never eligible for local examination of its budget. The Township introduced its 2026 budget on April 8, 2026 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. The Township utilized \$483,123 of its “Cap” Bank in its 2026 Budget. 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 taxable property within the boundaries of the Township to pay debt service on bonds and notes, including the Bonds and 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.

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:

$$\begin{array}{l} \text{Total of Local, County,} \\ \text{and School Levies} \end{array} - \text{Anticipated Revenues} = \text{Cash Required from Taxes to Support} \\ \text{Local Municipal Budget and Other Taxes}$$

$$\frac{\text{Cash Required from Taxes to Support Local Municipal Budget and Other Taxes}}{\text{Prior Year's Percentage of Current Tax Collection (or Lesser \%)}} = \begin{array}{l} \text{Amount to be} \\ \text{Raised by} \\ \text{Taxation} \end{array}$$

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 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.

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.

Upon the filing of certified adopted budgets by the Township, the local school district and the County, the tax rate is struck by the County Board of Taxation based on the certified amounts in each of the taxing districts for collection to fund the budgets. The statutory provisions for the assessment of property, levying of taxes and the collection thereof are set forth in N.J.S.A. 54:4-1 et seq. Special taxing districts are permitted in New Jersey for various special services rendered to the properties located within the special 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 as 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 years 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 Bonds and Notes in order for the interest on the Bonds and 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 Bonds or Notes to be included in gross income for Federal income tax purposes retroactive to the date of issuance of the Bonds and Notes, respectively. The Township will represent in its tax certificates related to the issuance of the Bonds and Notes, respectively, 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 certificates described above, interest on the Bonds and Notes is not includable in gross income of the owners of the Bonds and Notes 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 Bonds and Notes are "qualified tax-exempt obligations" as defined in and for purposes of Section 265(b)(3) of the Code.

[Original Issue Premium]

[The Bonds maturing on May 1 in the years _____ through _____, inclusive (collectively, the "Premium Bonds"), were purchased at a premium ("original issue premium") over the stated principal amounts of the Bonds. For Federal income tax purposes, original issue premium generally must be

amortized over the term of the Premium Bonds. Amortizable bond premium is accounted for as reducing the tax-exempt interest on the Premium Bonds rather than creating a deductible expense or loss. Under Section 171(a)(2) of the Code, no deduction is allowed for the amortizable bond premium (determined in accordance with Section 171(b) of the Code) on tax-exempt bonds. Under Section 1016(a)(5) of the Code, however, an adjustment must be made to the purchaser's basis in the Premium Bonds to the extent of any amortizable bond premium that is disallowable as a deduction under Section 171(a)(2) of the Code. Holders of the Premium Bonds should consult their tax advisors for an explanation of the bond premium amortization rules.]

[Original Issue Discount]

[Bond Counsel is also of the opinion that the difference between the stated principal amount of the Bonds maturing on May 1 in the years ____ through ____, inclusive (collectively, the "Discount Bonds"), and their respective initial public offering prices to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which prices a substantial amount of the Discount Bonds of the same maturity and interest rate were sold, constitutes original issue discount which is treated as interest and is excludable from gross income for Federal income tax purposes to the same extent described above. In the case of any holder of the Discount Bonds, the amount of such original issue discount which is treated as having accrued with respect to the Discount Bonds is added to the cost basis of the holder in determining, for Federal income tax purposes, gain or loss upon disposition (including sale, redemption or payment at maturity). Holders of the Discount Bonds should consult their tax advisors for an explanation of the original issue discount rules.]

Additional Federal Income Tax Consequences Relating to Bonds and Notes

Prospective purchasers of the Bonds and Notes should be aware that ownership of, accrual or receipt of interest on or disposition of tax-exempt obligations, such as the Bonds and 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 Bonds and 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 Bonds and Notes, and any gain on the sale thereof, are not includable in gross income of the holders thereof under the existing New Jersey Gross Income Tax Act, 1976 N.J. Laws c. 47 (N.J.S.A. 54A:1-1 et seq.), as amended and supplemented. Except as provided above, no opinion is expressed with respect to other State and local tax consequences of owning the Bonds or Notes.

Prospective Tax Law Changes

Federal, state or local legislation, administrative pronouncements or court decisions may affect the Federal and State tax-exempt status of interest on the Bonds and Notes, gain from the sale or other disposition of the Bonds and Notes, the market value of the Bonds and Notes or the marketability of the Bonds and Notes. The effect of any legislation, administrative pronouncements or court decisions cannot be predicted. Prospective purchasers of the Bonds and 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 Bonds and Notes. Bond Counsel renders its opinions under existing statutes, regulations, rulings and court decisions as of the date of issuance and delivery of the Bonds and 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 thereof, or otherwise. Bond Counsel

expresses no opinion as to the effect, if any, on the tax status of the interest paid or to be paid on the Bonds and Notes as a result of any action hereafter taken or not taken in reliance upon an opinion of other counsel.

See APPENDIX C for the complete text of the proposed form of Bond Counsel's legal opinion with respect to the Bonds and APPENDIX D for the complete text of the proposed form of Bond Counsel's legal opinion with respect to the Notes.

ALL POTENTIAL PURCHASERS OF THE BONDS AND 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 BONDS AND 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 Bonds and Notes, and such Bonds and Notes are authorized security for any and all public deposits.

RISK TO HOLDERS OF BONDS AND NOTES

It is understood that the rights of the holders of the Bonds and 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 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.

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 ITS 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 BONDS AND NOTES, OR THAT THE BANKRUPTCY CODE COULD NOT BE AMENDED AFTER THE DATE HEREOF.

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 Bonds and Notes, the respective original purchasers shall each 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 Bonds and Notes. In addition, the respective original purchasers of the Bonds and Notes shall also each receive a certificate, in form satisfactory to Bond Counsel, evidencing the proper execution and delivery of the Bonds and Notes and receipt of payment therefor, and a certificate, dated as of the date of the delivery of the Bonds and Notes, and signed by the officers who signed the Bonds and 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 Bonds or Notes or the levy or collection of taxes to pay the principal of or interest on the Bonds or Notes, as applicable, or questioning the validity of the statutes or the proceedings under which the Bonds or Notes, as applicable, are issued, and that neither the corporate existence nor boundaries of the Township, nor the title of any of the said officers of the Township to their respective offices, is being contested.

APPROVAL OF LEGAL PROCEEDINGS

All legal matters incident to the authorization, issuance, sale and delivery of the Bonds and Notes are subject to the approval of Bond Counsel, whose approving legal opinions will be delivered with the Bonds and

Notes, respectively, substantially in the forms set forth as APPENDIX C and APPENDIX D, respectively, hereto. Certain legal matters with respect to the Bonds and Notes will be passed on for the Township by its Township Attorney, Law Offices of John L. Schettino, LLC, Hackensack, New Jersey (the "Township Attorney"). The various legal opinions to be delivered concurrently with the delivery of the Bonds and 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: Roy Riggitano, Chief Financial Officer, Township of Rochelle Park, 151 West Passaic Street, Rochelle Park, New Jersey 07662, (201) 587-7730, or e-mail: royfrank@aol.com; Everett M. Johnson, Esq., Bond Counsel to the Township, Wilentz, Goldman & Spitzer, P.A., 90 Woodbridge Center Drive Woodbridge, New Jersey 07095, (732) 855-6149, or e-mail: ejohnson@wilentz.com; or Timothy Eismeier, Municipal Advisor to the Township, 522 Broad Street, Bloomfield, New Jersey 07003, (551) 655-7595, or email: teismeier@nwfinancial.com.

MUNICIPAL ADVISOR

NW Financial Group, LLC, has served as municipal advisor to the Township with respect to the issuance of the Bonds and Notes (the "Municipal Advisor"). 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 threatening, restraining or enjoining the authorization, sale, issuance or the delivery of the Bonds or Notes, respectively, offered for sale or the levy and collection of any taxes to pay the principal of or the interest on said Bonds or Notes, respectively, or in any manner questioning the authority or the proceedings for the issuance of the Bonds or Notes, respectively, or for the levy or collection of taxes to pay the principal of and interest on the Bonds or Notes, or any action contesting the corporate existence or boundaries of the Township or the title of any of its present officers. 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 Bonds and Notes will receive an opinion or a certificate of the Township Attorney to such effect upon the closing of the Bonds and Notes, respectively.

COMPLIANCE WITH SECONDARY MARKET DISCLOSURE REQUIREMENTS FOR THE BONDS

The Township has covenanted for the benefit of the holders of the Bonds and the beneficial owners of the Bonds to provide certain financial information and operating data of the Township on or prior to September 30 of each year and to comply with the provisions of Rule 15c2-12 (the "Rule") promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended and supplemented, and as detailed in a Continuing Disclosure Certificate for the Bonds (the "Bond Disclosure Certificate") to be executed on behalf of the Township by its Chief Financial Officer, in the form appearing in APPENDIX E attached hereto. Such Bond Disclosure Certificate shall be delivered concurrently with the delivery of the Bonds. Annual financial information, including operating data and notices of events specified in the Rule, shall be filed with the Municipal Securities Rulemaking Board (the "MSRB").

In accordance with the Rule and prior secondary market disclosure undertakings, within the five years immediately preceding the date of this Official Statement, the Township failed to timely file its adopted budget for the year ended December 31, 2021. Additionally, the Township failed to timely file the required late filing notice in connection with the item referenced above. Such information has since been filed with MSRB's Electronic Municipal Market Access ("EMMA") website. The Township has engaged Phoenix Advisors, a division of First Security Municipal Advisors, Inc., Hamilton, New Jersey (the "Dissemination Agent"), to serve as continuing disclosure agent to assist in the filing of certain information on EMMA as required under its prior secondary market disclosure undertakings.

COMPLIANCE WITH SECONDARY MARKET DISCLOSURE REQUIREMENTS FOR THE NOTES

The Township has covenanted for the benefit of the holders of the Notes to provide notices of the occurrence of certain enumerated events with respect to the Notes (the "Notices"), as set forth in Section (b)(5)(i)(C) of the 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 with the MSRB. The specific nature of the Notices will be detailed in a Continuing Disclosure Certificate for the Notes (the "Note Disclosure Certificate") to be executed on behalf of the Township by its Chief Financial Officer, in the form appearing in APPENDIX F attached hereto. Such Note Disclosure Certificate shall be delivered concurrently with the delivery of the Notes.

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 headings entitled "APPROVAL OF LEGAL PROCEEDINGS" (as it relates to the Bond Counsel) and "TAX MATTERS" and the information provided in APPENDICES C and D hereto, but expresses no opinion or other assurance other than that which is specifically set forth therein with respect thereto.

The Municipal Advisor has participated in the review of this Official Statement, but has not verified the accuracy, completeness, or fairness hereof, and, accordingly, expresses no opinion or other assurance with respect hereto, but takes responsibility for the information contained under the headings entitled "MUNICIPAL ADVISOR", "COMPLIANCE WITH SECONDARY MARKET DISCLOSURE REQUIREMENTS FOR THE BONDS" (as to the second paragraph only) and "COMPLIANCE WITH SECONDARY MARKET DISCLOSURE REQUIREMENTS FOR THE NOTES", and expresses no opinion or other assurance other than that which is specifically set forth therein with respect thereto.

Lerch, Vinci & Bliss, LLP, Fair Lawn, New Jersey, the auditor to the Township, has not participated in the preparation of the 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 under the heading entitled "FINANCIAL STATEMENTS" and the unaudited and audited financial statements contained in APPENDIX B hereto 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 verified the accuracy, completeness, or fairness thereof, and, accordingly, expresses no opinion or other assurance with respect thereto, but has reviewed the sections under the headings entitled "APPROVAL OF LEGAL PROCEEDINGS" (as it relates to the Township Attorney) and "LITIGATION" and expresses no opinion or other 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.

RATINGS

S&P Global Ratings, acting through Standard & Poor's Financial Services LLC (the "Rating Agency"), has assigned a rating of "AA" to the Bonds and a short-term rating of "SP-1+" to the Notes.

An explanation of the significance of the ratings on the Bonds and 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 Bonds and Notes, as applicable. Except as set forth in the Bond Disclosure Certificate and the Note Disclosure Certificate, respectively, 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 Bonds and Notes.

UNDERWRITING

The Bonds have been purchased from the Township at a public sale by _____ (the "Bond Underwriter") at a price of \$ _____. The purchase price of the Bonds reflects the par amount of Bonds (\$ _____), less a Bond Underwriter's discount in the amount of \$ _____, plus a[n] [net] original issue premium in the amount \$ _____.

The Notes have been purchased from the Township at a public sale by _____ (the "Note Underwriter") at a price of \$ _____. The purchase price of the Notes reflects the par amount of Notes (\$ _____), less a Note Underwriter's discount in the amount of \$ _____, plus a[n] [net] original issue premium in the amount \$ _____.

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

The Note Underwriter 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

The unaudited financial statement of the Township for the year ended December 31, 2025 and the audited financial statements of the Township for the years ended December 31, 2024 and 2023, together with the Notes to the financial statements for the years then ended, are presented in APPENDIX B to this Official Statement. The audited financial statements referred to above have been audited by Lerch, Vinci & Bliss, LLP, Fair Lawn, New Jersey, an independent auditor, as stated in its 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 Bonds or 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 Bonds or 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 its Chief Financial Officer.

**TOWNSHIP OF ROCHELLE PARK,
IN THE COUNTY OF BERGEN,
STATE OF NEW JERSEY**

**ROY RIGGITANO,
Chief Financial Officer**

DATED: April __, 2026

APPENDIX A

CERTAIN FINANCIAL AND DEMOGRAPHIC INFORMATION

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GENERAL INFORMATION REGARDING THE TOWNSHIP

Size and Geographical Location

The Township of Rochelle Park was incorporated in 1871 and occupies one square mile. The Township's location in Central Bergen County affords easy access to New York City and Newark International Airport. Rochelle Park is bordered by the Townships of Lodi, Maywood and Paramus and the Township of Saddle Brook.

Form of Government

The Township is governed by a Township Committee, which has both legislative and executive powers, and is comprised of five members, elected at large, for staggered three-year terms. The Mayor is chosen by the Township Committee from amongst its members.

The executive powers are implemented through a professional staff comprised of a Township Administrator, Township Clerk, and various Department heads.

Transportation

Bus service to Hackensack and New York City and close proximity to The Meadowlands Sports Complex make Rochelle Park an excellent home for commuters.

Township residents have quick and easy access to all parts of New Jersey and New York via Routes 17, 46 and 80, the Garden State Parkway and the New Jersey Turnpike.

Protection

The Rochelle Park Police Department consists of police officers, detectives and school guards. Ambulance service to the public from Hackensack University Medical Center.

The Township is served by a volunteer Fire Company which operates modern fire apparatuses housed in their own building.

Sanitation

The Township provides garbage collection for all homes on a twice-weekly basis. Recycling pick-up is provided for all homes on a weekly basis, alternating between cardboard/paper and comingled recycling. The Township contracts with a private scavenger for these services. Payment for such garbage and recycling collection services is part of the general property tax levy.

The Township is a participant in the Bergen County Utilities Authority which provides sewerage treatment for the entire municipality. For this service the Township pays an annual service charge based on the metered flow of sewerage. This service charge is part of the general property tax levy.

Utilities

Electricity and gas is supplied by Public Service Electric & Gas Company. Water is supplied to the Township by Suez North America.

Recreation

Children and adults are kept busy throughout the year with sports programs, holiday celebrations, summer camp and other community programs. The Township operates a free Public Library which coordinates its activities with the needs of both the school system and its residents.

Education

The Township's school district educates students from pre-kindergarten through eighth grade. Students in grades nine through twelve attend Hackensack High School as part of sending/receiving relationship with the Rochelle Park Board of Education

Retirement Systems

All full-time permanent or qualified Township employees who began employment after 1944 must enroll in one of two primary retirement systems depending on their employment status. These systems were established by acts of the State Legislature. Benefits, contributions, means of funding and the manner of administration are set by State law. The Division is the administrator of the funds with the benefit and contribution levels set by the State. The Township is enrolled in the Public Employees Retirement System ("PERS") and the Police and Firemen's Retirement System ("PFRS").

Pension Information

Employees, who are eligible to participate in a pension plan, are enrolled in PERS or PFRS, administered by the Division. The Division annually charges municipalities and other participating governmental units for their respective contributions to the plans based upon actuarial calculations. The employees contribute a portion of the cost.

ECONOMIC AND DEMOGRAPHIC INFORMATION

Population

Population trends for the Township, County and the State of New Jersey are shown below:

<u>Area</u>	<u>1990</u>	<u>2000</u>	<u>2010</u>	<u>2020</u>	<u>2024</u>
Township of Rochelle Park	5,587	5,528	5,530	5,814	6,002
County of Bergen	825,380	884,118	905,116	955,732	978,641
State of New Jersey	7,730,188	8,414,350	8,791,894	9,288,994	9,500,851

Source: U.S. Census Bureau.

Income as of 2024

	Median Household Income	Median Family Income	Per Capita Income
Township of Rochelle Park	\$110,380	\$150,634	\$54,516
County of Bergen	124,884	152,200	63,735
State of New Jersey	103,556	127,025	54,253

Source: U.S. Census Bureau, 2020 - 2024 American Community Survey 5 Year Estimates

Labor Force, Employment and Unemployment

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

	Total Labor Force	Employed Labor Force	Total Unemployed	Unemployment Rate
<u>Township of Rochelle Park</u>				
2024	3,484	3,355	129	3.7%
2023	3,457	3,329	128	3.7%
2022	3,360	3,236	124	3.7%
2021	3,259	3,024	235	7.2%
2020	3,240	2,886	354	10.9%
<u>County of Bergen</u>				
2024	541,844	521,596	20,248	3.7%
2023	536,776	517,682	19,094	3.6%
2022	519,799	502,401	17,398	3.3%
2021	499,794	468,726	31,068	6.2%
2020	494,538	449,149	45,389	9.2%
<u>State of New Jersey</u>				
2024	4,898,008	4,676,064	221,944	4.5%
2023	4,867,113	4,659,779	207,334	4.3%
2022	4,756,002	4,572,879	183,123	3.9%
2021	4,654,243	4,342,075	312,168	6.7%
2020	4,643,700	4,204,301	439,399	9.5%

Source: New Jersey Department of Labor, Division of Labor Market and Demographic Research

DEBT INFORMATION

Debt Statements

The Township must report all new authorizations of debt or changes in previously authorized debt to the Division of Local Government Services, Department of Community Affairs of the State of New Jersey (the "Division"). The Supplemental Debt Statement, as this report is known, must be submitted to the Division before final passage of any debt authorization. Before January 31 of each year the Township must file an Annual Debt Statement with the Division. 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.

Debt Incurring Capacity As of December 31, 2025 (Unaudited)

Municipal	
Equalized Valuation Basis (last 3 years average)	\$ 1,377,292,112
3 1/2% Borrowing Margin	48,205,224
Net Debt Issued, Outstanding and Authorized	18,659,884
Remaining Municipal Borrowing Capacity	29,545,340
Local School	
3% Borrowing Margin	41,318,763
Debt Issued, Outstanding and Authorized	3,500,000
Remaining School Borrowing Capacity	37,818,763

Gross and Statutory Net Debt as of December 31,

<u>Year</u>	<u>Gross Debt Amount</u>	<u>Statutory Net Debt</u>	
		<u>Amount</u>	<u>Percentage</u>
2025 (Unaudited)	\$ 22,159,984	\$ 18,659,884	1.355%
2024	16,817,956	12,967,856	1.033%
2023	15,733,900	11,084,639	0.959%
2022	15,887,400	11,280,139	1.040%
2021	15,921,891	11,049,680	1.054%

Source: Township of Rochelle Park Annual Audit Reports and 2025 Annual Debt Statement

**Statement of Indebtedness
As of December 31, 2025 (Unaudited)**

GENERAL PURPOSES

Bonds Issued and Outstanding	\$ 3,820,000	
Bond Anticipation Notes	8,270,000	
Bonds and Notes Authorized But Not Issued	<u>6,569,984</u>	
		\$ 18,659,984

LOCAL SCHOOL

Debt Issued, Outstanding and Authorized		<u>3,500,000</u>
---	--	------------------

TOTAL GROSS DEBT 22,159,984

STATUTORY DEDUCTIONS

Municipal Purpose	100	
School Purposes	<u>3,500,000</u>	
		<u>3,500,100</u>

TOTAL NET DEBT \$ 18,659,884

OVERLAPPING DEBT

County of Bergen (Note 1)	9,129,846	
Bergen County Utilities Authority (2)	<u>2,241,796</u>	

TOTAL OVERLAPPING DEBT \$ 11,371,642

GROSS DEBT

Per Capita (2024 Estimate - 10,108)		\$ 3,692
Percent of Net Valuation Taxable (2025 - \$2,124,018,900)		2.30%
Percent of Estimated True Value of Real Property (2025 - \$2,621,615,871)		1.57%

NET MUNICIPAL DEBT

Per Capita (2024 Estimate - 10,108)		\$ 3,109
Percent of Net Valuation Taxable (2025 - \$2,124,018,900)		1.94%
Percent of Estimated True Value of Real Property (2025 - \$2,621,615,871)		1.32%

OVERALL DEBT (Gross and Overlapping Debt)

Per Capita (2024 Estimate - 10,108)		\$ 5,587
Percent of Net Valuation Taxable (2025 - \$2,124,018,900)		3.48%
Percent of Estimated True Value of Real Property (2025 - \$2,621,615,871)		2.38%

Note (1) Overlapping debt was computed based upon the real property ratio of equalized valuations of the municipality to all municipalities within the County as provided in the 2024 Morris County Abstract of Ratables published by the Bergen County Board of Taxation.

Note (2) Overlapping debt was computed based upon usage.

Source: Township of Rochelle Park.

BUDGET INFORMATION
Current Fund
(As Adopted)

	<u>2026 (1)</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Anticipated Revenues					
Fund Balance	\$ 1,928,035	\$ 1,928,035	\$ 1,694,100	\$ 1,602,500	\$ 1,210,000
Miscellaneous Revenues	3,192,430	3,466,631	3,339,601	2,896,370	1,992,095
Receipts from Delinquent Taxes	110,000	110,000	110,000	128,000	128,000
Amount to be Raised by Taxes for Support of Municipal Budget	<u>11,662,747</u>	<u>10,343,378</u>	<u>10,211,206</u>	<u>10,135,676</u>	<u>10,007,322</u>
	<u>\$ 16,893,212</u>	<u>\$ 15,848,044</u>	<u>\$ 15,354,907</u>	<u>\$ 14,762,546</u>	<u>\$ 13,337,417</u>
Appropriations					
Salaries and Wages	\$ 5,970,341	\$ 5,407,858	\$ 5,202,683	\$ 4,848,008	\$ 4,656,794
Other Expenses	6,945,353	6,612,466	6,073,764	5,866,970	5,339,337
Deferred Charges and Statutory Expenditures	1,666,052	1,513,588	1,688,598	1,327,036	1,333,010
Capital Improvement Fund	100,000	100,000	200,000	634,447	144,344
Municipal Debt Service	1,584,010	1,563,600	1,547,525	1,445,900	1,233,530
Judgements		27,700	30,000	27,700	30,000
Transfer to Board of Education	102,456	102,832	102,337	102,485	100,402
Reserve for Uncollected Taxes	<u>525,000</u>	<u>520,000</u>	<u>510,000</u>	<u>510,000</u>	<u>500,000</u>
	<u>\$ 16,893,212</u>	<u>\$ 15,848,044</u>	<u>\$ 15,354,907</u>	<u>\$ 14,762,546</u>	<u>\$ 13,337,417</u>

(1) Introduced Budget

Source: Township of Rochelle Park.

