

PRELIMINARY OFFICIAL STATEMENT DATED MAY 13, 2026

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

\$8,873,000*
CITY OF BURLINGTON
 County of Burlington, New Jersey
GENERAL OBLIGATION BONDS, SERIES 2026
 Consisting of:
\$884,000* General Capital Bonds
\$2,656,000* Water Utility Bonds
\$5,333,000* Sewer Utility Bonds
 (Callable)

\$6,573,000
CITY OF BURLINGTON
 County of Burlington, New Jersey
BOND ANTICIPATION NOTES OF 2026, SERIES A
 Interest Rate: ___%
 Yield: ___%
 CUSIP: _____
 (Non-Callable)

Dated Date: Date of Delivery

Bonds Due: April 1, as shown on the inside front cover
Notes Due: June 2, 2027, as shown on the inside front cover

The City of Burlington, County of Burlington, New Jersey (“City”), is issuing: (i) \$8,873,000* aggregate principal amount of its General Obligation Bonds, Series 2026 (“Bonds”); and (ii) \$6,573,000* principal amount of its Bond Anticipation Notes of 2026, Series A (“Notes”). The Bonds consist of: (1) \$884,000* General Capital Bonds; (ii) \$2,656,000* Water Utility Bonds and (iii) \$5,333,000* Sewer Utility Bonds.

The principal of the Bonds shall be paid on the respective maturity dates thereof upon presentation and surrender of the Bonds at the offices of the City or its hereafter designated paying agent, if any. Interest on the Bonds is payable semi-annually on April 1 and October 1 (“Interest Payment Dates”), commencing April 1, 2027, in each year until maturity or earlier redemption. The Bonds are subject to redemption prior to their stated maturity dates on the terms and conditions contained herein.

The Notes shall be dated and bear interest from June 3, 2026 at the rate set forth herein. The Notes shall mature on June 2, 2027 upon presentation and surrender of the Notes at the offices of the City or a duly designated paying agent, if any. Principal of and interest on the Notes are payable at maturity. The Notes are not subject to redemption prior to maturity.

Upon initial issuance, the Bonds and the Notes will each be registered in the name of Cede & Co., as nominee for The Depository Trust Company, Brooklyn, New York (“DTC”), which will act as securities depository for the Bonds and Notes. So long as Cede & Co. is the registered owner of the Bonds and the Notes, payments of principal and interest on the Bonds and the Notes will be made directly to DTC or its nominee, Cede & Co., which will remit such payments to the Direct Participants (as hereinafter defined) which will, in turn, remit such payments to the Beneficial Owners (as hereinafter defined) of the Bonds and the Notes. Purchasers will not receive certificates representing their ownership interest in the Bonds and the Notes purchased. For so long as any purchaser is a Beneficial Owner of a Bond and the Notes, such purchaser must maintain an account with a broker or dealer who is, or acts through, a Direct Participant to receive payment of the principal of and interest on such Bond and Note.

The Bonds are authorized to be issued pursuant to: (i) the Local Bond Law, Chapter 169 of the Laws of 1960 of the State of New Jersey, as amended and supplemented (“Local Bond Law”); (ii) bond ordinances 1-2012, 2-2012, 1-2015, 3-2016, 3-2014, 3-2017, 5-2017, 1-2018, 3-2018, 2-2019, 1-2020, 2-2020, 4-2020, 1-2022, 2-2022, 3-2022, 4-2022, 5-2022, 1-2023, 1-2024, 5-2024, 6-2024, 4-2025, and 5-2025, each duly and finally adopted by the City Common Council and published in accordance with the requirements of the Local Bond Law; (iii) a resolution adopted by the City of Burlington on May 5, 2026; and (iv) a Certificate of Determination and Award executed by the Chief Financial Officer of the City on May __, 2026.

The Bonds are being issued, together with other available funds to provide funds which will be used to: (