FINANCIAL INFORMATION

Current Fund Balance and Amounts Utilized in Succeeding Year's Budget

<u>Year</u>	<u>Fund Balance December 31</u>	<u>Utilized in Budget of Succeeding Year</u>
2025 (Unaudited)	\$ 3,917,255	\$ 1,928,035
2024	4,839,031	1,928,035
2023	4,937,249	1,694,100
2022	3,625,115	1,602,500
2021	3,512,953	1,210,000

Source: Township of Rochelle Park Annual Audit Reports.

Current Tax Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collection During Year of Levy</u>	
		<u>Amount</u>	<u>Percent</u>
2025 (Unaudited)	\$ 28,332,487	\$ 28,042,935	98.97%
2024	27,233,826	27,086,240	99.46%
2023	26,680,655	26,545,147	99.49%
2022	26,382,599	26,250,209	99.50%
2021	25,090,867	24,933,978	99.37%

Source: Township of Rochelle Park Annual Audit Reports.

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Delinquent Taxes</u>	<u>Percentage of Levy</u>
2025 (Unaudited)	\$ 125,073	0.44%
2024	138,746	0.51%
2023	113,878	0.43%
2022	132,723	0.50%
2021	134,426	0.54%

Source: Township of Rochelle Park Annual Audit Reports.

Ten Largest Taxpayers

The ten largest taxpayers in the Township and their 2026 assessed valuations are listed below:

<u>Taxpayer</u>	<u>Assessment</u>
Rochelle Park Holdings	\$ 28,943,900
SAC Realty LLC	21,401,600
Aerial Realty LLC	19,000,000
Rega Rochelle Park LLC	16,716,300
Extra Space Properties Two LLC	16,481,800
Sims Associates	15,328,000
216 Route 17 North LLC	15,120,000
395 Rochelle Park LLC	14,862,000
Northern Park, LLC	14,688,400
218 Route 17N LLC NJ	13,777,900
	<u>\$ 176,319,900</u>

Source: Tax Assessor.

Assessed Valuation Land Improvements by Class

<u>Year</u>	<u>Vacant Land</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Apartment</u>	<u>Total</u>
2026 (1)	\$ 14,237,300	\$ 1,036,829,200	\$ 359,892,800	\$ 48,700,600	\$55,700,700	\$ 1,515,360,600
2025	12,705,100	603,955,100	280,563,300	30,990,100	35,250,300	963,463,900
2024	13,395,300	602,330,200	278,137,900	31,657,200	35,250,300	960,770,900
2023	12,392,000	602,289,000	279,612,200	31,657,200	35,250,300	961,200,700
2022	13,271,900	600,314,500	279,478,600	31,657,200	35,250,300	959,972,500

(1) Revaluation

Source: Tax Duplicate.

Assessed Valuations Net Valuation Taxable

<u>Year</u>	<u>Net Valuation Taxable</u>	<u>Ratio of Assessed Value to True Value of Real Property</u>	<u>Total True Value of Assessed Property</u>
2026 (1)	\$ 1,515,360,600	N/A	N/A
2025	963,463,900	68.64%	1,410,448,867
2024	960,770,900	78.52%	1,229,657,812
2023	961,200,700	84.10%	1,150,873,291
2022	959,972,500	86.15%	1,119,537,754

(1) Revaluation

Source: Morris County Abstract of Ratables

**Components of Real Estate Tax Rate
(per \$100 of Assessment)**

<u>Year</u>	<u>Total</u>	<u>Municipal</u> (1)	<u>Local School</u>	<u>County</u>
2025	\$ 2.934	\$ 1.073	\$ 1.519	\$ 0.342
2024	2.826	1.062	1.468	0.296
2023	2.775	1.054	1.435	0.286
2022	2.745	1.042	1.421	0.282
2021	2.609	1.016	1.323	0.270

(1) Includes Library and Open Space

Source: Tax Collector.

**Apportionment of Tax Levy
(Including School and County Purposes)**

<u>Year</u>	<u>Total</u>	<u>Municipal</u> (1)	<u>Local School</u>	<u>County</u>
2025 (Unaudited)	\$ 28,262,253	\$ 10,343,378	\$ 14,627,882	\$ 3,290,993
2024	27,233,826	10,289,222	14,102,272	2,842,332
2023	26,680,655	10,146,893	13,787,034	2,746,728
2022	26,382,599	10,015,011	13,638,578	2,729,010
2021	25,090,867	9,959,996	12,537,530	2,593,341

(1) Includes Library and Open Space

Source: Township of Rochelle Park.

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APPENDIX B

**UNAUDITED FINANCIAL STATEMENT OF THE TOWNSHIP OF ROCHELLE PARK FOR THE
YEAR ENDED DECEMBER 31, 2025 AND AUDITED FINANCIAL STATEMENTS OF THE
TOWNSHIP OF ROCHELLE PARK FOR THE YEARS ENDED DECEMBER 31, 2024
AND 2023**

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**UNAUDITED FINANCIAL INFORMATION OF THE TOWNSHIP OF ROCHELLE PARK
FOR THE YEAR ENDED DECEMBER 31, 2025**

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DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA
ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, RMA, PSA

DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA, PSA
CHRISTOPHER VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA, PSA
JOHN CUIFFO, CPA

ACCOUNTANT'S COMPILATION REPORT

Honorable Mayor and Members
of the Township Council
Township of Rochelle Park
Rochelle Park, New Jersey

Management is responsible for the accompanying balance sheets – regulatory basis of the various funds of the Township of Rochelle Park, as of December 31, 2025 and the related statement of operations and changes in fund balance – regulatory basis, the statement of revenues – regulatory basis and statement of expenditures – regulatory basis of the various funds for the year then ended in accordance with the regulatory basis of accounting. We have performed the compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements – regulatory basis nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The financial statements are prepared in accordance with the financial and accounting reporting provisions and practices that demonstrate compliance with the regulatory basis of accounting and budget laws 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.

Management has elected to omit substantially all the disclosures ordinarily included in financial statements prepared in accordance with the regulatory basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Township's assets, liabilities, fund balances, revenues and expenditures. Accordingly, the financial statements are not designed for those who are not informed about such matters.

By/s/ LERCH, VINCI & BLISS, LLP
Certified Public Accountants
Registered Municipal Accountants

Fair Lawn, New Jersey
March 19, 2026

17-17 ROUTE 208 • FAIR LAWN, NJ 07410 • TELEPHONE (201) 791-7100 • FACSIMILE (201) 791-3035
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**TOWNSHIP OF ROCHELLE PARK
BALANCE SHEET - REGULATORY BASIS
CURRENT FUND
AS OF DECEMBER 31, 2025 (UNAUDITED)**

	<u>2025</u>
ASSETS	
Cash	\$ 6,866,802
Cash - Change Funds	480
Cash - Petty Cash	1,311
Grants Receivable	25,000
Due from State of NJ - Senior Citizens' and Veterans' Deductions	<u>5,377</u>
	<u>6,898,970</u>
Receivables and Other Assets With Full Reserves	
Delinquent Property Taxes Receivable	125,073
Revenue Accounts Receivable	116,302
Due from Animal Control Fund	<u>4,703</u>
	<u>246,078</u>
Deferred Charges	
Revaluation	<u>152,000</u>
Total Assets	<u>\$ 7,297,048</u>
LIABILITIES, RESERVES AND FUND BALANCE	
Liabilities	
Appropriation Reserves	\$ 416,704
Encumbrances Payable	282,895
Accounts Payable	-
Prepaid Taxes	84,299
Fees Payable	6,704
County Taxes Payable	6,988
Local School Taxes Payable	1,392,946
Due to Other Trust Fund	6,847
Due to General Capital Fund	172,797
Reserve for Tax Appeals	503,331
Miscellaneous Reserves	21,147
Reserve for State and Federal Grants:	
Appropriated	152,969
Unappropriated	<u>86,088</u>
	3,133,715
Reserve for Receivables	246,078
Fund Balance	<u>3,917,255</u>
Total Liabilities, Reserves and Fund Balance	<u>\$ 7,297,048</u>

TOWNSHIP OF ROCHELLE PARK
STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE -
REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2025 (UNAUDITED)

	<u>2025</u>
REVENUE AND OTHER INCOME	
Fund Balance Utilized	\$ 1,928,035
Miscellaneous Revenues Anticipated	3,679,304
Receipts from Delinquent Taxes	136,584
Receipts from Current Taxes	28,042,935
Nonbudget Revenues	427,156
Other Credits to Income	
Unexpended Balance of Appropriation Reserves	215,996
Statutory Excess - Animal Control Fund	2,935
Cancelled Appropriated Grant Reserve Balances	25,000
Interfunds Liquidated	<u>6,008</u>
Total Income	<u>34,463,953</u>
EXPENDITURES	
Budget and Emergency Appropriations	
Operations	
Salaries and Wages	5,518,458
Other Expenses	6,732,658
Deferred Charges and Statutory Expenditures -	
Municipal	1,513,588
Capital Improvements	100,000
Municipal Debt Service	1,562,989
Contribution to Local District School	102,832
County Taxes Payable	3,290,993
County Added Taxes	6,988
Local District School Taxes	14,627,882
Prior Year Sr. Cit. and Vets. Deductions Disallowed	<u>1,306</u>
Total Expenditures	<u>33,457,694</u>
Excess in Revenue	1,006,259
FUND BALANCE, JANUARY 1	<u>4,839,031</u>
	5,845,290
Decreased by:	
Utilized as Anticipated Revenues	<u>1,928,035</u>
FUND BALANCE, DECEMBER 31	<u>\$ 3,917,255</u>

**TOWNSHIP OF ROCHELLE PARK
STATEMENT OF REVENUES - REGULATORY BASIS
CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2025 (UNAUDITED)**

	<u>Budget</u>	<u>Special Added by: 40A:4-87</u>	<u>Realized</u>	<u>Excess (Deficit)</u>
FUND BALANCE ANTICIPATED	\$ 1,928,035	-	\$ 1,928,035	-
MISCELLANEOUS REVENUES				
Licenses				
Other	40,000		43,734	3,734
Fees and Permits	60,000		90,908	30,908
Fines and Costs				
Municipal Court	150,000		221,262	71,262
Interest and Costs on Taxes	24,000		34,700	10,700
Interest on Investments and Deposits	330,000		394,417	64,417
Energy Receipts Taxes	706,846		706,846	-
Uniform Construction Code Fees	300,000		183,953	(116,047)
BOE - Security Resource Officer	31,996		39,996	8,000
Special Items of General Revenue Anticipated With Prior Written Consent of Director of Local Government Services				
Recycling Tonnage Grant - Reserve	15,895		15,895	
Clean Communities - Reserve	13,200	13,092	26,292	
Body Armor Replacement - Reserve	2,111		2,111	
Municipal Alliance - Reserve	2,937		2,937	
NJ DCA Fire Fighter Grant - Reserve	20,000		20,000	
Alcohol Rehabilitation - Reserve	1,594		1,594	
NJDOA Spotted Lantern Fly Grant - Reserve	8,000		8,000	
Storm Water Assistance Grant - Reserve	10,000		10,000	
Uniform Fire Safety Act - Local	30,000		47,150	17,150
Uniform Fire Safety Act - State	17,500		23,518	6,018
Cable T.V. Franchise Fee - Optimum	35,000		37,103	2,103
Cable T.V. Franchise Fee Verizon	25,000		32,585	7,585
Hotel Fees	90,000		104,596	14,596
Westfield Corporation	174,433		174,433	-
Cellular Tower Lease - AT&T/Cingular	36,000		39,600	3,600
Cellular Tower Lease - T-Mobile	36,000		37,122	1,122
Real Property Rental - 151 W. Passaic Street	130,000		195,281	65,281
PILOT - 120 West Passaic Street - Storage Facility	60,000		96,009	36,009
PILOT - 120 West Passaic Street - Residential 2024	95,000		176,948	81,948
PILOT - 120 West Passaic Street - Residential 2025	190,000		186,444	(3,556)
Reserve for Police O/S Duty Administrative Fees - Other Trust Fund	46,119		46,119	-
Reserve for Police O/S Duty Administrative Fees	135,000		188,859	53,859
Cannabis Transfer Tax and Transfer Fees	650,000	-	490,892	(159,108)
Total Miscellaneous Revenues	<u>3,466,631</u>	<u>13,092</u>	<u>3,679,304</u>	<u>199,581</u>
RECEIPTS FROM DELINQUENT TAXES	<u>110,000</u>	<u>-</u>	<u>136,584</u>	<u>26,584</u>
AMOUNT TO BE RAISED BY TAXES FOR SUPPORT OF MUNICIPAL BUDGET				
Local Tax for Municipal Purposes	9,876,804		10,005,498	128,694
Minimum Library Tax	466,574	-	466,574	-
	<u>10,343,378</u>	<u>-</u>	<u>10,472,072</u>	<u>128,694</u>
Total General Revenues	<u>\$ 15,848,044</u>	<u>\$ 13,092</u>	16,215,995	<u>\$ 354,859</u>
Nonbudget Revenue			427,156	
			<u>\$ 16,643,151</u>	

TOWNSHIP OF ROCHELLE PARK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2025 (UNAUDITED)

	<u>Appropriated</u>	<u>Budget After</u>	<u>Expended</u>	<u>Unexpended</u>
	<u>Budget</u>	<u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Reserved</u> <u>Balance</u> <u>Cancelled</u>
OPERATIONS - WITHIN "CAPS"				
GENERAL GOVERNMENT				
General Administration				
Salaries and Wages	\$ 80,000	\$ 73,000	\$ 70,000	\$ 3,000
Other Expenses	50,000	50,000	48,482	1,518
Salaries and Wages - Grant Professional	55,000	55,000	49,456	5,544
Other Expenses - Postage	7,500	7,500	5,191	2,309
Township Committee				
Salaries and Wages	30,000	28,335	25,154	3,181
Other Expenses	8,000	8,000	7,229	771
Municipal Clerk				
Salaries and Wages	140,000	144,765	144,764	1
Other Expenses	35,000	35,500	34,967	533
Financial Administration				
Salaries and Wages	150,000	140,000	138,586	1,414
Other Expenses	35,000	35,000	20,355	14,645
Audit Services				
Other Expenses	45,000	55,000	54,762	238
Computerized Data Processing				
Other Expenses	30,000	24,000	20,408	3,592
Revenue Administration				
Salaries and Wages	115,000	115,000	113,097	1,903
Other Expenses	15,000	15,000	10,168	4,832
Tax Assessment Administration				
Salaries and Wages	20,000	20,000	19,877	123
Other Expenses	10,000	6,500	4,712	1,788
Other Expenses - Revaluation		190,000	190,000	-
Legal Services				
Salaries and Wages	140,000	100,000	100,000	-
Other Expenses	50,000	50,000	41,876	8,124
Engineering Services				
Other Expenses	50,000	20,000	11,842	8,158
 LAND AND USE ADMINISTRATION				
Planning Board/Zoning Board of Adjustment				
Salaries and Wages	15,500	9,000	7,730	1,270
Other Expenses	12,500	18,500	17,649	851
 INSURANCE				
Liability Insurance	310,181	310,181	285,678	24,503
Workman's Compensation Insurance	246,123	246,123	246,123	-
Employee Group Insurance	1,750,956	1,769,777	1,749,464	20,313
Unemployment Insurance	12,000	12,000	12,000	-
Other Insurance Premiums	30,000	30,000	30,000	-
 PUBLIC SAFETY FUNCTIONS				
Police Department				
Salaries and Wages	3,270,000	3,325,000	3,293,743	31,257
Salaries and Wages - ARP	-	-	-	-
Other Expenses	150,000	151,500	149,718	1,782
Other Expenses - Lease of Vehicles	135,000	135,000	125,089	9,911
Police Dispatch				
Salaries and Wages	300,000	343,500	338,971	4,529
School Crossing Guards				
Salaries and Wages	85,000	80,000	78,175	1,825
Office of Emergency Management				
Salaries and Wages	6,300	6,300	6,300	-
Other Expenses	10,000	10,100	10,044	56
Aid to Volunteer Fire Companies				
Salaries and Wages	24,177	24,177	24,177	-
Other Expenses	100,000	100,000	90,488	9,512
Other Expenses - Lease of Vehicles	21,000	21,000	20,262	738

The Accompanying Notes are an Integral Part of these Financial Statements

TOWNSHIP OF ROCHELLE PARK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2025 (UNAUDITED)
(Continued)

	<u>Budget</u>	<u>Appropriated Budget After Modification</u>	<u>Paid or Charged</u>	<u>Expended Reserved</u>	<u>Unexpended Balance Cancelled</u>
OPERATIONS - WITHIN "CAPS" (Cont'd)					
PUBLIC SAFETY FUNCTIONS (Cont'd)					
Fire Department					
Salaries and Wages	\$ 55,000	\$ 55,000	\$ 49,171	\$ 5,829	
Other Expenses	15,700	15,700	12,237	3,463	
PUBLIC WORKS FUNCTIONS					
Streets and Road Maintenance					
Salaries and Wages	515,000	573,000	569,879	3,121	
Other Expenses	110,000	110,000	94,778	15,222	
Shade Tree					
Other Expenses	7,500	7,500	2,038	5,462	
Recycling					
Salaries and Wages	7,185	7,185	5,684	1,501	
Other Expenses	265,000	251,000	250,825	175	
Solid Waste Collection					
Other Expenses	230,000	195,000	187,088	7,912	
Public Buildings and Grounds					
Other Expenses	135,000	139,000	138,416	584	
Vehicle Maintenance					
Other Expenses	55,000	60,000	53,562	6,438	
HEALTH AND HUMAN SERVICES FUNCTIONS					
Public Health Services					
Salaries and Wages	6,500	6,500	4,182	2,318	
PARK AND RECREATION FUNCTIONS					
Recreational Services and Programs					
Salaries and Wages	10,000	12,500	10,263	2,237	
Other Expenses	65,000	65,000	60,025	4,975	
Other Expenses - Access to All	7,500	7,500	7,257	243	
Senior Citizens					
Other Expenses	14,500	14,500	9,230	5,270	
OTHER COMMON OPERATING FUNCTIONS					
Celebrations of Public Events					
Other Expenses	14,600	14,600	14,057	543	
UTILITY EXPENSES AND BULK PURCHASES					
Electricity	207,000	207,000	203,491	3,509	
Telephone	30,000	30,000	21,360	8,640	
Water	30,000	30,500	25,679	4,821	
Water - Fire Hydrant Service	75,000	77,800	77,721	79	
Gas (Natural or Propane)	-	-	-	-	
Gasoline	84,050	66,050	64,050	2,000	
LANDFILL/SOLID WASTE DISPOSAL FEES					
Dump Fees	247,255	193,755	193,755	-	
MUNICIPAL COURT FUNCTIONS					
Municipal Court Administration					
Salaries and Wages	175,000	187,000	182,888	4,112	
Other Expenses	27,000	27,000	24,517	2,483	
UNIFORM CONSTRUCTION CODE APPROPRIATIONS OFFSET BY DEDICATED REVENUES (N.J.A.C. 5:23-4-17)					
Uniform Construction Code Enforcement Functions					
Salaries and Wages	177,000	182,000	180,432	1,568	
Other Expenses	20,000	20,000	14,317	5,683	-
Total Operations Within "CAPS"	<u>10,130,027</u>	<u>10,319,848</u>	<u>10,041,439</u>	<u>278,409</u>	<u>-</u>
Detail:					
Salaries & Wages	5,376,662	5,487,262	5,412,529	74,733	-
Other Expenses (Including Contingent)	<u>4,753,365</u>	<u>4,832,586</u>	<u>4,628,910</u>	<u>203,676</u>	<u>-</u>

TOWNSHIP OF ROCHELLE PARK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2025 (UNAUDITED)
(Continued)

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
OPERATIONS - WITHIN "CAPS" (Cont'd)					
DEFERRED CHARGES AND STATUTORY EXPENDITURES-MUNICIPAL WITHIN "CAPS"					
STATUTORY CHARGES					
Public Employees Retirement System	\$ 178,248	\$ 178,248	\$ 178,248	-	
Police and Fireman's Retirement System	1,029,340	1,029,340	1,029,340	-	
Social Security System (O.A.S.I.)	240,000	240,000	230,070	\$ 9,930	-
Total Deferred Charges & Statutory Expenditures - Municipal Within "CAPS"	<u>1,447,588</u>	<u>1,447,588</u>	<u>1,437,658</u>	<u>9,930</u>	<u>-</u>
Total General Appropriations for Municipal Purposes Within "CAPS"	<u>11,577,615</u>	<u>11,767,436</u>	<u>11,479,097</u>	<u>288,339</u>	<u>-</u>
OPERATIONS - EXCLUDED FROM "CAPS"					
Length of Service Awards Program					
Other Expenses	16,000	16,000	-	16,000	-
Group Insurance for Employees	202,239	202,239	202,239	-	-
General Liability Insurance	34,518	34,518	34,518	-	-
Workers Compensation Insurance	6,226	6,226	6,226	-	-
Judgments:	27,700	27,879	27,879	-	-
Municipal Library				-	-
Maintenance of Public Library	466,574	466,574	466,574	-	-
Sewerage Processing and Disposal				-	-
Other Expenses - BCUA Operations and Maintenance	780,714	780,714	780,714	-	-
Other Expenses - BCUA Debt Service	211,033	211,033	211,033	-	-
Total Other Operations Excluded from "CAPS"	<u>1,745,004</u>	<u>1,745,183</u>	<u>1,729,183</u>	<u>16,000</u>	<u>-</u>
INTERLOCAL MUNICIPAL SERVICE AGREEMENTS					
Paramus BORO - Emergency "911"	2,325	2,325	-	2,325	
County of Bergen - Health Services	65,000	65,000	37,179	27,821	-
BOE Security Resource Officer - Salaries and Wages	31,196	31,196	30,823	373	-
Total Interlocal Municipal Service Agreements	<u>98,521</u>	<u>98,521</u>	<u>68,002</u>	<u>30,519</u>	<u>-</u>
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES					
Storm Water Assistance Grant	10,000	10,000	-	10,000	
NJDOA Spotted Lantern Fly Grant	8,000	8,000	-	8,000	
NJ DCA Fire Fighter Grant	20,000	20,000	-	20,000	
NJ Recycling Tonnage Grant	15,895	15,895	2,148	13,747	
NJ Clean Communities Program	13,200	26,292	-	26,292	
NJ Body Armor Replacement Program	2,111	2,111	-	2,111	
NJ Municipal Alliance on Alcoholism & Drug Abuse - State	2,937	2,937	2,140	797	
NJ Municipal Alliance on Alcoholism & Drug Abuse - Local	735	735	-	735	-
Alcohol Rehab - Reserve	1,594	1,594	1,430	164	-
Total Public and Private Programs Offset by Revenues	<u>74,472</u>	<u>87,564</u>	<u>5,718</u>	<u>81,846</u>	<u>-</u>
Total Operations Excluded from "CAPS"	<u>1,917,997</u>	<u>1,931,268</u>	<u>1,802,903</u>	<u>128,365</u>	<u>-</u>
Detail:					
Salaries & Wages	31,196	31,196	30,823	373	
Other Expenses (Including Contingent)	1,886,801	1,900,072	1,772,080	127,992	-

The Accompanying Notes are an Integral Part of these Financial Statements

TOWNSHIP OF ROCHELLE PARK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2025 (UNAUDITED)
(Continued)

	<u>Appropriated</u>	<u>Expended</u>	<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>
			<u>Reserved</u>
			<u>Balance Cancelled</u>
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"			
Capital Improvement Fund	\$ 100,000	\$ 100,000	\$ 100,000
Total Capital Improvements - Excluded from "CAPS"	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"			
Bond Principal	1,065,000	1,065,000	1,065,000
Bond Interest	138,700	138,700	138,675
Payment of Notes	172,800	172,800	172,800
Note Interest (BANs)	187,100	187,100	186,514
Total Municipal Debt Service - Excluded from "CAPS"	<u>1,563,600</u>	<u>1,563,600</u>	<u>1,562,989</u>
DEFERRED CHARGES - MUNICIPAL EXCLUDED FROM "CAPS"			
Special Emergency Authorization	66,000	66,000	66,000
Total Deferred Charges - Municipal Excluded from "CAPS"	<u>66,000</u>	<u>66,000</u>	<u>66,000</u>
Contribution to Local School District	102,832	102,832	102,832
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	<u>3,750,429</u>	<u>3,763,700</u>	<u>3,634,724</u>
Subtotal General Appropriations	15,328,044	15,531,136	15,113,821
Reserve for Uncollected Taxes	520,000	520,000	520,000
Total General Appropriations	<u>\$ 15,848,044</u>	<u>\$ 16,051,136</u>	<u>\$ 15,633,821</u>
Budget as Adopted		\$ 15,848,044	
Appropriation by 40A: 4-87		13,092	
Emergency Authorization		<u>190,000</u>	
		<u>\$ 16,051,136</u>	

**TOWNSHIP OF ROCHELLE PARK
BALANCE SHEET - REGULATORY BASIS
TRUST FUNDS
AS OF DECEMBER 31, 2025 (UNAUDITED)**

	<u>2025</u>
ASSETS	
ANIMAL CONTROL FUND	
Cash	\$ <u>7,131</u>
OTHER TRUST FUND	
Cash	2,005,979
Due from Current fund	<u>6,846</u>
	<u>2,012,825</u>
Total Assets	<u>\$ 2,019,956</u>
LIABILITIES, RESERVES AND FUND BALANCE	
ANIMAL CONTROL FUND	
Due to Current Fund	\$ 4,703
Due to State	359
Reserve for Animal Control Expenditures	<u>2,069</u>
	<u>7,131</u>
OTHER TRUST FUND	
Miscellaneous Reserves and Escrow Deposits	951,952
Reserve for COAH	1,047,142
Reserve for Self Insurance	240
Payroll Deductions Payable	<u>13,491</u>
	<u>2,012,825</u>
Total Liabilities, Reserves and Fund Balance	<u>\$ 2,019,956</u>

**TOWNSHIP OF ROCHELLE PARK
BALANCE SHEET - REGULATORY BASIS
GENERAL CAPITAL FUND
AS OF DECEMBER 31, 2025 (UNAUDITED)**

	<u>2025</u>
ASSETS	
Cash	\$ 2,821,721
Grants Receivable	1,539,138
Due from Current Fund	172,797
Deferred Charges to Future Taxation	
Funded	3,820,000
Unfunded	<u>14,839,984</u>
 Total Assets	 <u>\$ 23,193,640</u>
 LIABILITIES, RESERVES AND FUND BALANCE	
General Serial Bonds	\$ 3,820,000
Bond Anticipation Notes	8,270,000
Improvement Authorizations	
Funded	13,955
Unfunded	7,877,108
Contracts Payable	1,015,055
Capital Improvement Fund	30,513
Reserve for Grants Receivable	813,577
Reserve for Improvements/Acquisitions	240,000
Reserve for Debt Service	100
Reserve for Sale of Assets	513,950
Reserve for Sewer Connection Fees	287,450
Fund Balance	<u>311,932</u>
 Total Liabilities, Reserves and Fund Balance	 <u>\$ 23,193,640</u>

There were bonds and notes authorized but not issued on December 31, 2025 of \$6,569,984.

TOWNSHIP OF ROCHELLE PARK
STATEMENT OF CHANGE IN FUND BALANCE - REGULATORY BASIS
GENERAL CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2025 (UNAUDITED)

	<u>2025</u>
Balance, January 1	\$ 294,342
Increased by:	
Premium on BANS Issued	<u>17,590</u>
Balance, December 31	<u>\$ 311,932</u>

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**INDEPENDENT AUDITORS REPORT AND
FINANCIAL STATEMENTS OF THE TOWNSHIP OF ROCHELLE PARK
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

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DIETER P. LERCH, CPA, RMA, PSA
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JOHN CUIFFO, CPA, PSA, RMA
DEBRA GOLLE, CPA

INDEPENDENT AUDITOR’S REPORT

Honorable Mayor and
Members of the Township Council
Township of Rochelle Park
Rochelle Park, New Jersey

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the Township of Rochelle Park which comprise the balance sheets - regulatory basis of the various funds and account group as of December 31, 2024 and 2023, and the related statements of operations and changes in fund balance - regulatory basis, the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the Current Fund for the years then, and the related notes to the financial statements.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the possible effects of the matters discussed in the Basis for Qualified Opinion on Regulatory Basis of Accounting section of our report, the accompanying financial statements – regulatory basis referred to above present fairly, in all material respects, the financial position – regulatory basis of the various funds and account group of the Township of Rochelle Park as of December 31, 2024 and 2023, and the results of operations and changes in fund balance – regulatory basis of such funds, the respective revenues – regulatory basis and expenditures – regulatory basis of the Current Fund for the years then ended in accordance with the financial accounting and reporting provisions and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Basis for Opinions

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

Basis for Qualified Opinion on Regulatory Basis of Accounting

As discussed in Note 19 of the financial statements, the financial statements – regulatory basis of the Length of Service Awards Program (LOSAP) Trust Fund have not been audited, and we were not required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, to audit nor were we engaged to audit the LOSAP Trust Fund financial statements as part of our audit of the Township's financial statements as of and for the years ended December 31, 2024 and 2023. The LOSAP Trust Fund financial activities are included in the Township's Trust Funds, and represent 29 percent and 25 percent of the assets and liabilities of the Township's Trust Funds as of December 31, 2024 and 2023, respectively.

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

As described in Note 1 of the financial statements, the financial statements are prepared by the Township of Rochelle Park on the basis of the financial accounting and reporting provisions and practices that demonstrate compliance with the regulatory basis of accounting and budget laws 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 financial reporting requirements of the State of New Jersey for municipal government entities. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial accounting and reporting provisions and practices that demonstrate compliance with the regulatory basis of accounting and budget laws prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material 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 Rochelle Park'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 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 generally accepted auditing standards, Government Auditing Standards and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional 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 of Rochelle Park's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township of Rochelle Park'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.

By/s/

LERCH, VINCI & BLISS, LLP
Certified Public Accountants
Registered Municipal Accountants

Fair Lawn, New Jersey
August 15, 2025

TOWNSHIP OF ROCHELLE PARK
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
CURRENT FUND
AS OF DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash	\$ 7,488,218	\$ 7,378,521
Cash - Change Funds	480	480
Cash - Petty Cash	1,309	1,308
Grants Receivable	25,000	10,000
Due from State of NJ - Senior Citizens' and Veterans' Deductions	<u>6,127</u>	<u>5,377</u>
	<u>7,521,134</u>	<u>7,395,686</u>
Receivables and Other Assets With Full Reserves		
Delinquent Property Taxes Receivable	138,746	113,878
Revenue Accounts Receivable	161,367	217,077
Due from Animal Control Fund	3,053	1,316
Due from Other Trust Fund		75,451
Due from General Capital	<u>7,658</u>	<u>99,706</u>
	<u>310,824</u>	<u>507,428</u>
Deferred Charges		
Overexpenditure of Appropriations		191,557
Special Emergency Authorization	<u>28,000</u>	<u>130,000</u>
	<u>28,000</u>	<u>321,557</u>
Total Assets	<u><u>\$ 7,859,958</u></u>	<u><u>\$ 8,224,671</u></u>
LIABILITIES, RESERVES AND FUND BALANCE		
Liabilities		
Appropriation Reserves	\$ 361,670	\$ 521,901
Encumbrances Payable	148,345	298,266
Accounts Payable		15,214
Prepaid Taxes	92,029	52,168
Fees Payable	9,852	7,344
County Taxes Payable	8,619	756
Local School Taxes Payable	1,128,109	964,880
Due to Other Trust Fund	139,021	
Reserve for Tax Appeals	610,000	500,000
Miscellaneous Reserves	21,145	74,843
Reserve for State and Federal Grants:		
Appropriated	117,576	115,716
Unappropriated	<u>73,737</u>	<u>228,906</u>
	2,710,103	2,779,994
Reserve for Receivables	310,824	507,428
Fund Balance	<u>4,839,031</u>	<u>4,937,249</u>
Total Liabilities, Reserves and Fund Balance	<u><u>\$ 7,859,958</u></u>	<u><u>\$ 8,224,671</u></u>

TOWNSHIP OF ROCHELLE PARK
COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE -
REGULATORY BASIS - CURRENT FUND
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
REVENUE AND OTHER INCOME		
Fund Balance Utilized	\$ 1,694,100	\$ 1,602,500
Miscellaneous Revenues Anticipated	4,021,722	4,057,165
Receipts from Delinquent Taxes	115,226	133,994
Receipts from Current Taxes	26,976,240	26,239,678
Nonbudget Revenues	204,889	492,381
Other Credits to Income		
Unexpended Balance of Appropriation Reserves	277,952	364,620
Statutory Excess - Animal Control Fund	1,495	907
Cancelled Accounts Payable	15,214	
Cancelled Appropriated Grant Reserve Balances		55,193
Other Accounts Receivable - Liquidated		70,441
Interfunds Liquidated	<u>165,762</u>	<u>444,708</u>
 Total Income	 <u>33,472,600</u>	 <u>33,461,587</u>
EXPENDITURES		
Budget and Emergency Appropriations		
Operations		
Salaries and Wages	5,242,183	4,871,435
Other Expenses	6,041,764	5,871,243
Deferred Charges and Statutory Expenditures -		
Municipal	1,701,098	1,327,036
Capital Improvements	200,000	243,165
Municipal Debt Service	1,547,305	1,445,153
Contribution to Local District School	102,337	102,485
County Taxes Payable	2,833,713	2,745,972
County Added Taxes	8,619	756
Local District School Taxes	14,102,272	13,787,034
Prior Year Sr. Cit. and Vets. Deductions Disallowed	1,348	1,271
Cancelled Grants Receivable		69,500
Interfunds Created		76,767
Refund of Prior Year's Revenue	<u>96,079</u>	<u>5,136</u>
 Total Expenditures	 <u>31,876,718</u>	 <u>30,546,953</u>
 Excess in Revenue	 1,595,882	 2,914,634
FUND BALANCE, JANUARY 1	<u>4,937,249</u>	<u>3,625,115</u>
	6,533,131	6,539,749
Decreased by:		
Utilized as Anticipated Revenues	<u>1,694,100</u>	<u>1,602,500</u>
FUND BALANCE, DECEMBER 31	<u>\$ 4,839,031</u>	<u>\$ 4,937,249</u>

TOWNSHIP OF ROCHELLE PARK
COMPARATIVE STATEMENTS OF REVENUES - REGULATORY BASIS
CURRENT FUND
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>		<u>2023</u>	
	<u>Budget</u>	<u>Realized</u>	<u>Budget</u>	<u>Realized</u>
FUND BALANCE ANTICIPATED	\$ 1,694,100	\$ 1,694,100	\$ 1,602,500	\$ 1,602,500
MISCELLANEOUS REVENUES				
Licenses				
Alcoholic Beverages	11,000		16,500	12,236
Other	10,000	72,127	12,000	10,376
Fees and Permits	60,000	96,440	30,000	76,661
Fines and Costs				
Municipal Court	125,000	161,400	130,000	129,494
Interest and Costs on Taxes	25,000	24,040	30,000	25,260
Interest on Investments and Deposits	205,976	569,118	25,000	380,404
Energy Receipts Taxes	706,846	706,846	703,342	703,345
Municipal Relief Aid	72,860	72,860	36,437	36,437
Uniform Construction Code Fees	283,550	388,526	250,000	530,455
BOE - Security Resource Officer	30,823	23,411	30,823	30,823
Special Items of General Revenue Anticipated With Prior Written Consent of Director of Local Government Services				
Recycling Tonnage Grant - Reserve	15,508	15,508	16,552	16,552
Clean Communities - Reserve	11,622	11,622	10,362	10,362
Body Armor Replacement - Reserve	2,037	2,037	3,034	3,034
Municipal Alliance - Reserve	4,152	4,152	3,377	3,377
Lead Assistance Grant - Reserve	6,200	6,200		
Beautification Grant	10,000		10,000	10,000
Alcohol Rehabilitation - Reserve	2,077	2,077	2,777	2,777
CDBG - Open Space Grant - Carlock			144,447	6,157
NJDOA Spotted Lantern Fly Grant - Reserve	8,000	8,000		
Storm Water Assistance Grant - Reserve	15,000	15,000		
DCA Legislative Grant - Flood Mitigation	100,000	100,000		
American Rescue Plan (ARP) Funds	91,450	91,450		
Uniform Fire Safety Act - State	17,500	22,781	17,467	21,951
Uniform Fire Safety Act - Local	30,000	37,740	30,000	55,130
Cable T.V. Franchise Fee - Cablevision	35,000	38,486	45,000	39,251
Cable T.V. Franchise Fee Verizon	25,000	32,119	32,000	32,312
Hotel Fees	35,000	113,407	70,000	107,980
Westfield Corporation	163,000	169,847	163,252	166,517
Cellular Tower Lease - AT&T/Cingular	36,000	39,600	36,000	42,900
Cellular Tower Lease - T-Mobile	36,000	36,041	78,000	86,206
Real Property Rental - 151 W. Passaic Street	130,000	130,486	68,000	130,380
PILOT - 120 West Passaic Street - Storage Facility	50,000	44,758	98,000	58,598
Reserve for Police O/S Duty Administrative Fees	135,000	241,718	40,000	181,099
Insurance Reimbursement - Carlock Field			284,000	189,499
Cannabis Transfer Tax and Transfer Fees	850,000	743,925	480,000	957,592
Total Miscellaneous Revenues	<u>3,339,601</u>	<u>4,021,722</u>	<u>2,896,370</u>	<u>4,057,165</u>
RECEIPTS FROM DELINQUENT TAXES	<u>110,000</u>	<u>115,226</u>	<u>128,000</u>	<u>133,994</u>
AMOUNT TO BE RAISED BY TAXES FOR SUPPORT OF MUNICIPAL BUDGET				
Local Tax for Municipal Purposes	9,803,157	10,133,587	9,755,188	9,835,428
Minimum Library Tax	408,049	408,049	380,488	380,488
	<u>10,211,206</u>	<u>10,541,636</u>	<u>10,135,676</u>	<u>10,215,916</u>
Total General Revenues	<u>\$ 15,354,907</u>	<u>16,372,684</u>	<u>\$ 14,762,546</u>	<u>16,009,575</u>

2024 STATEMENT OF EXPENDITURES

TOWNSHIP OF ROCHELLE PARK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
OPERATIONS - WITHIN "CAPS"					
GENERAL GOVERNMENT					
General Administration					
Salaries and Wages	\$ 100,000	\$ 72,500	\$ 70,000	\$ 2,500	
Other Expenses	40,000	50,000	48,915	1,085	
Salaries and Wages - Grant Professional	25,000	25,000	17,600	7,400	
Township Committee					
Salaries and Wages	30,000	30,000	20,192	9,808	
Other Expenses	10,000	10,000	7,112	2,888	
Municipal Clerk					
Salaries and Wages	115,000	115,000	112,046	2,954	
Other Expenses	30,000	35,000	35,000		
Financial Administration					
Salaries and Wages	155,000	140,000	134,643	5,357	
Other Expenses	35,000	35,000	30,976	4,024	
Audit Services					
Other Expenses	45,000	45,000	21,800	23,200	
Computerized Data Processing					
Other Expenses	25,000	25,000	23,966	1,034	
Revenue Administration					
Salaries and Wages	115,000	110,000	109,803	197	
Other Expenses	15,000	20,000	13,345	6,655	
Tax Assessment Administration					
Salaries and Wages	20,000	20,000	19,576	424	
Other Expenses	10,000	10,000	4,135	5,865	
Legal Services					
Salaries and Wages	140,000	115,000	100,000	15,000	
Other Expenses	50,000	50,000	47,413	2,587	
Engineering Services					
Other Expenses	45,000	45,000	41,332	3,668	
LAND AND USE ADMINISTRATION					
Planning Board					
Salaries and Wages	8,000	8,000	5,463	2,537	
Other Expenses	11,000	6,000	4,809	1,191	
Zoning Board of Adjustment					
Salaries and Wages	7,500	7,500	5,576	1,924	
Other Expenses	3,500	3,500	2,951	549	
INSURANCE					
Liability Insurance	361,392	536,692	536,600	92	
Workman's Compensation Insurance	238,800	800	-	800	
Employee Group Insurance	1,616,761	1,627,761	1,627,445	316	
Other Insurance Premiums	30,000	30,000	27,611	2,389	
PUBLIC SAFETY FUNCTIONS					
Police Department					
Salaries and Wages	3,058,550	3,122,050	3,085,787	36,263	
Salaries and Wages - ARP	91,450	91,450	91,450	-	
Other Expenses	160,000	164,956	159,265	5,691	
Other Expenses - Lease of Vehicles	125,000	100,044	100,044	-	
Police Dispatch					
Salaries and Wages	280,000	280,000	277,311	2,689	
School Crossing Guards					
Salaries and Wages	90,000	80,000	77,425	2,575	
Office of Emergency Management					
Salaries and Wages	6,300	6,300	6,215	85	
Other Expenses	15,000	15,000	14,958	42	
Aid to Volunteer Fire Companies					
Salaries and Wages	25,000	25,000	23,723	1,277	
Other Expenses	110,000	110,000	102,623	7,377	
Other Expenses - Lease of Vehicles	21,000	21,000	20,262	738	

TOWNSHIP OF ROCHELLE PARK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2024
(Continued)

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
OPERATIONS - WITHIN "CAPS" (Cont'd)					
PUBLIC SAFETY FUNCTIONS (Cont'd)					
Fire Department					
Salaries and Wages	\$ 58,000	\$ 58,000	\$ 53,329	\$ 4,671	
Other Expenses	15,700	15,700	14,842	858	
PUBLIC WORKS FUNCTIONS					
Streets and Road Maintenance					
Salaries and Wages	460,000	510,000	504,944	5,056	
Other Expenses	117,500	117,500	113,405	4,095	
Shade Tree					
Other Expenses	7,500	7,500	5,058	2,442	
Recycling					
Salaries and Wages	7,185	7,185	5,519	1,666	
Other Expenses	250,000	257,400	257,387	13	
Solid Waste Collection					
Other Expenses	220,000	150,000	148,422	1,578	
Public Buildings and Grounds					
Other Expenses	130,000	133,500	133,437	63	
Vehicle Maintenance					
Other Expenses	55,000	58,000	57,244	756	
HEALTH AND HUMAN SERVICES FUNCTIONS					
Public Health Services					
Salaries and Wages	6,500	6,500	5,874	626	
PARK AND RECREATION FUNCTIONS					
Recreational Services and Programs					
Salaries and Wages	15,000	15,000	8,390	6,610	
Other Expenses	70,000	65,000	54,640	10,360	
Other Expenses - Access to All	7,500	7,500	5,534	1,966	
Senior Citizens					
Other Expenses	12,500	12,500	10,856	1,644	
OTHER COMMON OPERATING FUNCTIONS					
Celebrations of Public Events					
Other Expenses	14,600	14,600	7,730	6,870	
UTILITY EXPENSES AND BULK PURCHASES					
Electricity	170,000	180,000	179,742	258	
Telephone	30,000	28,000	27,133	867	
Water	30,000	30,000	28,104	1,896	
Water - Fire Hydrant Service	76,000	76,000	74,188	1,812	
Gas (Natural or Propane)	10,800	-	-	-	
Gasoline	84,050	74,050	72,068	1,982	
LANDFILL/SOLID WASTE DISPOSAL FEES					
Dump Fees	142,250	188,250	187,891	359	
MUNICIPAL COURT FUNCTIONS					
Municipal Court Administration					
Salaries and Wages	170,000	170,000	167,079	2,921	
Other Expenses	5,000	30,000	26,641	3,359	
UNIFORM CONSTRUCTION CODE APPROPRIATIONS OFFSET BY DEDICATED REVENUES (N.J.A.C. 5:23-4-17)					
Uniform Construction Code Enforcement Functions					
Salaries and Wages	165,000	173,500	172,651	849	
Other Expenses	12,000	19,500	15,446	4,054	-
Total Operations Within "CAPS"	9,606,338	9,593,738	9,364,926	228,812	-
Detail:					
Salaries & Wages	5,148,485	5,187,985	5,074,596	113,389	-
Other Expenses (Including Contingent)	4,457,853	4,405,753	4,290,330	115,423	-

TOWNSHIP OF ROCHELLE PARK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2024
(Continued)

	Appropriated		Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
OPERATIONS - WITHIN "CAPS" (Cont'd)					
DEFERRED CHARGES AND STATUTORY EXPENDITURES-MUNICIPAL WITHIN "CAPS"					
DEFERRED CHARGES					
Over Expenditure of Appropriations - 2022	\$ 191,557	\$ 191,557	\$ 191,557	-	
STATUTORY CHARGES					
Public Employees Retirement System	157,941	157,941	157,941	-	
Police and Fireman's Retirement System	1,012,100	1,012,100	1,012,100	-	
Social Security System (O.A.S.I.)	225,000	237,500	237,294	\$ 206	-
Total Deferred Charges & Statutory Expenditures - Municipal Within "CAPS"	1,586,598	1,599,098	1,598,892	206	-
Total General Appropriations for Municipal Purposes Within "CAPS"	11,192,936	11,192,836	10,963,818	229,018	-
OPERATIONS - EXCLUDED FROM "CAPS"					
Length of Service Awards Program					
Other Expenses	21,500	21,500	-	21,500	-
Group Insurance for Employees	3,195	3,195	3,195	-	-
Solid Waste Disposal - Dump Fees	57,750	57,750	57,750	-	-
Judgments:	30,000	30,000	27,700	2,300	-
Municipal Library					
Maintenance of Public Library	408,049	408,049	408,049	-	-
Sewerage Processing and Disposal					
Other Expenses - BCUA Operations and Maintenance	771,610	771,610	771,610	-	-
Other Expenses - BCUA Debt Service	210,326	210,326	210,326	-	-
Total Other Operations Excluded from "CAPS"	1,502,430	1,502,430	1,478,630	23,800	-
INTERLOCAL MUNICIPAL SERVICE AGREEMENTS					
Paramus BORO - Emergency "911"	2,845	2,945	2,907	38	-
County of Bergen - Health Services	65,000	65,000	37,541	27,459	-
BOE Security Resource Officer - Salaries and Wages	30,823	30,823	30,823	-	-
Paramus BORO - Municipal Court - Salaries and Wages	23,375	23,375	5,925	17,450	-
Total Interlocal Municipal Service Agreements	122,043	122,143	77,196	44,947	-
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES					
Storm Water Assistance Grant	15,000	15,000	7,878	7,122	
NJDOA Spotted Lantern Fly Grant	8,000	8,000	8,000	-	
Lead Assistance Grant Reserve	6,200	6,200	-	6,200	
NJ Recycling Tonnage Grant	15,508	15,508	5,024	10,484	
Beautification Grant	10,000	10,000	-	-	\$ 10,000
NJ Clean Communities Program	11,622	11,622	-	11,622	
NJ Body Armor Replacement Program	2,037	2,037	-	2,037	
NJ Municipal Alliance on Alcoholism & Drug Abuse - State	4,152	4,152	3,752	400	
NJ Municipal Alliance on Alcoholism & Drug Abuse - Local	1,040	1,040	-	1,040	
Alcohol Rehab - Reserve	2,077	2,077	2,077	-	
Total Public and Private Programs Offset by Revenues	75,636	75,636	26,731	38,905	10,000
Total Operations Excluded from "CAPS"	1,700,109	1,700,209	1,582,557	107,652	10,000
Detail:					
Salaries & Wages	54,198	54,198	36,748	17,450	
Other Expenses (Including Contingent)	1,645,911	1,646,011	1,545,809	90,202	10,000

TOWNSHIP OF ROCHELLE PARK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2024
(Continued)

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Reserved</u>	<u>Balance</u> <u>Cancelled</u>
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"					
Capital Improvement Fund	\$ 100,000	\$ 100,000	\$ 100,000	-	
DCA Legislative Grant - Flood Mitigation	100,000	100,000	75,000	\$ 25,000	-
Total Capital Improvements - Excluded from "CAPS"	200,000	200,000	175,000	25,000	-
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"					
Bond Principal	1,060,000	1,060,000	1,060,000	-	
Bond Interest	165,225	165,225	165,225	-	
Payment of Notes	87,000	87,000	87,000	-	-
Note Interest (BANs)	235,300	235,300	235,080	-	\$ 220
Total Municipal Debt Service - Excluded from "CAPS"	1,547,525	1,547,525	1,547,305	-	220
DEFERRED CHARGES - MUNICIPAL EXCLUDED FROM "CAPS"					
Special Emergency Authorization	102,000	102,000	102,000	-	-
Total Deferred Charges - Municipal Excluded from "CAPS"	102,000	102,000	102,000	-	-
Contribution to Local School District	102,337	102,337	102,337	-	-
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	3,651,971	3,652,071	3,509,199	132,652	10,220
Subtotal General Appropriations	14,844,907	14,844,907	14,473,017	361,670	10,220
Reserve for Uncollected Taxes	510,000	510,000	510,000	-	-
Total General Appropriations	\$ 15,354,907	\$ 15,354,907	\$ 14,983,017	\$ 361,670	\$ 10,220

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2023 STATEMENT OF EXPENDITURES

TOWNSHIP OF ROCHELLE PARK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
OPERATIONS - WITHIN "CAPS"					
GENERAL GOVERNMENT					
General Administration					
Salaries and Wages	\$ 90,000	\$ 78,000	\$ 60,000	\$ 18,000	
Other Expenses	40,000	40,000	34,897	5,103	
Salaries and Wages - Grant Professional	24,000	24,000	12,415	11,585	
Township Committee					
Salaries and Wages	25,000	26,000	24,711	1,289	
Other Expenses	5,000	5,000	3,934	1,066	
Municipal Clerk					
Salaries and Wages	135,000	90,000	82,249	7,751	
Other Expenses	35,000	35,000	29,024	5,976	
Financial Administration					
Salaries and Wages	122,000	157,000	150,860	6,140	
Other Expenses	35,000	35,000	30,341	4,659	
Audit Services					
Other Expenses	33,000	48,000	33,000	15,000	
Computerized Data Processing					
Other Expenses	25,000	25,000	25,000	-	
Revenue Administration					
Salaries and Wages	122,000	122,000	108,220	13,780	
Other Expenses	15,000	15,000	12,179	2,821	
Tax Assessment Administration					
Salaries and Wages	20,000	20,000	19,006	994	
Other Expenses	50,000	10,000	1,586	8,414	
Legal Services					
Salaries and Wages	120,000	120,000	100,673	19,327	
Other Expenses	50,000	50,000	46,218	3,782	
Engineering Services					
Other Expenses	30,000	45,000	27,949	17,051	
LAND AND USE ADMINISTRATION					
Planning Board					
Salaries and Wages	8,000	8,000	5,150	2,850	
Other Expenses	11,000	12,500	10,520	1,980	
Zoning Board of Adjustment					
Salaries and Wages	7,500	7,500	5,150	2,350	
Other Expenses	3,500	3,500	2,862	638	
INSURANCE					
Liability Insurance	370,000	370,000	364,206	5,794	
Workman's Compensation Insurance	203,873				
Employee Group Insurance	1,395,680	1,350,180	1,288,888	61,292	
Unemployment Insurance	10,000	10,000	1,939	8,061	
Other Insurance Premiums	45,000	170,538	170,538	-	
PUBLIC SAFETY FUNCTIONS					
Police Department					
Salaries and Wages	2,985,000	2,985,000	2,940,294	44,706	
Other Expenses	130,000	130,000	130,000	-	
Other Expenses - Lease of Vehicles	80,000	80,000	78,785	1,215	
Police Dispatch					
Salaries and Wages	250,000	278,000	275,367	2,633	
School Crossing Guards					
Salaries and Wages	95,000	83,000	79,700	3,300	
Office of Emergency Management					
Salaries and Wages	6,000	6,750		6,750	
Other Expenses	15,000	15,000	15,000	-	
Aid to Volunteer Fire Companies					
Salaries and Wages	20,000	20,000	20,000	-	
Other Expenses	70,000	85,000	80,458	4,542	
Other Expenses - Lease of Vehicles	21,000	21,000	20,262	738	

TOWNSHIP OF ROCHELLE PARK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2023
(Continued)

	<u>Appropriated</u>		<u>Expended</u>		Unexpended
	<u>Budget</u>	<u>Budget After</u>	<u>Paid or</u>	<u>Reserved</u>	<u>Balance</u>
		<u>Modification</u>	<u>Charged</u>		<u>Cancelled</u>
OPERATIONS - WITHIN "CAPS" (Cont'd)					
PUBLIC SAFETY FUNCTIONS (Cont'd)					
Fire Department					
Salaries and Wages	\$ 55,000	\$ 60,000	\$ 56,883	\$ 3,117	
Other Expenses	15,700	15,700	12,906	2,794	
Municipal Prosecutor's Office					
Other Expenses	13,600	13,600		13,600	
PUBLIC WORKS FUNCTIONS					
Streets and Road Maintenance					
Salaries and Wages	430,000	442,000	432,827	9,173	
Other Expenses	125,000	125,000	116,520	8,480	
Recycling					
Salaries and Wages	7,185	7,185	5,358	1,827	
Other Expenses	214,082	254,082	248,000	6,082	
Solid Waste Collection					
Other Expenses	210,000	200,000	200,000	-	
Public Buildings and Grounds					
Other Expenses	112,000	152,000	138,453	13,547	
Vehicle Maintenance					
Other Expenses	65,000	65,000	55,510	9,490	
HEALTH AND HUMAN SERVICES FUNCTIONS					
Public Health Services					
Salaries and Wages	6,500	6,500	5,399	1,101	
PARK AND RECREATION FUNCTIONS					
Recreational Services and Programs					
Salaries and Wages	11,000	11,000	7,372	3,628	
Other Expenses	60,000	60,000	60,000	-	
Senior Citizens					
Other Expenses	7,500	7,500	6,152	1,348	
OTHER COMMON OPERATING FUNCTIONS					
Celebrations of Public Events					
Other Expenses	14,600	14,600	9,288	5,312	
UTILITY EXPENSES AND BULK PURCHASES					
Electricity	180,000	172,500	163,279	9,221	
Telephone	41,000	41,000	25,142	15,858	
Water	34,000	34,000	24,472	9,528	
Water - Fire Hydrant Service	95,000	95,000	68,288	26,712	
Gas (Natural or Propane)	10,800			-	
Gasoline	100,000	73,885	66,358	7,527	
LANDFILL/SOLID WASTE DISPOSAL FEES					
Dump Fees	150,000	150,000	145,582	4,418	
MUNICIPAL COURT FUNCTIONS					
Municipal Court Administration					
Salaries and Wages	150,000	156,500	154,325	2,175	
Other Expenses	19,500	54,500	53,502	998	
UNIFORM CONSTRUCTION CODE					
APPROPRIATIONS OFFSET BY DEDICATED					
REVENUES (N.J.A.C. 5:23-4-17)					
Uniform Construction Code Enforcement Functions					
Salaries and Wages	128,000	163,000	159,774	3,226	
Other Expenses	9,700	12,200	11,052	1,148	-
Total Operations Within "CAPS"	<u>8,967,720</u>	<u>8,967,720</u>	<u>8,517,823</u>	<u>449,897</u>	<u>-</u>
Detail:					
Salaries & Wages	4,817,185	4,871,435	4,705,733	165,702	-
Other Expenses (Including Contingent)	<u>4,150,535</u>	<u>4,096,285</u>	<u>3,812,090</u>	<u>284,195</u>	<u>-</u>

TOWNSHIP OF ROCHELLE PARK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2023
(Continued)

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After</u>	<u>Paid or</u>	<u>Reserved</u>	<u>Balance</u>
		<u>Modification</u>	<u>Charged</u>		<u>Cancelled</u>
OPERATIONS - WITHIN "CAPS" (Cont'd)					
DEFERRED CHARGES AND STATUTORY					
EXPENDITURES-MUNICIPAL					
WITHIN "CAPS"					
STATUTORY CHARGES					
Public Employees Retirement System	\$ 172,846	\$ 172,846	\$ 172,846	-	-
Police and Firemans Retirement System	834,840	834,840	834,840	-	-
Social Security System (O.A.S.I.)	217,350	217,350	208,790	\$ 8,560	-
	<u>1,225,036</u>	<u>1,225,036</u>	<u>1,216,476</u>	<u>8,560</u>	<u>-</u>
Total Deferred Charges & Statutory Expenditures - Municipal Within "CAPS"					
	<u>1,225,036</u>	<u>1,225,036</u>	<u>1,216,476</u>	<u>8,560</u>	<u>-</u>
Total General Appropriations for Municipal Purposes Within "CAPS"	<u>10,192,756</u>	<u>10,192,756</u>	<u>9,734,299</u>	<u>458,457</u>	<u>-</u>
OPERATIONS - EXCLUDED FROM "CAPS"					
Length of Service Awards Program					
Other Expenses	21,500	21,500	-	21,500	-
Group Insurance for Employees	204,398	204,398	204,398		
Police & Fireman's Retirement System of NJ	92,390	92,390	92,390		
Recycling - Other Expenses	918	918	918		
Judgments:	27,700	27,700	27,700	-	
Municipal Library					
Maintenance of Public Library	380,488	380,488	380,488	-	
Sewerage Processing and Disposal					
Other Expenses - BCUA Operations and Maintenance	731,602	731,602	731,602	-	
Other Expenses - BCUA Debt Service	180,342	180,342	180,342	-	-
	<u>1,639,338</u>	<u>1,639,338</u>	<u>1,617,838</u>	<u>21,500</u>	<u>-</u>
Total Other Operations Excluded from "CAPS"					
	<u>1,639,338</u>	<u>1,639,338</u>	<u>1,617,838</u>	<u>21,500</u>	<u>-</u>
INTERLOCAL MUNICIPAL SERVICE AGREEMENTS					
Paramus BORO - Emergency "911"	2,845	2,845	2,845	-	
County of Bergen - Health Services	55,000	55,000	37,346	17,654	-
BOE Security Resource Officer - Salaries and Wages	30,823	30,823	30,823	-	-
	<u>88,668</u>	<u>88,668</u>	<u>71,014</u>	<u>17,654</u>	<u>-</u>
Total Interlocal Municipal Service Agreements					
	<u>88,668</u>	<u>88,668</u>	<u>71,014</u>	<u>17,654</u>	<u>-</u>
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES					
NJ Recycling Tonnage Grant	16,552	16,552		16,552	
Beautification Grant	10,000	10,000	10,000	-	
NJ Clean Communities Program	10,362	10,362	8,459	1,903	
NJ Body Armor Replacement Program	3,034	3,034		3,034	
NJ Municipal Alliance on Alcoholism & Drug Abuse - State	3,377	3,377	3,353	24	
NJ Municipal Alliance on Alcoholism & Drug Abuse - Local	850	850	850	-	-
Alcohol Rehab - Reserve	2,777	2,777	-	2,777	-
	<u>46,952</u>	<u>46,952</u>	<u>22,662</u>	<u>24,290</u>	<u>-</u>
Total Public and Private Programs Offset by Revenues					
	<u>46,952</u>	<u>46,952</u>	<u>22,662</u>	<u>24,290</u>	<u>-</u>
Total Operations Excluded from "CAPS"	<u>1,774,958</u>	<u>1,774,958</u>	<u>1,711,514</u>	<u>63,444</u>	<u>-</u>
Detail:					
Other Expenses (Including Contingent)	<u>1,774,958</u>	<u>1,774,958</u>	<u>1,711,514</u>	<u>63,444</u>	<u>-</u>

TOWNSHIP OF ROCHELLE PARK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2023
(Continued)

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After</u>	<u>Paid or</u>	<u>Reserved</u>	<u>Balance</u>
		<u>Modification</u>	<u>Charged</u>		<u>Cancelled</u>
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"					
Capital Improvement Fund	\$ 200,000	\$ 200,000	\$ 200,000	-	
Carlock Field - Lighting and Improvements	290,000	290,000	37,008	-	\$ 252,992
CDBG - Carlock Field -Lighting and Improvements	<u>144,447</u>	<u>144,447</u>	<u>6,157</u>	<u>-</u>	<u>138,290</u>
Total Capital Improvements - Excluded from "CAPS"	<u>634,447</u>	<u>634,447</u>	<u>243,165</u>	<u>-</u>	<u>391,282</u>
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"					
Bond Principal	1,050,000	1,050,000	1,050,000		
Bond Interest	190,600	190,600	190,600	-	
Payment of Notes	118,300	118,300	117,553	-	747
Note Interest (BANs)	<u>87,000</u>	<u>87,000</u>	<u>87,000</u>	<u>-</u>	<u>-</u>
Total Municipal Debt Service - Excluded from "CAPS"	<u>1,445,900</u>	<u>1,445,900</u>	<u>1,445,153</u>	<u>-</u>	<u>747</u>
DEFERRED CHARGES - MUNICIPAL EXCLUDED FROM "CAPS"					
Deferred Charged - General Capital Ordinances Emergency Authorization Special Emergency Authorization	<u>102,000</u>	<u>102,000</u>	<u>102,000</u>	<u>-</u>	<u>-</u>
Total Deferred Charges - Municipal Excluded from "CAPS"	<u>102,000</u>	<u>102,000</u>	<u>102,000</u>	<u>-</u>	<u>-</u>
Contribution to Local School District	<u>102,485</u>	<u>102,485</u>	<u>102,485</u>	<u>-</u>	<u>-</u>
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	<u>4,059,790</u>	<u>4,059,790</u>	<u>3,604,317</u>	<u>\$ 63,444</u>	<u>392,029</u>
Subtotal General Appropriations	14,252,546	14,252,546	13,338,616	521,901	392,029
Reserve for Uncollected Taxes	<u>510,000</u>	<u>510,000</u>	<u>510,000</u>	<u>-</u>	<u>-</u>
Total General Appropriations	<u>\$ 14,762,546</u>	<u>\$ 14,762,546</u>	<u>\$ 13,848,616</u>	<u>\$ 521,901</u>	<u>\$ 392,029</u>

**TOWNSHIP OF ROCHELLE PARK
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
TRUST FUNDS
AS OF DECEMBER 31, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
ASSETS		
ANIMAL CONTROL FUND		
Cash	\$ 6,176	\$ 5,994
OTHER TRUST FUND		
Cash	1,787,799	2,061,818
Due from Current fund	<u>139,021</u>	<u>-</u>
	<u>1,926,820</u>	<u>2,061,818</u>
LENGTH OF SERVICE AWARDS PROGRAM FUND (UNAUDITED)		
Investments	792,190	686,154
Contributions Receivable	<u>15,306</u>	<u>12,582</u>
	<u>807,496</u>	<u>698,736</u>
Total Assets	<u>\$ 2,740,492</u>	<u>\$ 2,766,548</u>
LIABILITIES, RESERVES AND FUND BALANCE		
ANIMAL CONTROL FUND		
Due to Current Fund	\$ 3,053	\$ 1,316
Due to State	517	357
Reserve for Animal Control Expenditures	<u>2,606</u>	<u>4,321</u>
	<u>6,176</u>	<u>5,994</u>
OTHER TRUST FUND		
Due to Current Fund	-	75,451
Miscellaneous Reserves and Escrow Deposits	1,028,754	1,283,965
Reserve for COAH	868,077	667,916
Reserve for Self Insurance	20,741	20,723
Payroll Deductions Payable	<u>9,248</u>	<u>13,763</u>
	<u>1,926,820</u>	<u>2,061,818</u>
LENGTH OF SERVICE AWARDS PROGRAM FUND (UNAUDITED)		
Reserve for LOSAP Benefits	<u>807,496</u>	<u>698,736</u>
	<u>807,496</u>	<u>698,736</u>
Total Liabilities, Reserves and Fund Balance	<u>\$ 2,740,492</u>	<u>\$ 2,766,548</u>

**TOWNSHIP OF ROCHELLE PARK
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
GENERAL CAPITAL FUND
AS OF DECEMBER 31, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash	\$ 1,794,929	\$ 3,664,421
Grants Receivable	1,180,623	853,898
Deferred Charges to Future Taxation		
Funded	4,885,000	5,945,000
Unfunded	<u>8,082,956</u>	<u>5,139,739</u>
Total Assets	<u>\$ 15,943,508</u>	<u>\$ 15,603,058</u>
 LIABILITIES, RESERVES AND FUND BALANCE		
General Serial Bonds	\$ 4,885,000	\$ 5,945,000
Bond Anticipation Notes	4,675,839	5,224,000
Improvement Authorizations		
Funded	44,728	62,933
Unfunded	2,849,783	1,497,469
Due to Current Fund	7,658	99,706
Contracts Payable	1,601,246	1,458,146
Capital Improvement Fund	245,185	277,185
Reserve for Grants Receivable	393,527	
Reserve for Improvements/Acquisitions	240,000	240,000
Reserve for Debt Service	100	100
Reserve for Sale of Assets	513,950	513,950
Reserve for Sewer Connection Fees	192,150	
Fund Balance	<u>294,342</u>	<u>284,569</u>
Total Liabilities, Reserves and Fund Balance	<u>\$ 15,943,508</u>	<u>\$ 15,603,058</u>

There were bonds and notes authorized but not issued on December 31, 2024 and 2023 of \$3,407,117 and \$376,900, respectively.

TOWNSHIP OF ROCHELLE PARK
COMPARATIVE STATEMENTS 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, January 1	\$ 284,569	\$ 256,473
Increased by:		
Premium on BANS Issued	<u>9,773</u>	<u>28,096</u>
Balance, December 31	<u>\$ 294,342</u>	<u>\$ 284,569</u>

**TOWNSHIP OF ROCHELLE PARK
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
GENERAL FIXED ASSETS ACCOUNT GROUP
AS OF DECEMBER 31, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
ASSETS		
Land and Land Improvements	\$ 2,647,571	\$ 2,647,571
Buildings & Building Improvements	4,391,564	4,220,627
Equipment	2,522,845	2,232,661
Vehicles	<u>3,315,918</u>	<u>2,985,293</u>
	<u>\$ 12,877,898</u>	<u>\$ 12,086,152</u>
FUND BALANCE		
Investment in General Fixed Assets	<u>\$ 12,877,898</u>	<u>\$ 12,086,152</u>

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NOTES TO FINANCIAL STATEMENTS

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Township of Rochelle Park (the "Township") was incorporated in 1871 and operates under a five member Board of Commissioners form of government. The Mayor is selected by the committee members. As the policy making body of the Township, the Township Committee has the power as it deems necessary to promote and maintain the health, safety, welfare and comfort of the Township. A Township Administrator is appointed by the Township Committee and is responsible for the implementation of the policies of the Committee members, for the administration of all Township affairs and for the day to day operations of the Township. The Township Administrator is the Chief Administrative Officer for the Township. 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 requires the financial reporting entity to include both the primary government and component units. Component units are legally separate organizations for which the Township is financially accountable. The Township is financially accountable for an organization if the Township appoints a voting majority of the organization's governing board and (1) the Township is able to significantly influence the programs or services performed or provided by the organization; or (2) the Township is legally entitled to or can otherwise access the organization's resources; the Township is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Township is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the Township in that the Township approves the budget, the issuance of debt or the levying of taxes. The Township is not includable in any other reporting entity as a component unit.

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 municipal library or volunteer fire department which are considered component units under GAAP. Complete financial statements of the above component units can be obtained by contacting the Treasurer of the respective entity.

B. Description of Regulatory Basis of Accounting

The financial statements of the Township of Rochelle Park have been prepared on a basis of accounting in conformity with accounting principles and practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") which is a regulatory basis of accounting other than accounting principles generally accepted in the United States of America (GAAP). 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 separate funds, which differ from the fund structure required by GAAP.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB has adopted accounting statements to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America. (GAAP). The municipalities in the State of New Jersey do not prepare financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements. However under the regulatory basis of accounting municipalities are required to follow GASB pronouncements with regard to disclosure requirements for notes to the financial statements.

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements

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. The Township also uses an account group, which is designed to provide accountability for certain assets that are not recorded in those Funds.

The Township has the following funds and account group:

Current Fund – This fund is used to account for the revenues and expenditures for governmental operations of a general nature and the assets and liabilities related to such activities, including Federal and State grants not accounted for in another fund.

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

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

Other Trust Fund - This fund is established to account for the assets and resources, which are held by the Township as a trustee or agent for individuals, private organizations, other governments and/or other funds. These funds include dedicated fees/proceeds collected, developer deposits, payroll related deposits and funds deposited with the Township as collateral.

Length of Service Awards Program Fund (LOSAP) – This fund is established to account for the tax-deferred income benefits to active volunteer members of emergency service organizations of the Township.

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

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

Comparative Data - Comparative data for the prior year has been presented in the accompanying financial statements 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.

Reclassifications - Certain reclassifications may have been made to the December 31, 2023 balances to conform to the December 31, 2024 presentation.

Financial Statements – Regulatory Basis

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

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the accounting principles and practices prescribed by the Division in accordance with the regulatory basis of accounting. Measurement focus indicates the type of resources being measured. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The Township of Rochelle Park follows a modified accrual basis of accounting. 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 or permitted for municipalities by the Division (“regulatory basis of accounting”) 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:

Cash and Investments - Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the government. Investments are reported at cost and are limited by N.J.S.A. 40A:5-15.1 et seq. with the exception of LOSAP Trust Fund investments which are reported at fair value and are limited by N.J.A.C. 5:30-14.19. GAAP requires that all investments be reported at fair value.

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. GAAP requires inventories to be recorded as assets in proprietary-type funds.

Property Tax Revenues/Receivables - 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. A penalty of up to 6% of the delinquency may be imposed on a taxpayer with a delinquency in excess of \$10,000 who fails to pay that delinquency prior to the end of the fiscal year in which the charges become delinquent. 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 December 31, 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 April first in the year following the 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 standard tax sale. The Township also has the option when unpaid taxes or any municipal lien, or part thereof, on real property remains in arrears on the 11th day of the eleventh month in the fiscal year when the taxes or lien became in arrears, the collector in the municipality shall, subject to the provisions of the New Jersey Statutes, enforce the lien by placing property on an accelerated tax sale, provided that the sale is conducted and completed no earlier than in the last month of the fiscal year. The Township may institute annual in rem tax foreclosure proceedings to enforce the tax collection or acquisition of title to the property. 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 tax 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 (i.e., when they are both levied and available), reduced by an allowance for doubtful accounts.

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

Miscellaneous Revenues/Receivables - 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. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual (i.e., when they are both measurable and available).

Grant and Similar Award Revenues/Receivables - 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 as soon as all eligibility requirements imposed by the grantor or provider have been met.

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 for interfunds and, therefore, does not recognize income in the year liquidated.

Deferred Charges - Certain expenditures, operating deficits and other items are required to be deferred to budgets of succeeding years. GAAP requires expenditures, operating deficits and certain other items generally to be recognized when incurred, if measurable.

Funded and unfunded debt authorizations for general capital projects are also recorded as deferred charges and represent permanent long-term debt issues outstanding (funded) and temporary debt issues outstanding or unissued debt authorizations (unfunded), respectively. GAAP does not permit the recording of deferred charges for funded and unfunded debt authorizations.

Appropriation Reserves - Appropriation reserves are recorded as liabilities and 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.

Expenditures - 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 cancelled 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, as well as expenditures related to compensated absences and claims and judgements, which are recognized when due.

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

Compensated Absences - Expenditures relating to obligations for unused vested accumulated vacation and sick leave are not recorded until paid; however, municipalities may establish and budget reserve funds subject to NJSA 40A:4-39 for the future payment of compensated absences. 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 are recorded as a long-term obligation in the proprietary funds and government-wide financial statements.

Incurred But Not Reported (IBNR) Reserves and Claims Payable - The Township has not created a reserve for any potential unreported self-insurance losses which have taken place but in which the Township has not received notices or report of losses (i.e. IBNR). Additionally, the Township has not recorded a liability for those claims filed, but which have not been paid (i.e. claims payable). 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 potential claims are recorded as a long-term obligation in the proprietary funds and government-wide financial statements.

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

Tax Appeals and Other Contingent Losses - Losses arising from tax appeals and other contingent losses are recognized at the time a decision is rendered by an administrative or judicial body; however, municipalities may establish reserves transferred from tax collections or by budget appropriation for future payments of tax appeal losses. GAAP requires such amounts to be recorded when it is probable that a loss has been incurred and the amount of such loss can be reasonably estimated.

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

Reserve for Uncollected Taxes – Reserve for Uncollected Taxes is a non-spending budget appropriation account required to provide assurance that cash collected for property taxes levied in the current year will provide sufficient cash flow to meet expected budgetary obligations. The minimum amount required to be budgeted in Reserve for Uncollected Taxes is determined utilizing the actual percentage of property taxes collected in the immediate preceding budget year, unless allowable alternative methods are utilized with the approval of the Division. A Reserve for Uncollected Taxes is not established or required under GAAP.

Financing Agreements – Capital financing and other financing agreements are financed purchase contracts that transfer ownership of the underlining assets or items (i.e. expendable supplies) to the Township by the end of the agreement and do not contain termination options. The Township appropriates in its annual budget the amounts required to repay these agreements which are recorded when paid in accordance with the terms of the financings agreements. GAAP requires financing agreements to be reported as other financing sources in the governmental funds and long-term liabilities in the proprietary funds and government-wide financial statements.

Leases Receivable – Leases for the use of the Township's land, building, and equipment or property are recorded as revenue when repayment is received during the year. GAAP requires non-cancellable leases receivable to be recorded at year-end with an offsetting deferred outflow of resources in both the fund and government-wide financial statements.

Pensions – The Township appropriates in its annual budget the amount required to be paid for pension contributions as determined by the State administered pension systems. Under the regulatory basis of accounting the Township is only required to disclose in the Notes to the Financial Statements its share of the actuarially determined net pension liabilities, deferred outflow of resources, deferred inflow of resources and pension expense (benefit) related to the State administered pension system. GAAP requires these actuarially determined amounts to be reported in the proprietary funds and government-wide financial statements.

Other Post-Employment Benefits (OPEB) – The Township funds its employer paid post-retirement medical benefits on a pay-as-you-go basis. Under the regulatory basis of accounting the Township is only required to disclose in the Notes to the Financial Statements its actuarially determined net OPEB liability, deferred outflow of resources, deferred inflow of resources and OPEB expense (benefit). GAAP requires these actuarially determined amounts to be reported in the proprietary funds and government-wide financial statements.

General Fixed Assets - In accordance with NJAC 5:30-5.6, Accounting for Governmental Fixed Assets, the Township of Rochelle Park has developed a fixed assets accounting and reporting system. Fixed assets are defined by the Township as assets with an initial, individual cost of \$5,000 and an estimated useful life in excess of two years.

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 sewerage and drainage systems are not capitalized. General fixed assets acquired under capital financing agreements are capitalized at their acquisition cost. Intangible right-to-use leased assets and intangible right-to-use IT software (SBITAs) are not capitalized.

General Fixed Assets purchased after December 31, 1985 are stated at cost. Donated fixed assets are recorded at acquisition value at the date of donation.

**TOWNSHIP OF ROCHELLE PARK
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

General Fixed Assets (Continued)

General Fixed Assets purchased prior to December 31, 1985 are stated as follows:

Land and Buildings	Assessed Value
Machinery and Equipment	Estimated Historical Costs

No depreciation has been provided for in the financial statements.

Expenditures for construction in progress are recorded in the General Capital Fund until such time as the construction is completed and put into operation for general fixed assets.

GAAP requires that capital assets, including intangible right-to-use leased assets and intangible right-to-use IT software (SBITAs), be recorded in proprietary-type funds as well as the government-wide financial statement at historical or estimated historical cost if actual historical cost is not available. In addition, GAAP requires depreciation on capital assets to be recorded in proprietary funds as well as in the government-wide financial statements.

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 accrued revenues and expenditures during the reporting period. Accordingly, actual results could differ from those estimates.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. 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. Budget amounts presented in the accompanying financial statements represent amounts adopted by the Township and approved by the State Division of Local Government Services as per N.J.S.A. 40A:4 et seq.

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

Trust Funds
General Capital Fund

The Township must prepare its budget in compliance with applicable laws limiting or capping the amounts by which both the budget appropriations and the municipal tax levy can increase in the annual budget.

1977 Appropriation “CAP”: The 1977 Appropriation Cap is calculated using the formulas and provisions of N.J.S.A. 40A:4-45.1 through 4-45.43a. The law was originally adopted in 1976 and was most recently amended in 2003. Under this law, the Township is permitted to increase its overall Current Fund appropriations (with certain exceptions) by 2.5% or the “cost of living adjustment” (COLA), whichever is less. The COLA is calculated based on the Implicit Price Deflator for Local Governments computed by the U.S. Department of Commerce. The Township can, when the COLA is less than or equal to 2.5%, increase its allowable inside-the-cap appropriations to 3.5%, upon adoption of a COLA Rate Ordinance by the governing body and beyond 3.5% upon voter passage of a referendum. Additionally, municipalities can bank the unused appropriation increases for use in any of the next two (2) succeeding budget years.

2010 Levy “CAP”: The 2010 Levy Cap is calculated using the formulas and provisions of N.J.S.A. 40A:4-45.44 through 45.47. It established limits on the increase in the total amount to be raised by taxation for municipal purposes (municipal tax levy). The core of the levy cap formula is a 2% increase to the previous year’s amount to be raised by taxation for municipal purposes, exclusive of certain appropriations and allowable adjustments and extraordinary costs related to a declared emergency. Voter approval may be requested to increase the municipal tax levy by more than the allowable adjusted tax levy. Additionally, municipalities can bank the unused tax levy for use in any of the next three (3) succeeding budget years.

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgets and Budgetary Accounting (Continued)

The governing body is required to introduce and approve the annual budget no later than February 10, of the fiscal year. The budget is required to be adopted no later than March 20, 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. The governing body of the municipality may authorize emergency appropriations and the inclusion of certain special items of revenue to the budget after its adoption and determination of the tax rate. During the last two months of the fiscal year, the governing body may, by a 2/3 vote; amend the budget through line item transfers. Management has no authority to amend the budget without the approval of the governing body. Expenditures may not legally exceed budgeted appropriations at the line item level. During 2024 and 2023 the Township Council did not increase the original budget. In addition, the governing body approved several budget transfers during 2024 and 2023.

NOTE 3 CASH DEPOSITS AND INVESTMENTS

The Township considers petty cash, change funds, cash in banks and certificates of deposit as cash and cash equivalents.

A. Cash Deposits

The Township’s deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), National Credit Union Share Insurance Fund (NCUSIF), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Township is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for deposits in excess of the FDIC or NCUSIF insured amounts. GUDPA does not protect intermingled trust funds, bail funds, withholdings from an employee’s salary or funds which may pass to the local government upon the happening of a future condition.

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At December 31, 2024 and 2023, the book value of the Township's deposits were \$11,078,911 and \$13,112,542 and bank and brokerage firm balances of the Township's deposits amounted to \$11,193,743 and \$13,462,700, respectively. The Township's deposits which are displayed on the various fund balance sheets as "cash" are categorized as:

<u>Depository Account</u>	<u>Bank Balance</u>	
	<u>2024</u>	<u>2023</u>
Insured	\$ 10,728,557	\$ 12,792,795
Uninsured and Collateralized	465,186	669,905
	<u>\$ 11,193,743</u>	<u>\$ 13,462,700</u>

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 3 CASH DEPOSITS AND INVESTMENTS (Continued)

A. Cash Deposits (Continued)

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 does not have a formal policy for custodial credit risk. As of December 31, 2024 and 2023, the Township’s bank balances of \$465,186 and \$669,905 were exposed to custodial credit risk as follows:

<u>Depository Account</u>	<u>Bank Balance</u>	
	<u>2024</u>	<u>2023</u>
Uninsured and Collateralized		
Collateral held by pledging financial institution's trust department but not in the Township's name	\$ 465,186	\$ 669,905

B. Investments

The Township is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 40A:5-15.1. Investments include bonds or other obligations of the United States or obligations guaranteed by the United States of America, Government Money Market Mutual Funds, any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor; bonds or other obligations of the Township or bonds or other obligations of the school districts which are a part of the Township or school districts located within the Township, Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school district, municipalities, counties, and entities subject to the “Local Authorities Fiscal Control Law, “ (C.40A:5A-1 et seq.); Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Local Government Services in the Department of Community Affairs for investment by local units; Local Government investment pools, deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); and agreements for the repurchase of fully collateralized securities, if transacted in accordance with NJSA 40A:5-15.1 (8a-8e). In addition, the Township is permitted to invest LOSAP Funds with the types of eligible investments authorized in NJAC 5:30-14.19. LOSAP investments include interest bearing accounts or securities, in which savings banks of New Jersey are authorized to invest their funds, New Jersey Cash Management Fund, fixed and variable individual or group annuity contracts, mutual fund shares or fixed and variable life insurance contracts.

As of December 31, 2024 and 2023 the Township had the following investments:

	<u>Fair Value</u> <u>(LOSAP - Unaudited)</u>	
	<u>2024</u>	<u>2023</u>
Investment:		
Lincoln Financial LOSAP Investment Fund (Unaudited)	\$ 792,190	\$ 686,154

**TOWNSHIP OF ROCHELLE PARK
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 3 CASH DEPOSITS AND INVESTMENTS (Continued)

B. Investments (Continued)

Custodial Credit Risk – Investments – For an investment, this is the risk, that in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are held by an outside party. The Township does not have a policy for custodial credit risk. As of December 31, 2024 and 2023, \$792,190 and \$686,154 of the Township’s investments were exposed to custodial credit risk as follows:

	<u>2024</u>	<u>2023</u>
Uninsured and Collateralized:		
Collateral held by pledging financial institution's trust department but not in the Borough's name	<u>\$ 792,190</u>	<u>\$ 686,154</u>

Interest Rate Risk – Interest rate risk is the risk that changes in the market interest rate will adversely affect the fair value of an investment. The Township does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law limits investments as noted above (N.J.S.A. 40A:5-15.1 and NJAC 5:30-14.19). The Township does not have an investment policy that would further limit its investment choices. As of December 31, 2024 and 2023, the Township’s investment in Lincoln Financial was rated A2 and A2 by Moody’s Investors Services .

Concentration of Credit Risk – The concentration of credit risk is the risk of loss that may be caused by the Township’s investment in a single issuer. The Township places no limit in the amount the Township may invest in any one issuer. More than five (5) percent of the Township’s investments are in Lincoln Financial LOSAP Investment Fund. These investments are 100% of the Township’s total investments.

Fair Value of Investments. The Township of Rochelle Park measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles (GAAP). These guidelines recognize a three-tiered fair value hierarchy as follows:

- *Level 1:* Quoted prices for identical investments in active markets;
- *Level 2:* Observable inputs other than those in Level 1; and
- *Level 3:* Unobservable inputs.

Investments are valued based on price data obtained from observed transactions and market price quotations provided by Lincoln Financial Group. Since the value is not obtained from a quoted price in an active market the investments held by the Township at December 31, 2024 and 2023 are categorized as Level 2.

Interest earned in the General Capital Fund, Animal Control Fund and certain Other Trust Funds are assigned to the Current Fund in accordance with the regulatory basis of accounting.

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 4 TAXES RECEIVABLE

Receivables at December 31, 2024 and 2023 consisted of the following:

<u>Current</u>	<u>2024</u>	<u>2023</u>
Property Taxes	\$ 138,746	\$ 113,878

In 2024 and 2023, the Township collected \$115,226 and \$133,994 from delinquent taxes, which represented 100% and 100%, respectively of the prior year delinquent taxes receivable balance.

NOTE 5 DUE TO/FROM OTHER FUNDS

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

	<u>2024</u>		<u>2023</u>	
	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Current Fund	\$ 10,711	\$ 139,021	\$ 176,473	
Trust Fund:				
Animal Control		3,053		\$ 1,316
Other Trust	139,021			75,451
General Capital Fund	<u>-</u>	<u>7,658</u>	<u>-</u>	<u>99,706</u>
Total	<u>\$ 149,732</u>	<u>\$ 149,732</u>	<u>\$ 176,473</u>	<u>\$ 176,473</u>

The above balances are the result of expenditures being paid by one fund on behalf of another.

The Township expects all interfund balances to be liquidated within one year.

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 6 DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Under the regulatory basis of accounting, certain expenditures are required to be deferred to budgets of succeeding years. At December 31, the following deferred charges are reported on the balance sheets of the following funds:

	<u>Balance December 31,</u>	<u>Subsequent Year Budget Appropriation</u>	<u>Balance</u>
<u>2024</u>			
Current Fund			
Special Emergency Authoriations (40A:4-53)	\$ 28,000	\$ 28,000	\$ -
<u>2023</u>			
Current Fund			
Overexpenditure of Appropriations	\$ 191,557	\$ 191,557	
Special Emergency Authoriations (40A:4-53)	96,000	68,000	\$ 28,000
Special Emergency Authoriations (40A:4-53)	<u>34,000</u>	<u>34,000</u>	<u>-</u>
	<u>321,557</u>	<u>293,557</u>	<u>28,000</u>

NOTE 7 DEFERRED SCHOOL TAXES

Under the regulatory basis of accounting, regulations allow for the deferral to fund balance of not more than 50% of the annual school levy when school taxes are raised in advance for a school year and have not been requisitioned by the school district as of December 31. The balance of unpaid school taxes levied, amount deferred and the amount reported as a liability (payable) at December 31, 2024 and 2023 are as follows:

	<u>Local School District</u>	
	<u>2024</u>	<u>2023</u>
Balance of Tax	\$ 5,940,331	\$ 5,777,102
Deferred	<u>4,812,222</u>	<u>4,812,222</u>
Taxes Payable	<u>\$ 1,128,109</u>	<u>\$ 964,880</u>

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 8 FUND BALANCES APPROPRIATED

Under the regulatory basis of accounting, fund balances in the Current Fund are comprised of cash surplus (fund balance) and non-cash surplus (fund balance). All or part of cash surplus as of December 31 may be anticipated in the subsequent year’s budget. The non-cash surplus portion of fund balance may be utilized in the subsequent year’s budget with the prior written consent of the Director of the Division of Local Government Services if certain guidelines are met as to its availability. Fund balances at December 31, which were appropriated and included as anticipated revenue in their own respective fund’s budget for the succeeding year were as follows:

	<u>2024</u>		<u>2023</u>	
	Fund Balance <u>December 31,</u>	Utilized in Subsequent Year's Budget	Fund Balance <u>December 31,</u>	Utilized in Subsequent Year's Budget
Current Fund				
Cash Surplus	\$ 4,779,904	\$ 1,928,035	\$ 4,600,315	\$ 1,694,100
Non-Cash Surplus	<u>59,127</u>	<u>-</u>	<u>336,934</u>	<u>-</u>
	<u>\$ 4,839,031</u>	<u>\$ 1,928,035</u>	<u>\$ 4,937,249</u>	<u>\$ 1,694,100</u>

NOTE 9 FIXED ASSETS

A. General Fixed Assets

The following is a summary of changes in the general fixed assets account group for the years ended December 31, 2024 and 2023.

	Balance December 31, <u>2023</u>	<u>Increases</u>	<u>Decreases</u>	Balance, December 31, <u>2024</u>
<u>2024</u>				
Land and Improvements	\$ 2,647,571			\$ 2,647,571
Buildings and Building Improvements	4,220,627	\$ 170,937		4,391,564
Equipment	2,232,661	290,184		2,522,845
Vehicles	<u>2,985,293</u>	<u>415,245</u>	<u>\$ 84,620</u>	<u>3,315,918</u>
	<u>\$ 12,086,152</u>	<u>\$ 876,366</u>	<u>\$ 84,620</u>	<u>\$ 12,877,898</u>
	Balance December 31, <u>2022</u>	<u>Increases</u>	<u>Decreases</u>	Balance, December 31, <u>2023</u>
<u>2023</u>				
Land and Improvements	\$ 2,138,630	\$ 508,941		\$ 2,647,571
Buildings and Building Improvements	4,220,627			4,220,627
Equipment	2,201,948	151,061	\$ 120,348	2,232,661
Vehicles	<u>3,234,029</u>	<u>118,772</u>	<u>367,508</u>	<u>2,985,293</u>
	<u>\$ 11,795,234</u>	<u>\$ 778,774</u>	<u>\$ 487,856</u>	<u>\$ 12,086,152</u>

TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE 10 MUNICIPAL DEBT

The Local Bond Law (N.J.S.A. 40A:2 et.seq.) governs the issuance of bonds and notes used to finance capital expenditures. General obligation bonds have been issued for general capital fund projects and acquisitions or other purposes permitted by the Local Bond Law. 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 and acquisitions or other purposes permitted by the Local Bond Law, must be paid off within ten years and four months or retired by the issuance of bonds.

The Township's debt is summarized as follows:

	<u>2024</u>	<u>2023</u>
Issued		
General		
Bonds and Notes	\$ 9,560,839	\$ 11,169,000
Less Funds Temporarily Held to Pay Bonds and Notes	<u>100</u>	<u>461,261</u>
Net Debt Issued	9,560,739	10,707,739
Authorized But Not Issued		
General		
Bonds and Notes	<u>3,407,117</u>	<u>376,900</u>
Net Bonds and Notes Issued and Authorized But Not Issued	<u>\$ 12,967,856</u>	<u>\$ 11,084,639</u>

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 10 MUNICIPAL DEBT (Continued)

Statutory Net Debt

The statement of debt condition that follows is in the format of the Township's Annual Debt Statement and indicates a statutory net debt of 1.033% and .959% at December 31, 2024 and 2023, respectively.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
<u>2024</u>			
General Debt	\$ 12,967,956	\$ 100	\$ 12,967,856
School Debt	<u>3,850,000</u>	<u>3,850,000</u>	<u>-</u>
Total	<u>\$ 16,817,956</u>	<u>\$ 3,850,100</u>	<u>\$ 12,967,856</u>

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
<u>2023</u>			
General Debt	\$ 11,545,900	\$ 461,261	\$ 11,084,639
School Debt	<u>4,188,000</u>	<u>4,188,000</u>	<u>-</u>
Total	<u>\$ 15,733,900</u>	<u>\$ 4,649,261</u>	<u>\$ 11,084,639</u>

Statutory Borrowing Power

The Township's remaining borrowing power under N.J.S. 40A:2-6, as amended, at December 31, was as follows:

	<u>2024</u>	<u>2023</u>
3-1/2% of Equalized Valuation Basis (Municipal)	\$ 43,928,939	\$ 40,432,098
Less: Net Debt	<u>12,967,856</u>	<u>11,084,639</u>
Remaining Borrowing Power	<u>\$ 30,961,083</u>	<u>\$ 29,347,459</u>

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 10 MUNICIPAL DEBT (Continued)

A. Long-Term Debt

The Township’s long-term debt consisted of the following at December 31:

General Obligation Bonds

The Township levies ad valorem taxes to pay debt service on general obligation bonds. General obligation bonds outstanding at December 31 are as follows:

	<u>2024</u>	<u>2023</u>
\$8,025,000, 2012 Bonds, due in annual installments of \$700,000 through February 15, 2026, interest at 2.375%	\$ 1,400,000	\$ 2,100,000
\$5,595,000, 2018 Bonds, due in annual installments of \$360,000 to \$700,000 through December 1, 2030, interest at 3.00% to 3.125%	<u>3,485,000</u>	<u>3,845,000</u>
Total	<u>\$ 4,885,000</u>	<u>\$ 5,945,000</u>

The Township's principal and interest for long-term debt issued and outstanding as of December 31, 2024 is as follows:

Calendar Year	General		Total
	Principal	Interest	
2025	\$ 1,065,000	\$ 138,675	\$ 1,203,675
2026	1,070,000	111,100	1,181,100
2027	675,000	83,375	758,375
2028	675,000	63,125	738,125
2029	700,000	42,875	742,875
2030	<u>700,000</u>	<u>21,875</u>	<u>721,875</u>
Total	<u>\$ 4,885,000</u>	<u>\$ 461,025</u>	<u>\$ 5,346,025</u>

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 10 MUNICIPAL DEBT (Continued)

A. Long-Term Debt (Continued)

Changes in Long-Term Municipal Debt

The Township’s long-term capital debt activity for the years ended December 31, 2024 and 2023 were as follows:

	Balance, December 31, <u>2023</u>	<u>Reductions</u>	Balance, December 31, <u>2024</u>	Due Within <u>One Year</u>
<u>2024</u>				
<u>General Capital Fund</u>				
Bonds Payable	\$ 5,945,000	\$ 1,060,000	\$ 4,885,000	\$ 1,065,000
General Capital Fund Long-Term Liabilities	<u>\$ 5,945,000</u>	<u>\$ 1,060,000</u>	<u>\$ 4,885,000</u>	<u>\$ 1,065,000</u>
	Balance, December 31, <u>2022</u>	<u>Reductions</u>	Balance, December 31, <u>2023</u>	Due Within <u>One Year</u>
<u>2023</u>				
<u>General Capital Fund</u>				
Bonds Payable	\$ 6,995,000	\$ 1,050,000	\$ 5,945,000	\$ 1,060,000
General Capital Fund Long-Term Liabilities	<u>\$ 6,995,000</u>	<u>\$ 1,050,000</u>	<u>\$ 5,945,000</u>	<u>\$ 1,060,000</u>

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 10 MUNICIPAL DEBT (Continued)

B. Short-Term Debt

The Township’s short-term debt activity for the years ended December 31, 2024 and 2023 was as follows:

Bond Anticipation Notes

<u>Purpose</u>	<u>Rate (%)</u>	<u>Maturity Date</u>	Balance, December 31, <u>2023</u>	Renewed/ <u>Issued</u>	Retired/ <u>Redeemed</u>	Balance, December 31, <u>2024</u>
<u>2024</u>						
<u>General Capital Fund</u>						
Various Public Improvements and Acquisitions	4.00%	8/8/2025	\$ 4,366,632	\$ 4,198,103	\$ 4,366,632	\$ 4,198,103
Resurfacing of Terrace Avenue	4.00%	8/8/2025	231,368	217,736	231,368	217,736
Rochelle Ave Pumping Station	4.00%	8/8/2025	260,000	260,000	260,000	260,000
Walkway at Carlock Field	4.00%	8/8/2025	<u>366,000</u>	<u>-</u>	<u>366,000</u>	<u>-</u>
Total General Capital Fund			<u>\$ 5,224,000</u>	<u>\$ 4,675,839</u>	<u>\$ 5,224,000</u>	<u>\$ 4,675,839</u>

<u>Purpose</u>	<u>Rate (%)</u>	<u>Maturity Date</u>	Balance, December 31, <u>2022</u>	Renewed/ <u>Issued</u>	Retired/ <u>Redeemed</u>	Balance, December 31, <u>2023</u>
<u>2023</u>						
<u>General Capital Fund</u>						
Various Public Improvements and Acquisitions	4.50%	8/9/2024	\$ 2,625,000	\$ 4,366,632	\$ 2,625,000	\$ 4,366,632
Resurfacing of Terrace Avenue	4.50%	8/9/2024	245,000	231,368	245,000	231,368
Rochelle Ave Pumping Station	4.50%	8/9/2024	260,000	260,000	260,000	260,000
Walkway at Carlock Field	4.50%	8/9/2024	<u>366,000</u>	<u>366,000</u>	<u>366,000</u>	<u>366,000</u>
Total General Capital Fund			<u>\$ 3,496,000</u>	<u>\$ 5,224,000</u>	<u>\$ 3,496,000</u>	<u>\$ 5,224,000</u>

The purpose of these short-term borrowings was to provide resources for capital construction, acquisitions or improvement projects and other purposes permitted by the Local Bond Law NJSA 40A:2 et. seq. The amounts issued for general governmental activities are accounted for in the General Capital Fund.

State law requires that notes are to be issued for a period not exceeding one year and may be renewed from time to time for additional periods, none of which shall exceed one year. All bond anticipation notes, including renewals, shall mature and be paid not later than the first day of the fifth month following the close of the tenth fiscal year following the date of the original notes. In addition any note renewed beyond the third anniversary date of the original note, requires one legally payable installment to be paid.

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 11 CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS

As of December 31, the Township had the following commitments with respect to unfinished capital projects:

<u>Capital Project</u>	<u>Construction Commitment</u>	<u>Estimated Date of Completion</u>
<u>2024</u>		
Howard Ave. Road Improvements Section 1	\$ 225,564	2025
Harvey Ave. Road Improvements	236,737	2025
Carlock Field Improvements	279,999	2025
<u>2023</u>		
Howard Avenue Roadway Design	\$ 151,607	2024
Howard Ave. Improvements Section I	958,755	2025
2023 Road Resurfacing Program	139,643	2024

NOTE 12 OTHER LONG-TERM LIABILITIES

A. Compensated Absences

Under the existing policies and labor agreements of the Township, employees are allowed to accumulate (with certain restrictions) unused vacation benefits of their working careers and to redeem such unused leave time in cash (with certain limitations) upon death, retirement or by extended absence immediately preceding retirement.

In addition, members of the Township police department are eligible to receive six (6) months of terminal leave as a retirement benefit. During the six (6) months of terminal leave retiring officers receive full pay and benefits. Retirement is defined as that retirement which is recognized by the New Jersey Police and Fireman’s Retirement System.

It is estimated that the current cost of such unpaid compensation and salary related payments would approximate \$287,289 and \$270,112 at December 31, 2024 and 2023, respectively. These amounts which are considered material to the financial statements, are not reported either as an expenditure or liability.

As of December 31, 2024 and 2023, the Township has reserved in the Other Trust Fund \$280,106 and \$271,687, respectively to fund compensated absences in accordance with NJSA 40A:4-39.

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 13 OTHER LONG-TERM LIABILITIES (Continued)

B. Financing Agreements

Capital Financing Agreements

The Township entered into the following agreements to finance the acquisition of capital assets under capital financing agreements. The repayments under these financing agreements are subject to the annual appropriation of funds in the Township’s approved budget.

Capital financing agreements for the acquisition of police and fire department vehicles at December 31 are comprised of the following:

	<u>2024</u>	<u>2023</u>
\$83,220, 2021 Agreements for the acquisition of 2 vehicles for a term of 5 years due in monthly principal installments of \$587 to \$800 through December, 2026 interest at 3.5% to 3.75%	\$ 30,301	\$ 46,945
\$206,944, 2022 Agreements for the acquisition of 6 vehicles for a term of 5 years due in monthly principal installments of \$435 to \$759 through September, 2027 interest at 4.5% to 5.5%	104,498	146,090
\$171,953, 2023 Agreements for the acquisition of 3 vehicles for a term of 5 years due in monthly principal installments of \$843 to \$1,059 through June, 2028 interest at 5.7% to 6.1%	123,231	157,623
\$118,320, 2024 Agreements for the acquisition of 2 vehicles for a term of 5 years due in monthly principal installments of \$882 to \$1,090 through November 2029 interest at 6.20% to 6.30%	<u>111,938</u>	<u>-</u>
Total	<u>\$ 369,968</u>	<u>\$ 350,658</u>

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 13 OTHER LONG-TERM LIABILITIES (Continued)

B. Financing Agreements (Continued)

The maturity schedule of the remaining capital and other financing agreement payments for principal and interest as of December 31, 2024 is as follows:

Governmental Activities:

Calendar Year	Capital Agreements		Total
	Principal	Interest	
2025	\$ 116,292	\$ 30,816	\$ 147,108
2026	113,305	30,276	143,581
2027	79,370	22,877	102,247
2028	43,719	13,256	56,975
2029	<u>17,282</u>	<u>5,392</u>	<u>22,674</u>
Total	<u>\$ 369,968</u>	<u>\$ 102,617</u>	<u>\$ 472,585</u>

Changes in Other Long-Term Liabilities

Under the regulatory basis of accounting, certain other long-term liabilities which may be considered material to the financial statements are not reported either as an expenditure or a liability. However, under the regulatory basis of accounting, these other long-term liabilities and related information are required to be disclosed in the notes to the financial statements in conformity with the disclosure requirements of the Governmental Accounting Standards Board.

The Township's changes in other long-term liabilities for the years ended December 31, 2024 and 2023 were as follows:

	Balance, December 31, <u>2023</u>	<u>Additions</u>	<u>Reductions</u>	Balance, December 31, <u>2024</u>	Due Within <u>One Year</u>
<u>2024</u>					
Compensated Absences	\$ 270,112	\$ 128,758	\$ 111,581	\$ 287,289	
Net Pension Liability - PERS (1)	1,711,657			1,711,657	
Net Pension Liability - PFRS (1)	8,400,288			8,400,288	
Net OPEB Liability (1)	10,857,231			10,857,231	
Capital Financing Agreements	<u>350,658</u>	<u>118,320</u>	<u>99,010</u>	<u>369,968</u>	<u>\$ 116,292</u>
Total Other Long-Term Liabilities	<u>\$ 21,589,946</u>	<u>\$ 247,078</u>	<u>\$ 210,591</u>	<u>\$ 21,626,433</u>	<u>\$ 116,292</u>

(1) GASB Statement Numbers 68 Pension and 75 OPEB financial information was not provided by the State's Division of Pensions and Benefits as of the date of audit.

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 13 OTHER LONG-TERM LIABILITIES (Continued)

Changes in Other Long-Term Liabilities (Continued)

	Balance, December 31, <u>2022</u>	<u>Additions</u>	<u>Reductions</u>	Balance, December 31, <u>2023</u>	Due Within <u>One Year</u>
<u>2023</u>					
Compensated Absences	\$ 294,514	\$ 77,133	\$ 101,535	\$ 270,112	
Net Pension Liability - PERS	2,068,505		356,848	1,711,657	
Net Pension Liability - PFRS	8,160,684	1,166,834	927,230	8,400,288	
Net OPEB Liability	9,423,289	1,943,024	509,082	10,857,231	
Capital Financing Agreements	<u>251,271</u>	<u>171,953</u>	<u>72,566</u>	<u>350,658</u>	\$ 92,628
Total Other Long-Term Liabilities	<u>\$ 20,198,263</u>	<u>\$ 3,358,944</u>	<u>\$ 1,967,261</u>	<u>\$ 21,589,946</u>	<u>\$ 92,628</u>

NOTE 14 EMPLOYEE RETIREMENT SYSTEMS

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems (retirement systems) covering substantially all state and local government employees which includes those Township employees who are eligible for pension coverage.

Police and Firemen’s Retirement System (PFRS) – established in July 1944, under the provisions of N.J.S.A. 43:16A to provide coverage to substantially all full time county and municipal police or firemen and State firemen appointed after December 31, 1944. Membership is mandatory for such employees. PFRS is a cost-sharing multi-employer defined benefit pension plan with a special funding situation. For additional information about PFRS, please refer to the State Division of Pension and Benefits (Division’s) Annual Comprehensive Financial Report (ACFR) which can be found at www.state.nj.us/treasury/pensions.

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

The following represents the membership tiers for PFRS:

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

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 14 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Police and Firemen’s Retirement System (PFRS) (Continued)

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% (tier 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.

Public Employees’ Retirement System (PERS) – established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage, to substantially all full-time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees. PERS is a cost-sharing multi-employer defined benefit pension plan. For additional information about PERS, please refer to the State Division of Pension and Benefits (Division’s) Annual Comprehensive Financial Report (ACFR) which can be found at www.state.nj.us/treasury/pensions.

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

The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tier 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 tier 5 members upon reaching age 65. Early retirement benefits are available to tier 1 and 2 members before reaching age 60, tier 3 and 4 members with 25 or more years of service credit before age 62, and tier 5 members 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 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 a least 25 years of service. Deferred retirement is available to members who have at least ten years of service credit and have not reached the service retirement age for the respective tier.

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 14 EMPLOYEE RETIREMENT SYSTEMS (Continued)

The State of New Jersey sponsors and administers the following defined contribution public employee retirement program covering certain state and local government employees which include those Township employees who are eligible for pension coverage.

Defined Contribution Retirement Program (DCRP) – established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected and certain appointed officials, effective July 1, 2007 and employees enrolled in PERS on or after July 1, 2007 who earn in excess of established annual maximum compensation limits (equivalent to annual maximum wage for social security deductions). This provision was extended by Chapter 1, P.L. 2010, effective May 21, 2010, to new employees (Tier 2) of the PFRS and new employees who would otherwise be eligible to participate in PERS on or after November 2, 2008 and do not earn the minimum salary required for tier 3 enrollment or do not work the minimum required hours for tier 4 and tier 5 enrollment but earn a base salary of at least \$5,000 are eligible for participation in the DCRP. Membership is mandatory for such individuals with vesting occurring after one (1) year of membership. DCRP is a defined contribution pension plan.

Other Pension Funds

The state established and administers a Supplemental Annuity Collective Trust Fund (SACT) which is available to active members of the State-administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The state or local governmental employers do not appropriate funds to SACT.

The cost of living increase for PFRS and PERS are funded directly by each of the respective systems, but are currently suspended as a result of reform legislation.

According to state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

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 each of the above systems, funds, and trust. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits website at www.state.nj.us/treasury/pensions.

Measurement Focus and Basis of Accounting

The financial statements of the retirement systems are prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the pension trust funds. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 14 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Investment Valuation

The Division of Investment, Department of the Treasury, State of New Jersey (Division of Investment) manages and invests certain assets of the retirement systems. Empower (formerly Prudential Retirement) is the third-party administrator for the DCRP and provides record keeping, administrative services and investment options. Investment transactions are accounted for on a trade or investment date basis. Interest and dividend income is recorded on the accrual basis, with dividends accruing on the ex-dividend date. The net increase or decrease in the fair value of investments includes the net realized and unrealized gains or losses on investments.

The State of New Jersey, Department of the Treasury, Division of Investment, issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management Fund. The financial report may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290, or at www.state.nj/treasury/doinvest.

Collective Net Pension Liability

The collective net pension liability of the participating employers for local PERS at June 30, 2024 was not available and for June 30, 2023 is \$14.6 billion, and the plan fiduciary net position as a percentage of the total pension liability is 65.22% at June 30, 2023. The collective net pension liability of the participating employers for local PFRS at June 30, 2024 was not available and for June 30, 2023 is \$13.1 billion and the plan fiduciary net position as a percentage of total pension liability is 70.16% at June 30, 2023.

The total pension liabilities were determined based on actuarial valuations as of July 1, 2022 which were rolled forward to June 30, 2023.

Actuarial Methods and Assumptions

In the July 1, 2022 PERS and PFRS actuarial valuations, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The pension systems selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 68. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan members and employer contributions may be amended by State of New Jersey legislation, with the amount of contributions by the State of New Jersey contingent upon the annual Appropriations Act. As defined, the various retirement systems require employee contributions for 2024 and 2023 based on 10.0% for PFRS, 7.50% for PERS and 5.50% for DCRP of employee's annual compensation.

For PFRS and PERS, which are cost sharing multi-employer defined benefit pension plans, employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution. All contributions made by the Township for 2024, 2023 and 2022 were equal to the required contributions.

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 14 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Employer and Employee Pension Contributions (Continued)

During the years ended December 31, 2024, 2023 and 2022, the Township, was required to contribute for normal cost pension contributions, accrued liability pension contributions and non-contributory life insurance premiums the following amounts which equaled the required contributions for each respective year:

<u>Year Ended</u> <u>December 31</u>	<u>PFRS</u>	<u>PERS</u>	<u>DCRP</u>
2024	\$ 1,012,100	\$ 157,941	\$ 13,374
2023	927,230	172,846	16,037
2022	806,609	174,460	9,436

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

The regulatory basis of accounting requires participating employers in PERS and PFRS to disclose in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions, (GASB No.68)* their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense excluding that attributable to employer-paid member contributions.

Under GASB Statement No. 68 local governmental employers are required to provide certain financial information based on a measurement date no earlier than the end of the employer’s prior fiscal year. The GASB No. 68 financial information from the State’s Division of Pensions and Benefits to be reported for the year ended December 31, 2024 for the measurement date of June 30, 2024 was not available as of the date of audit. Accordingly, N.J.A.C. 5:30-6.1(c)2 authorized and permits New Jersey municipalities to present the most recent available audited GASB No. 68 financial information to be incorporated into the audit and remain in compliance with the regulatory basis of accounting disclosure requirements for notes to the financial statements. As such the GASB No. 68 financial information for the year ended December 31, 2024 is not presented in the notes to the financial statements.

The employer allocation percentages presented are based on the ratio of the contributions made as an individual employer to the total contributions to the plan during the fiscal years ended June 30, 2023 and 2022. Employer allocation percentages have been rounded for presentation purposes.

Public Employees Retirement System (PERS)

At December 31, 2023, the Township reported a liability of \$1,711,657 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The Township’s proportionate share of the net pension liability was based on the ratio of the Township’s contributions to the pension plan relative to the total contributions of all participating governmental entities during the measurement period. As of the measurement date of June 30, 2023, the Township’s proportionate share was .01182 percent, which was a decrease of .00189 percent from its proportionate share measured as of June 30, 2022 of .01371 percent.

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 14 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Public Employees Retirement System (PERS) (Continued)

For the year ended December 31, 2023, the pension system has determined the Township’s pension expense (benefit) to be \$(87,953) for PERS based on the actuarial valuations which is less than the actual contribution reported in the Township’s financial statements of \$172,846. At December 31, 2023, the Township’s deferred outflows of resources and deferred inflows of resources related to PERS pension which are not reported on the Township’s financial statements are from the following sources:

	2023	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 16,366	\$ 6,997
Changes of Assumptions	3,760	103,734
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	7,882	
Changes in Proportion and Differences Between Township Contributions and Proportionate Share of Contributions	<u>34,280</u>	<u>469,626</u>
Total	<u>\$ 62,288</u>	<u>\$ 580,357</u>

At December 31, 2023 the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense (benefit) as follows:

Year Ending <u>December 31,</u>	<u>Total</u>
2024	\$ (257,942)
2025	(164,692)
2026	(11,428)
2027	(79,282)
2028	(4,725)
Thereafter	<u>-</u>
	<u>\$ (518,069)</u>

**TOWNSHIP OF ROCHELLE PARK
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 14 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

The Township’s total pension liability reported for the year ended December 31, 2023 was based on the June 30, 2023 measurement date as determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement date:

	<u>2023</u>
Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Rate for All Future Years	2.75 - 6.55%
	Based on Years of Service
Investment Rate of Return	7.00%

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

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 generational basis. Mortality improvement is based on Scale MP-2021.

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 14 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans 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 the pension plans' target asset allocation as of June 30, 2023, as reported for the year ended December 31, 2023, are summarized in the following table:

<u>Asset Class</u>	<u>2023</u>	
	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	6.21%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Investment Grade Credit	7.00%	5.19%
US Equity	28.00%	8.98%
Non-US Developed Markets Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markets Equity	5.50%	11.13%
High Yield	4.50%	6.97%
Real Assets	3.00%	8.40%
Private Credit	8.00%	9.20%
Real Estate	8.00%	8.58%
Private Equity	13.00%	12.50%

Discount Rate

The discount rate used to measure the total pension liability for PERS was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 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.

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 14 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Public Employees Retirement System (PERS) (Continued)

Sensitivity of Net Pension Liability

The following presents the Township’s proportionate share of the PERS net pension liability as of December 31, 2023 calculated using the discount rate of 7.00%, as well as what the Township’s proportionate share of the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower 6.00% or 1-percentage-point higher 8.00% than the current rate:

<u>2023</u>	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Township's Proportionate Share of the PERS Net Pension Liability	<u>\$ 2,228,213</u>	<u>\$ 1,711,657</u>	<u>\$ 1,271,999</u>

The sensitivity analysis was based on the proportionate share of the Township’s net pension liability at December 31, 2023. A sensitivity analysis specific to the Township’s net pension liability was not provided by the pension system.

Pension Plan Fiduciary Net Position

Detailed information about the PERS pension plan’s fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial report may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

Police and Firemen’s Retirement System (PFRS)

At December 31, 2023, the Township reported a liability of \$8,400,288, for its proportionate share of the PFRS net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The Township’s proportionate share of the net pension liability was based on the ratio of the Township’s contributions to the pension plan relative to the total contributions of all participating governmental entities during the measurement period. As of the measurement date of June 30, 2023, the Township’s proportionate share was .07603 percent, which was an increase of .00473 percent from its proportionate share measured as of June 30, 2022 of .07130 percent.

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 14 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Police and Firemen’s Retirement System (PFRS) (Continued)

For the year ended December 31, 2023, the pension system has determined the Township pension expense (benefit) to be \$541,650, for PFRS based on the actuarial valuations which is less than the actual contribution reported in the Township’s financial statements of \$927,230. At December 31, 2023, the Township’s deferred outflows of resources and deferred inflows of resources related to PFRS pension which are not reported on the Township’s financial statements are from the following sources:

	<u>2023</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 359,684	\$ 400,619
Changes of Assumptions	18,131	567,221
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	427,811	
Changes in Proportion and Differences Between Township Contributions and Proportionate Share of Contributions	<u>1,033,402</u>	<u>543,454</u>
Total	<u>\$ 1,839,028</u>	<u>\$ 1,511,294</u>

At December 31, 2023 the amounts reported as deferred outflows of resources and deferred inflows of resources related to PFRS pension will be recognized in pension expense (benefit) as follows:

Year Ending <u>December 31,</u>	<u>Total</u>
2024	(190,312)
2025	(149,267)
2026	474,451
2027	69,531
2028	108,126
Thereafter	<u>15,205</u>
	<u>\$ 327,734</u>

**TOWNSHIP OF ROCHELLE PARK
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 14 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Police and Firemen’s Retirement System (PFRS) (Continued)

Actuarial Assumptions

The Township’s total pension liability reported for the year ended December 31, 2023 was based on the June 30, 2023 measurement date as determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement date:

	<u>2023</u>
Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases	
Rate for All Future Years	3.25%-16.25%
	Based on Years of Service
Investment Rate of Return	7.00%

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

Mortality Rates

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

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 14 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Police and Firemen’s Retirement System (PFRS) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans 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 the pension plans’ target asset allocation as of June 30, 2023, as reported for the year ended December 31, 2023, are summarized in the following table:

<u>Asset Class</u>	2023	
	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	6.21%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Investment Grade Credit	7.00%	5.19%
US Equity	28.00%	8.98%
Non-US Developed Markets Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markets Equity	5.50%	11.13%
High Yield	4.50%	6.97%
Real Assets	3.00%	8.40%
Private Credit	8.00%	9.20%
Real Estate	8.00%	8.58%
Private Equity	13.00%	12.50%

Discount Rate

The discount rate used to measure the total pension liability for PFRS was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 100% of the actuarially determined contributions for the State. 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.

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 14 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Police and Firemen’s Retirement System (PFRS) (Continued)

Sensitivity of Net Pension Liability

The following presents the Township’s proportionate share of the PFRS net pension liability as of December 31, 2023 calculated using the discount rate of 7.00%, as well as what the Township’s proportionate share of the PFRS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower 6.00% or 1-percentage-point higher 8.00% than the current rate:

<u>2023</u>	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Township's Proportionate Share of the PFRS Net Pension Liability	<u>\$ 11,704,330</u>	<u>\$ 8,400,288</u>	<u>\$ 5,648,810</u>

The sensitivity analysis was based on the proportionate share of the Township’s net pension liability at December 31, 2023. A sensitivity analysis specific to the Township’s net pension liability was not provided by the pension system.

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 December 31, 2023, the State’s proportionate share of the net pension liability attributable to the Township for the PFRS special funding situation is \$1,547,851. For the year ended December 31, 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 \$176,065, which is less than the actual contribution the State made on behalf of the Township of \$177,015. At December 31, 2023 (measurement date June 30, 2023) the State’s share of the PFRS net pension liability attributable to the Township was) .07603 percent, which was an increase of .00473 percent from its proportionate share measured as of December 31, 2022 (measurement date June 30, 2022) of .07130 percent. 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 in the Township’s financial statements.

Pension Plan Fiduciary Net Position

Detailed information about the PFRS pension plan’s fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 15 POST-RETIREMENT MEDICAL BENEFITS

The State of New Jersey sponsors and administers the post-retirement health benefit program plan for participating municipalities including the Township.

Plan Description and Benefits Provided

The State of New Jersey sponsors and administers the following post-retirement health benefit program covering substantially all eligible local government employees from local participating employers.

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

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

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

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

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 above Fund. The financial reports may be assessed via, the New Jersey, Division of Pensions and Benefits website at www.state.nj.us/treasury/pensions.

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 15 POST-RETIREMENT MEDICAL BENEFITS (Continued)

Plan Membership and Contributing Employers

Membership and contributing employers/nonemployers of the defined benefit OPEB plan consisted of the following at June 30, 2023:

Active Plan Members	65,613
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	<u>34,771</u>
Total	<u>100,384</u>
Contributing Employers	574
Contributing Nonemployers	1

Measurement Focus and Basis of Accounting

The financial statements of the OPEB plan are prepared in accordance with U.S. generally accepted accounting principles as applicable to government organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the other postemployment benefit plan. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

Collective Net OPEB Liability

The collective net OPEB liability of the participating employers and the State, as the non-employer contributing entity, of the Plan at June 30, 2024 was not available and for June 30, 2023 is \$15.0 billion, and the plan fiduciary net (deficit) as a percentage of the total OPEB liability is (0.79)% at June 30, 2023.

The total OPEB liabilities were determined based on actuarial valuations as of July 1, 2022 which was rolled forward to June 30, 2023.

Actuarial Methods and Assumptions

In the July 1, 2022 OPEB actuarial valuation, the actuarial assumptions and methods used in this valuation were described in the Actuarial Assumptions and Methods section of the Actuary’s report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 15 POST-RETIREMENT MEDICAL BENEFITS (Continued)

Post-Retirement Medical Benefits Contribution

The funding policy for the OPEB plan is pay-as-you-go; therefore, there is no prefunding of the liability. However, due to premium rates being set prior to each calendar year, there can be a minimal amount of net position available to cover benefits in future years. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are collected from the State of New Jersey, participating local employers, and retired members. The State of New Jersey makes contributions to cover those employees eligible under Chapter 330, P.L. 1967, as disclosed previously. Local employers remit employer contributions on a monthly basis. Retired member contributions are generally received on a monthly basis.

The employers participating in the OPEB plan made contributions of \$431.4 million and the State of New Jersey, as the non-employer contributing entity, contributed \$55.6 million for fiscal year 2023.

The State sets the employer contribution rate based on a pay-as-you-go basis rather than the actuarial determined contribution an amount actuarially determined in accordance with the parameters of GASB Statement No. 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The Township's contributions to the State Health Benefits Program Fund-Local Government Retired Plan for post-retirement benefits for the years ended December 31, 2024, 2023 and 2022 were \$548,151, \$509,082 and \$433,847, respectively, which equaled the required contributions for each year .

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The regulatory basis of accounting requires participating employers in the State Health Benefit Program Fund – Local Government Retired Plan to disclose in accordance with GASB Statement No. 75, Accounting and *Financial Reporting for Postemployment Benefits other than Pension (GASB No. 75)* their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense excluding that attributable to retiree-paid member contributions.

Under GASB Statement No. 75 local governmental employers are required to provide certain financial information based on a measurement date no earlier than the end of the employer's prior fiscal year. The GASB No. 75 financial information from the State's Division of Pensions and Benefits to be reported for the year ended December 31, 2024 for the measurement date of June 30, 2024 was not available as of the date of audit. Accordingly, N.J.A.C. 5:30-6.1(c)2 authorizes and permits New Jersey municipalities to present the most recent available audited GASB No. 75 financial information to be incorporated into the audit and remain in compliance with the regulatory basis of accounting disclosure requirements for notes to the financial statements. As such the GASB No. 75 financial information for the year ended December 31, 2024 is not presented in the notes to the financial statements.

The employer allocation percentages presented are based on the ratio of the plan members as an individual employer to the total plan members to the plan during the fiscal years ended June 30, 2023 and 2022. Employer allocation percentages have been rounded for presentation purposes.

At December 31, 2023, the Township reported a liability of \$10,857,231, for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2022. The Township's proportionate share of the net OPEB liability was based on the ratio of the Township's proportionate share of the OPEB liability attributable to the Township at June 30, 2023 to the total OPEB liability for the State Health Benefit Program Fund – Local Government Retired Plan at June 30, 2023. As of the measurement date of June 30, 2023 the Township's proportionate share was .07235 percent, which was an increase of .01400 percent from its proportionate share measured as of June 30, 2022 of .05835 percent.

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 15 POST-RETIREMENT MEDICAL BENEFITS (Continued)

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

For the year ended December 31, 2023, the Plan has determined the Township’s OPEB benefit to be \$67,989 based on the actuarial valuation which is less than the actual contributions reported in the Township’s financial statements of \$509,082. At December 31, 2023, the Township’s deferred outflows of resources and deferred inflows of resources related to the OPEB plan which are not reported on the Township’s financial statements are from the following sources:

	<u>2023</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 500,679	\$ 2,948,469
Changes of Assumptions	1,406,419	3,068,992
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments		1,791
Changes in Proportion and Differences Between Township Contributions and Proportionate Share of Contributions	2,993,999	340,362
Contributions made Subsequent to the Measurement Date	-	-
Total	<u>\$ 4,901,097</u>	<u>\$ 6,359,614</u>

At December 31, 2023 the amounts reported as deferred outflows of resources and deferred inflows of resources related to the OPEB plan will be recognized in OPEB expense (benefit) as follows:

<u>Year Ending December 31,</u>	<u>Total</u>
2024	\$ (819,295)
2025	(536,410)
2026	(156,792)
2027	109,225
2028	(129,221)
Thereafter	<u>73,976</u>
	<u>\$ (1,458,517)</u>

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 15 POST-RETIREMENT MEDICAL BENEFITS (Continued)

Actuarial Assumptions

The Township’s total OPEB liability reported for the year ended December 31, 2023 was based on the June 30, 2023 measurement date as determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement date:

	<u>2023</u>
Inflation Rate	2.50%
Salary Increases*	
PERS:	
Rate For All Future Years	2.75% to 6.55% Based on Years of Service
PFRS:	
Rate For All Future Years	3.25% to 16.25% Based on Years of Service

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

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

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

Mortality Rates

Pre-retirement and post-retirement mortality rates were based on the Pub-2010 Healthy “Safety” for PFRS and Healthy “General” for PERS classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Disability mortality rates were based on the Pub-2010 Disabled “Safety” for PFRS and Disabled “General” for PERS classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

Health Care Trends

The trend rate for pre-Medicare medical benefits is initially 6.50% and decreases to a 4.50% long-term trend rate after 9 years. For post-65 medical benefits PPO, the trend is, increasing to 14.80% in Fiscal Year 2026 and decreasing to 4.50% in Fiscal Year 2033. For HMO the trend is increasing to 17.40% in Fiscal Year 2026 and decreasing to 4.50% in Fiscal Year 2033. For prescription drug benefits, the initial trend rate is 9.50% and decreases to a 4.50% long-term trend rate after 7 years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Discount Rate

The discount rate for June 30, 2023 measurement date was 3.65%. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**TOWNSHIP OF ROCHELLE PARK
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 15 POST-RETIREMENT MEDICAL BENEFITS (Continued)

Sensitivity of Net OPEB Liability to Changes in the Discounts Rate

The following presents the Township’s proportionate share of the net OPEB liability as of December 31, 2023 calculated using the discount rate of 3.65% as well as what the Township’s proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower 2.65% or 1-percentage-point higher 4.65% than the current rate:

<u>2023</u>	1% Decrease <u>2.65%</u>	Current Discount Rate <u>3.65%</u>	1% Increase <u>4.65%</u>
Township's Proportionate Share of the Net OPEB Liability	<u>\$ 12,576,134</u>	<u>\$ 10,857,231</u>	<u>\$ 9,474,639</u>

The sensitivity analysis was based on the proportionate share of the Township’s net OPEB liability at December 31, 2023. A sensitivity analysis specific to the Township’s net OPEB liability was not provided by the Plan.

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

The following presents the Township’s proportionate share of the net OPEB liability as of December 31, 2023 calculated using the healthcare trend rates as disclosed above as well as what the Township’s proportionate share of the net OPEB liability would be if it were calculated using healthcare trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current rate:

<u>2023</u>	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Township's Proportionate Share of the Net OPEB Liability	<u>\$ 9,227,369</u>	<u>\$ 10,857,231</u>	<u>\$ 12,943,953</u>

The sensitivity analysis was based on the proportionate share of the Township’s net OPEB liability at December 31, 2023. A sensitivity analysis specific to the Township’s net OPEB liability was not provided by the pension system.

NOTE 16 RISK MANAGEMENT

The Township is exposed to various risks of loss related to general liability, automobile coverage, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; termination of employees and natural disasters. The Township has obtained insurance coverage to guard against these events to minimize the exposure to the Township should they occur.

The Township of Rochelle Park is a member of the South Bergen Municipal Joint Insurance Fund (SBJIF) and Municipal Excess Liability Joint Insurance Fund (MEL). The joint insurance funds are 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 and worker's compensation. The Funds are risk-sharing public entity pools. The SBJIF and MEL coverage amounts are on file with the Township.

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 16 RISK MANAGEMENT (Continued)

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 unit's governing body. The Township is contractually obligated to make all annual and supplementary contributions to the insurance funds, to report claims on a timely basis, to cooperate with the management of the funds, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the funds. Members have a contractual obligation to fund any deficit of the funds attributable to a membership year during which the municipality was 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. Complete financial statements of the funds can be obtained by contacting the respective fund's Treasurer.

The Township has established a prescription drug benefit plan for employees and their eligible dependents. The Township contributes to fund the entire cost of the plan. Claims are paid directly by the plan. Estimates of claims payable and claims incurred, but not reported (IBNR) at December 31, 2024 and 2023 were not provided by the claims administrator. Claim payments for the prescription drug benefit plan were \$171,647 and \$131,595, respectively for the years end December 31, 2024 and 2023. As of December 31, 2024 and 2023 the Township has available in the Other Trust Fund \$20,741 and \$20,723, respectively, for the payment of unpaid self-insurance prescription drug claims.

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

NOTE 17 CONTINGENT LIABILITIES

The Township is a party defendant in some lawsuits, none of a kind unusual for a municipality of its size and scope of operation. In the opinion of the Township's Attorney, the potential claims against the Township not covered by insurance policies would not materially affect the financial condition of the Township.

Pending Tax Appeals - Various tax appeal cases were pending in the New Jersey Tax Court at December 31, 2024 and 2023. Amounts claimed have not yet been determined. The Township is vigorously defending its assessments in each case. Under the accounting principles prescribed by the Division of Local Government Services, Department of community Affairs, State of New Jersey, the Township does not recognize a liability, if any, until these cases have been adjudicated. The Township expects such amounts, if any, could be material. As of December 31, 2024 and 2023, the Township reserved \$610,000 and \$500,000, respectively in the Current Fund for tax appeals pending in the New Jersey Tax Court. Funding of any ultimate liability would be provided for in succeeding years' budget or from fund balance.

Federal and State Awards - The Township participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Township may be required to reimburse the grantor government. As of December 31, 2024 and 2023, significant amounts of grant expenditure have not been audited by the various grantor agencies but the Township believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the Township.

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 18 FEDERAL ARBITRAGE REGULATIONS

The Township is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At December 31, 2024 and 2023, the Township has not estimated its estimated arbitrage earnings due to the IRS, if any.

NOTE 19 LENGTH OF SERVICE AWARD PROGRAM (LOSAP)-UNAUDITED

The Township of Rochelle Park Length of Service Award Program (the Plan) was created by a Township ordinance adopted on July 23, 2001 pursuant to 457 (e)(11)(13) of the Internal Service Code of 1986, as amended, except for provisions added by reason of the Length of Service Award Program as enacted into federal law in 1997. The voters of the Township of Rochelle Park approved the adoption of the Plan at the general election held on November 6, 2001.

The first year of eligibility for entrance into the Plan was calendar year 2002. The tax deferred income benefits for emergency services volunteers, consisting of the Volunteer Fire Department and the First Aid Organization come from contributions made solely by the Township on behalf of those volunteers who meet the criteria of a plan created by the governing body.

If an active member meets the year of active service requirement, a LOSAP must provide a benefit between the minimum contribution of \$100 and a maximum contribution of \$1,150 per year. While the maximum amount is established by statute, it is subject to periodic increases that are related to the consumer price index (N.J.S.A. 40A:14-185(f)). The Division of Local Government Services issues the permitted maximum increase annually.

The Township of Rochelle Park has contributed \$15,306 and \$13,297 for 2024 and 2023, respectively, for each eligible volunteer fire department member into the Plan.

In accordance with the amendments to Section 457 of the Internal Revenue Code and the State Deferred Revenue Regulations, the Township has placed the amounts deferred, including earnings, in a trust for the exclusive benefit of the plan participants and their beneficiaries.

Lincoln Financial Group is the administrator of the plan. The Township's practical involvement in administering the plan is essentially limited to verifying the eligibility of each participant and remitting the funds to the plan administrator.

Vesting and Benefits

A volunteer is eligible to receive a distribution of funds upon completing 5 (five) cumulative years as an active member of the volunteer organization. Certain restrictions and tax implications may result in the event of a withdrawal of funds from the Plan.

If a volunteer member does not vest and terminates their association with the emergency service organization, the funds are returned to the sponsoring agency's surplus.

Reporting Requirements

The New Jersey Administrative Code NJAC 5:30-14.49 requires that the Township perform a separate review report of the plan in accordance with the American Institute of Certified Public Accountants (AICPA) Statements on Standards for Accounting and Auditing Review Services. Since a review does not constitute an audit, the financial statements pertaining to the Plan are presented as unaudited in this report as part of the Township's Trust Fund.

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 20 LEASES RECEIVABLE

The Township entered into non-cancellable leases for the use of Township owned land, building and equipment. The initial lease receivable is determined at the present value of payments expected to be received during the lease term.

Leases receivable at December 31 are comprised of the following:

The Township is leasing cell tower space to AT&T. The lease is for 5 years, 2020 through 2024, and the Township will receive monthly payments of \$3,000 to \$3,300. The Township recognized \$39,600 and \$42,900 in lease revenue for 2024 and 2023, respectively, which includes interest earnings of \$146 and \$279, respectively. As of December 31, 2024 and 2023 the Township’s receivable for lease payments, exclusive of future interest earnings is \$0 and \$39,454, respectively.

The Township is leasing cell tower space to T-Mobile. The lease is for 5 years, 2024 through 2028 and the Township will receive monthly payments of \$3,000 and \$3,375. The Township recognized \$36,041 and \$86,206 in lease revenue for 2024 and 2023, respectively, which includes interest earnings of \$7,990 and \$1,732, respectively. As of December 31, 2024 and 2023 the Township receivable for lease payments, exclusive of future interest earnings is \$131,468 and \$159,478, respectively.

The Township is also leasing office space to various third parties. The lease is for 5 years, 2023 through 2027, and the Township will receive monthly payments of \$10,000 to \$11,250. The Township recognized \$130,486 and \$130,380 in lease revenue for 2024 and 2023, respectively. As of December 31, 2024 the Township’s receivable for lease payments, exclusive of future interest earnings is \$367,087 and \$477,815.

The future lease revenue principal and interest payments as of December 31, 2024 were as follows:

Calendar <u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 146,845	\$ 25,235	\$ 172,080
2026	149,031	17,796	166,827
2027	164,094	10,244	174,338
2028	<u>38,585</u>	<u>1,933</u>	<u>40,518</u>
Total	<u>\$ 498,555</u>	<u>\$ 55,208</u>	<u>\$ 553,763</u>

NOTE 21 TAX ABATEMENTS

For the years ended December 31, 2024 and 2023, the Township provided property tax abatements through certain programs authorized under State statutes. This program includes the Long Term Tax Exemption Law (the “LTTE Law”).

**TOWNSHIP OF ROCHELLE PARK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 21 TAX ABATEMENTS (Continued)

- The Long Term Tax Exemption Law (NJSA 40A:20 et.seq.) is focused on broad areas of redevelopment. It allows for a longer abatement term to carry out a larger development plan through declaring an area as being “in need of redevelopment”. These long-term property abatements may last up to 30 years from completion of a project or 35 years from execution of the financial agreement. The process is initiated when the municipality passes a resolution calling for the municipal planning board to study the need for designating an area “in need of redevelopment”. Upon adopting the planning board’s recommendations and formalizing the redevelopment area designation, a municipality adopts a redevelopment plan, engages redevelopment entities to carry out the plan, and may authorize long-term tax abatements in the process. Developers submit abatement applications to the governing body for review. The financial agreement is approved through adoption of a local ordinance. The agreement exempts a project from taxation, but requires a payment in lieu of taxes (PILOTs) in an amount based generally on a percentage of project costs or revenue generated by the project, depending on the type of project. For the years ended December 31, 2024 and 2023 the Township abated property taxes totaling \$444,841 and \$235,043, respectively under the LTTE program. The Township received \$55,326 and \$58,598, in PILOT payments under this program for the years ended December 31, 2024 and 2023, respectively.

NOTE 22 SUBSEQUENT EVENTS

Debt Authorized

On April 23, 2025 the Township adopted a bond ordinance authorizing the issuance \$1,972,100 in Bonds or bond anticipation notes to fund various acquisitions and improvements by and in the Township. As of the date of this report the Township has not issued nor awarded the sale of said bonds or notes.

On May 28, 2025 the Township adopted a bond ordinance authorizing the issuance \$4,371,428 in Bonds or bond anticipation notes to fund the reconstruction of a sanitary sewer pump station in the Township. As of the date of this report the Township has not issued nor awarded the sale of said bonds or notes.

On July 23, 2025 the Township amended a previously adopted bond ordinance authorizing the issuance of an additional \$76,000 in Bonds or bond anticipation notes to fund various improvements to Carlock Field. As of the date of this report the Township has not issued nor awarded the sale of said bonds or notes.

APPENDIX C

FORM OF APPROVING LEGAL OPINION FOR THE BONDS

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

May ____, 2026

Mayor and Township Committee
of the Township of Rochelle Park
Rochelle Park, New Jersey

Ladies and Gentlemen:

We have served as Bond Counsel in connection with the authorization, sale, issuance, execution and delivery of \$8,097,000* aggregate principal amount of General Improvement Bonds, Series 2026 (the "Bonds"), of the Township of Rochelle Park, in the County of Bergen (the "Township"), a municipal corporation organized and existing under the laws of the State of New Jersey.

The Bonds 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 Committee of the Township, approved by the Mayor (if applicable), and published as required by law (the "Ordinances"); and (iii) a resolution duly adopted by the Township Committee of the Township on April 8, 2026 (the "Resolution").

The Bonds are being issued to (i) refund, on a current basis, a \$6,269,239 principal portion of outstanding bond anticipation notes of the Township issued in the aggregate principal amount of \$8,270,000 on August 7, 2025 and maturing on May 6, 2026, and (ii) permanently finance various general capital improvements and acquisitions in and by the Township in the amount of \$1,827,761, including paying the costs associated with the issuance of the Bonds.

The Bonds 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. One certificate shall be issued for the aggregate principal amount of Bonds maturing in each year. Individual purchases of the Bonds will be made in book-entry form, without certificates, in principal 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 Bonds, payments of the principal of and interest on the Bonds will be made by the Township, as paying agent (or a duly designated paying agent as the Township may designate and appoint), directly to Cede & Co., as nominee for DTC. Disbursal of such payments to the DTC participants is the responsibility of DTC and disbursal of such payments to the beneficial owners of the Bonds is the responsibility of the DTC participants.

* Preliminary, subject to change.

The Bonds are dated and shall bear interest from their date of delivery, which interest shall be payable semi-annually on the first (1st) day of May and November in each year (each an “Interest Payment Date”), commencing November 1, 2026, until maturity or prior redemption. The Bonds shall mature on May 1 in each of the years, in the principal amounts, and at the interest rates as follows:

<u>Year (May 1)</u>	<u>Principal Amount*</u>	<u>Interest Rate</u>
2027	\$ 370,000	%
2028	370,000	
2029	370,000	
2030	370,000	
2031	735,000	
2032	735,000	
2033	735,000	
2034	735,000	
2035	735,000	
2036	735,000	
2037	735,000	
2038	735,000	
2039	<u>737,000</u>	
	<u>\$ 8,097,000</u>	

The Bonds of this issue maturing prior to May 1, 2034 are not subject to redemption prior to their stated maturities. The Bonds of this issue maturing on or after May 1, 2034 are redeemable at the option of the Township, in whole or in part, on any date on or after May 1, 2033, upon notice as required therein, at a redemption price equal to one hundred percent (100%) of the principal amount being redeemed, plus accrued interest to the date fixed for redemption.

We have examined such matters of law, certified copies of the proceedings, including the Ordinances and the Resolution, and other documents and proofs relative to the authorization, sale, issuance, execution and delivery of the Bonds as we have deemed necessary or appropriate for the purposes of the opinions rendered below. In such examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity to the original documents of all documents submitted to us as copies. As to any facts

* Preliminary, subject to change.

material to our opinion we have, when relevant facts were not independently established, relied upon the aforesaid instruments, certificates and documents.

We are of the opinion that (i) such proceedings and proofs show lawful authority for the authorization, sale, issuance, execution and delivery of the Bonds pursuant to the Local Bond Law, the Ordinances and the Resolution; (ii) the Bonds have been duly authorized, executed and delivered and constitute valid and legally binding general obligations of the Township 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 Bonds and, unless paid from other sources, all the taxable property located 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 Bonds.

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 Bonds in order 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 Bonds to be included in gross income for Federal income tax purposes retroactive to the date of the issuance of the Bonds. The Township has covenanted in a tax certificate (the “Tax Certificate”) relating to the Bonds to maintain the exclusion of the interest on the Bonds 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 requirements of the Code and the aforementioned covenants and representations stated in its Tax Certificate, interest on the Bonds is not includable for Federal income tax purposes in the gross income of the owners of the Bonds pursuant to Section 103 of the Code. The Bonds are not “specified private activity bonds” within the meaning of Section 57 of the Code and, therefore, the interest on the Bonds 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.

[The Bonds maturing on May 1 in the years _____ through _____, inclusive (collectively, the “Premium Bonds”), were purchased at a premium (“original issue premium”) over the stated principal amounts of the Bonds. For Federal income tax purposes, original issue premium generally must be amortized over the term of the Premium Bonds. Amortizable bond premium is accounted for as reducing the tax-exempt interest on the Premium Bonds rather than creating a deductible expense or loss. Under Section 171(a)(2) of the Code, no deduction is allowed for the amortizable bond premium (determined in accordance with Section 171(b) of the Code) on tax-exempt bonds. Under Section 1016(a)(5) of the Code, however, an adjustment must be made to the purchaser’s basis in the Premium Bonds to the extent of any amortizable bond premium that is disallowable as a deduction under Section 171(a)(2) of the Code. Holders of the Premium Bonds should consult their tax advisors for an explanation of the bond premium amortization rules.]

[We are also of the opinion that the difference between the stated principal amount of the Bonds maturing on May 1 in the years ____ through ____, inclusive (collectively, the “Discount

Bonds”), and their respective initial public offering prices to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which prices a substantial amount of the Discount Bonds of the same maturity and interest rate were sold, constitutes original issue discount which is treated as interest and is excludable from gross income for Federal income tax purposes to the same extent described above. In the case of any holder of the Discount Bonds, the amount of such original issue discount which is treated as having accrued with respect to the Discount Bonds is added to the cost basis of the holder in determining, for Federal income tax purposes, gain or loss upon disposition (including sale, redemption or payment at maturity). Holders of the Discount Bonds should consult their tax advisors for an explanation of the original issue discount rules.]

We are further of the opinion that the Bonds constitute “qualified tax-exempt obligations” within the meaning of Section 265(b)(3)(B)(ii) of the Code, and therefore, will be treated as if they were acquired on August 7, 1986 for purposes of the limitations on deductibility by financial institutions of interest expense allocable to tax-exempt interest.

We are also of the opinion that, under existing laws of the State of New Jersey, interest on the Bonds 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 (N.J.S.A. 54A:1-1 et seq.), 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 Bonds. Furthermore, we express no opinion as to any Federal, state, local or foreign tax law consequences with respect to the Bonds, or the interest thereon, if any action is taken with respect to the Bonds 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 Bonds 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 each of the Bonds, as executed by the Township, and, in our opinion, the form of each Bond and their execution are regular and proper.

Very truly yours,

APPENDIX D

FORM OF APPROVING LEGAL OPINION FOR THE NOTES

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

May ____, 2026

Mayor and Township Committee of the
Township of Rochelle Park
Rochelle Park, New Jersey

Ladies and Gentlemen:

We have examined certified copies of the proceedings of the Township Committee of the Township of Rochelle Park, in the County of Bergen (the "Township"), a municipal corporation organized and existing under the laws of the State of New Jersey, and other proofs submitted to us relative to the authorization, sale, issuance, execution and delivery of \$3,000,000 aggregate principal amount of Bond Anticipation Notes, Series 2026 (the "Notes") of the Township. The Notes are dated May 5, 2026, mature on May 4, 2027, and bear interest at the rate of ____ and _____ hundredths per centum (____%) per annum.

The 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 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, 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 Notes, payments of the principal of and interest on the Notes will be made by the Township or a duly designated paying agent directly to 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 Notes.

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

The 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 Committee of the Township, approved by the Mayor (if applicable), and published as required by law (the "Ordinances"); and (iii) a resolution duly adopted by the Township Committee of the Township on April 8, 2026 (the "Resolution").

The Notes are being issued to (i) refund, on a current basis, a \$2,000,761 principal portion of outstanding bond anticipation notes of the Township issued in the aggregate principal amount of \$8,270,000 on August 7, 2025 and maturing on May 6, 2026, and (ii) temporarily finance

the costs of various capital improvements and acquisitions in and by the Township in the amount of \$999,239, including paying the costs associated with the issuance of the Notes.

We are of the opinion that (i) such proceedings and proofs show lawful authority for the authorization, sale, issuance, execution and delivery of the Notes pursuant to the Local Bond Law, the Ordinances, and the Resolution; (ii) the Notes have been duly authorized, executed and delivered and constitute valid and legally binding general obligations of the Township 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 Notes and, unless paid from other sources, all the taxable property located 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 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 Notes in order for the 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 Notes to be included in gross income for Federal income tax purposes retroactive to the date of the issuance of the Notes. The Township has covenanted in a tax certificate (the "Tax Certificate") relating to the Notes to maintain the exclusion of the interest on the 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 requirements of the Code and aforementioned covenants and representations stated in its Tax Certificate, interest on the Notes is not includable for Federal income tax purposes in the gross income of the owners of the Notes pursuant to Section 103 of the Code. The Notes are not "specified private activity bonds" within the meaning of Section 57 of the Code and, therefore, the interest on the 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 further of the opinion that the Notes constitute "qualified tax-exempt obligations" within the meaning of Section 265(b)(3)(B)(ii) of the Code, and therefore, will be treated as if they were acquired on August 7, 1986 for purposes of the limitations on deductibility by financial institutions of interest expense allocable to tax-exempt interest.

We are also of the opinion that, under existing laws of the State of New Jersey, interest on the Notes and any gain on the sale thereof are not includable in gross income of the owners of the Notes under the New Jersey Gross Income Tax Act, 1976 N.J. Laws c. 47 (N.J.S.A. 54A:1-1 et seq.), 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 Notes. Furthermore, we express no opinion as to any Federal, state, local or foreign tax law consequences

with respect to the Notes, or the interest thereon, if any action is taken with respect to the 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 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 Note and, in our opinion, the form of the Note is regular and proper.

Very truly yours,

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APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE FOR THE BONDS

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CONTINUING DISCLOSURE CERTIFICATE FOR THE BONDS

This Continuing Disclosure Certificate dated May ____, 2026 (the “Disclosure Certificate”) is executed and delivered by the Township of Rochelle Park, in the County of Bergen (the “Township” or the “Issuer”), a municipal corporation organized and existing under the laws of the State of New Jersey, in connection with the authorization, sale, issuance, execution and delivery of the Township’s \$8,097,000* aggregate principal amount of General Improvement Bonds, Series 2026 (the “Bonds”), all such Bonds being dated their date of delivery.

The Bonds are authorized by, and are being 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 Committee of the Township, approved by the Mayor (if applicable), and published as required by law; and (iii) a resolution duly adopted by the Township Committee of the Township on April 8, 2026, entitled “RESOLUTION (A) PROVIDING FOR THE COMBINATION OF CERTAIN BOND ORDINANCES AND DETERMINING THE FORM AND OTHER DETAILS OF THE OFFERING OF NOT TO EXCEED \$8,097,000 AGGREGATE PRINCIPAL AMOUNT OF GENERAL IMPROVEMENT BONDS, SERIES 2026, OF THE TOWNSHIP OF ROCHELLE PARK, IN THE COUNTY OF BERGEN, STATE OF NEW JERSEY (THE “TOWNSHIP”) AND PROVIDING FOR THEIR SALE AND DETERMINING CERTAIN OTHER MATTERS WITH RESPECT THERETO, AND (B) AUTHORIZING THE SALE AND ISSUANCE OF NOT TO EXCEED \$3,000,000 AGGREGATE PRINCIPAL AMOUNT OF BOND ANTICIPATION NOTES, SERIES 2026 OF THE TOWNSHIP” (the “Resolution”).

The Township covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Township for the benefit of the Holders of the Bonds and Beneficial Owners of the Bonds and in order to assist the participating Underwriter(s) in complying with the Rule (as defined below). The Township acknowledges it is an “Obligated Person” under the Rule (as defined below).

SECTION 2. Definitions. In addition to the definitions set forth in the Resolution which apply to any capitalized term used in this Disclosure Certificate, unless otherwise defined in this Section 2, the following capitalized terms shall have the following meanings:

“*Annual Report*” shall mean any Annual Report provided by the Township pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“*Beneficial Owner*” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds, as applicable (including persons holding Bonds, as applicable, through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds, as applicable, for Federal income tax purposes.

“*Business Day*” shall mean any day other than a Saturday, Sunday or a day on which the Township or the Dissemination Agent (as defined below) is authorized by law or contract to remain closed.

* Preliminary, subject to change.

“Continuing Disclosure Information” shall mean, collectively, (i) each Annual Report; (ii) any notice required to be filed by the Township or the Dissemination Agent (as defined below) with the MSRB, through the EMMA system (both as defined below), pursuant to Section 3 of this Disclosure Certificate; and (iii) any notice of a Listed Event required to be filed by the Township or the Dissemination Agent (as defined below) with the MSRB, through the EMMA system (both as defined below), pursuant to Section 5 of this Disclosure Certificate.

“Disclosure Representative” shall mean the Chief Financial Officer of the Township or her designee, or such other person as the Township shall designate in writing from time to time for the purposes of this Disclosure Certificate.

“Dissemination Agent” shall mean, initially, Phoenix Advisors, a division of First Security Municipal Advisors, Inc., Hamilton, New Jersey, or any Dissemination Agent subsequently designated in writing by the Township which has filed with the Township a written acceptance of such designation.

“EMMA” shall mean the Electronic Municipal Market Access system, a website created by the MSRB (as defined below) and approved by the SEC (as defined below) to provide a central location where investors can obtain municipal bond information including disclosure documents. The Township or the Dissemination Agent shall submit disclosure documents to EMMA as a Portable Document File (PDF file) to www.emma.msrb.org.

“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) consistent with the Rule (as defined below).

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

“MSRB” shall mean the Municipal Securities Rulemaking Board.

“National Repository” shall mean the MSRB, through the internet facilities of EMMA, or any other public or private repository or entity that shall hereafter be designated by the SEC (as defined below) as a repository for purposes of the Rule (as defined below).

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the SEC (as defined below) under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“SEC” shall mean the United States Securities and Exchange Commission.

“State” shall mean the State of New Jersey.

“Underwriter(s)” shall mean any of the original underwriter(s) of the Bonds required to comply with the Rule in connection with the purchase of the Bonds.

SECTION 3. Provision of Annual Reports. (a) The Township shall, not later than September 30 after the end of each fiscal year (currently December 31) until termination of the Township’s reporting obligations under this Disclosure Certificate pursuant to the provisions of

Section 6 of this Disclosure Certificate, provide to the Dissemination Agent the Annual Report prepared for the preceding fiscal year of the Township (commencing for the fiscal year ending December 31, 2025). Each Annual Report provided to the Dissemination Agent by the Township shall comply with the requirements of Section 4 of this Disclosure Certificate but may be submitted as a single document or as separate documents comprising a package and may cross-reference other information submitted to the National Repository. Any and all items that must be included in the Annual Report may be incorporated by reference from other information that is available to the public on EMMA, or that has been filed with the SEC.

(b) The Dissemination Agent, promptly (within ten (10) Business Days) after receiving the Annual Report from the Township, shall submit each Annual Report received by it to the National Repository and thereafter shall file a written report with the Township certifying that the Annual Report has been provided pursuant to this Disclosure Certificate to the National Repository and stating the date it was provided to the National Repository.

(c) If the Township fails to provide the Annual Report to the Dissemination Agent by the date required in subsection (a) of this Section 3, the Dissemination Agent shall send a notice to the Township advising of such failure. Whether or not such notice is given or received, if the Township thereafter fails to submit the Annual Report to the Dissemination Agent within ten (10) Business Days after the Annual Report was due pursuant to the provisions of subsection (a) of this Section 3, the Dissemination Agent shall promptly send a notice (with a copy of said notice to the Township) to the National Repository in substantially the form attached as Exhibit A hereto.

SECTION 4. Content of Annual Reports. The Township's Annual Report shall contain or incorporate by reference the following:

(1) The audited financial statements of the Township as of December 31 of each year (or unaudited financial statements if audited financial statements are not then available, which audited financial statements will be delivered when and if available);

The audited financial statements are to be prepared in accordance with generally accepted auditing standards and audit requirements prescribed by the Division of Local Government Services, in the Department of Community Affairs of the State of New Jersey (the "Division") that demonstrate compliance with the modified accrual basis, with certain exceptions, which is a comprehensive basis of accounting other than generally accepted accounting principles ("GAAP") and the budget laws of the State;

(2) The most current annual debt statement of the Township (as of December 31); and

(3) The general financial information and operating data of the Township consistent with the information set forth in Appendix A to the Official Statement dated April ____, 2026 prepared in connection with the sale of the Bonds (the "Official Statement"), consisting of (1) Township indebtedness and overlapping indebtedness, including a schedule of outstanding debt issued by the Township; (2) property valuation information; and (3) tax rate, levy and collection data.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues with respect to which the Township is an "Obligated Person" (as defined by the Rule), which have been filed with the MSRB, through the EMMA system, or the SEC. If the document incorporated by reference is a final official statement,

it must be available from the MSRB, through the EMMA system. The Township shall clearly identify each such other document so incorporated by reference.

SECTION 5. Reporting of Significant Events. (a) This Section 5 shall govern the giving of notices of the occurrence of any of the following events with respect to the Bonds, as applicable:

1. Principal and interest payment delinquencies;
2. Nonpayment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
7. Modifications to rights of Bondholders, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances of the Bonds;
10. Release, substitution or sale of property securing repayment of the Bonds, if material;
11. Rating changes relating to the Bonds;
12. Bankruptcy, insolvency, receivership or similar event of the Township;
13. The consummation of a merger, consolidation, or acquisition involving the Township or the sale of all or substantially all of the assets of the Township, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee for the Bonds or the change of name of a trustee for the Bonds, if material;
15. Incurrence of a Financial Obligation of the Township, if material, or agreement to covenants, events of default, remedies, priority rights,

or other similar terms of a Financial Obligation of the Township, any of which affect Bondholders, if material; and

16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Township, any of which reflect financial difficulties.

The Township shall, in a timely manner not in excess of ten (10) business days after the occurrence of any Listed Event, file a notice of the occurrence of such Listed Event with the MSRB, through the EMMA system, in accordance with the provisions of this Section 5. In determining the materiality of any of the Listed Events specified in subsection (a) of this Section 5, the Township may, but shall not be required to, rely conclusively on an opinion of counsel.

(b) Whenever the Township has or obtains knowledge of the occurrence of any of the Listed Events, the Township shall, as soon as possible, for those events that are subject to a materiality determination, determine if such event would constitute information material to the Beneficial Owners of the Bonds.

(c) If the Township determines that the occurrence of a Listed Event has occurred or, for those events that are subject to a materiality determination, would be material to the Beneficial Owners of the Bonds, the Township shall promptly notify the Dissemination Agent in writing (if the Township is not the Dissemination Agent) and the Township shall instruct the Dissemination Agent to report such Listed Event and the Dissemination Agent (if the Township is not the Dissemination Agent) shall report the occurrence of such Listed Event pursuant to subsection (e) hereof.

(d) If the Township determines that the occurrence of a Listed Event would not be material to the Beneficial Owners of the Bonds, the Township shall promptly notify the Dissemination Agent in writing (if the Dissemination Agent is not the Township) and the Dissemination Agent (if the Dissemination Agent is not the Township) shall be instructed by the Township not to report the occurrence unless the Listed Event is not subject to a materiality determination.

(e) If the Dissemination Agent has been instructed in writing by the Township to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with the MSRB, through the EMMA system, with a copy to the Township (if the Dissemination Agent is not the Township). Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(8) and (9) hereof need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to the Beneficial Owner of the affected Bonds pursuant to the Resolution.

SECTION 6. Termination of Reporting Obligation. The Township's obligations under this Disclosure Certificate shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds or when the Township is no longer an "Obligated Person" (as defined in the Rule). The Township shall file a notice of the termination of its reporting obligations pursuant to the provisions hereof with the Dissemination Agent (if the Dissemination Agent is not the Township), which notice shall be filed by the Township or the Dissemination Agent, as applicable, with the MSRB, through the EMMA system, in accordance with the provisions of Section 5(e) of this Disclosure Certificate.

SECTION 7. Dissemination Agent; Compensation. The Township may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be Phoenix Advisors, a division of First Security Municipal Advisors, Inc., Hamilton, 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.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Township may amend this Disclosure Certificate and any provision of this Disclosure Certificate may be waived, if such amendment or waiver (supported by an opinion of counsel expert in Federal securities laws acceptable to the Township to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof) is (a) made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the obligated person, or type of business conducted; (b) the undertaking, as amended or waived, would have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and (c) the amendment or waiver does not materially impair the interests of holders, as determined either by parties unaffiliated with the Township or "Obligated Person," or by approving vote of the Beneficial Owners of the Bonds, as applicable, pursuant to the terms of the Resolution at the time of the amendment. The Township shall give notice of such amendment or waiver to this Disclosure Certificate to the Dissemination Agent, which notice shall be filed in accordance with the provisions of Section 5 of this Disclosure Certificate. Notwithstanding the above, the addition of or change in the Dissemination Agent shall not be construed to be an amendment under the provisions hereof.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the Township shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Township. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements (i) notice of such change shall be given in the same manner as a Listed Event under Section 5 of this Disclosure Certificate, and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Township from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Township chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Certificate, the Township shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the Township to comply with any provision of this Disclosure Certificate, the Holders of at least 25% aggregate principal amount of Outstanding Bonds or any Beneficial Owner of the Bonds may take such actions 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 Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default on the Bonds and the sole remedy under this Disclosure Certificate in the event of any failure of the Township to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 11. Duties, Immunities and Liabilities of the Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and, to the extent permitted by law, the Township agrees to indemnify and hold the Dissemination Agent (if the Dissemination Agent is not the Township) and its respective officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. To the extent permitted by law, the Township further releases the Dissemination Agent from any liability for the disclosure of any information required by the Rule and this Disclosure Certificate. The obligations of the Township under this Section 11 shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

SECTION 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Township, the Dissemination Agent, the Underwriter(s), and the Beneficial Owners of the Bonds, including Bondholders, and shall create no rights in any other person or entity.

SECTION 13. Notices. All notices and submissions required hereunder shall be given to the following, or their successors, by facsimile transmission (with written confirmation of receipt) or electronic transmission (including e-mail), followed by hard copy sent by certified or registered mail, personal delivery or recognized overnight delivery:

(a) If to the Township:

Township of Rochelle Park
151 West Passaic Street
Rochelle Park, New Jersey 07662
Attention: Chief Financial Officer

(b) Copies of all notices to the Dissemination Agent from time to time with respect to the Bonds, initially:

Phoenix Advisors, a division of
First Security Municipal Advisors, Inc.
2000 Waterview Drive, Suite 101
Hamilton, New Jersey 08691
Attention: Bryan Morris, Managing Director

Each party shall give notice from time to time to the other parties, in the manner specified herein, of any change of the identity or address of anyone listed herein.

SECTION 14. Counterparts. This Disclosure Certificate may be executed in any number of counterparts which shall be executed by authorized signatories of the Township and the Dissemination Agent, as applicable, and all of which together shall be regarded for all purposes as one original and shall constitute and be but one and the same.

SECTION 15. Severability. If any one or more of the covenants or agreements in this Disclosure Certificate to be performed on the part of the Township and the Dissemination Agent should be contrary to law, then such covenant or covenants, or agreement or agreements, shall be deemed severable from the remaining covenants and agreements and shall in no way affect the validity of the other provisions of this Disclosure Certificate.

SECTION 16. Governing Law. This Disclosure Certificate shall be construed in accordance with, and governed by, the laws of the United States of America and the State of New Jersey, as applicable.

**TOWNSHIP OF ROCHELLE PARK
IN THE COUNTY OF BERGEN,
STATE OF NEW JERSEY**

By: _____
Roy Riggitano
Chief Financial Officer

Acknowledged and Accepted by:

**PHOENIX ADVISORS, a division of
First Security Municipal Advisors, Inc.,
as Dissemination Agent**

Authorized Signatory

EXHIBIT A

**NOTICE TO EMMA OF FAILURE
TO FILE ANNUAL REPORT**

Name of Issuer: Township of Rochelle Park,
in the County of Bergen, State of New Jersey

Name of Issue: \$8,097,000* General Improvement Bonds, Series 2026 (the "Bonds")
Dated: May ____, 2026
(CUSIP Number: 771282__)

Date of Issuance: May ____, 2026

NOTICE IS HEREBY GIVEN that the above designated Township has not provided an Annual Report with respect to the above-named Bonds as required by the Resolution and a Continuing Disclosure Certificate for the Bonds, dated May ____, 2026, which was executed by the Township and acknowledged and accepted by the Dissemination Agent (the "Certificate"). Capitalized terms used herein and not otherwise defined shall have the meaning ascribed to such terms in the Certificate.

DATED: _____

DISSEMINATION AGENT
(on behalf of the Township)

cc: The Township

* Preliminary, subject to change.

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APPENDIX F

FORM OF CONTINUING DISCLOSURE CERTIFICATE FOR THE NOTES

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CONTINUING DISCLOSURE CERTIFICATE FOR THE NOTES

I, ROY RIGGITANO, Chief Financial Officer of the Township of Rochelle Park, in the County of Bergen (the "Township"), a municipal corporation organized and existing under the laws of the State of New Jersey, DO HEREBY CERTIFY in connection with the authorization, sale, issuance, execution and delivery of the Township's \$3,000,000 aggregate principal amount of Bond Anticipation Notes, Series 2026, dated May 5, 2026 and maturing on May 4, 2027 (the "Notes"), 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 (or its duly appointed Dissemination Agent) 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 or the Township 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, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Notes, or other material events affecting the tax status of the Notes; (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 involving the Township, 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 actions, 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 (as defined below) of the Township, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Township, 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 of the Township, 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, through the EMMA system, consistent with the Rule.

If the Township (or its duly appointed Dissemination Agent) (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 (or its duly appointed Dissemination Agent) 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 after such determination.

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

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.

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

**TOWNSHIP OF ROCHELLE PARK
IN THE COUNTY OF BERGEN,
STATE OF NEW JERSEY**

**Roy Riggitano,
Chief Financial Officer**

Acknowledged and Accepted by:

**PHOENIX ADVISORS, a division of
First Security Municipal Advisors, Inc.,
as Dissemination Agent**

Authorized Signatory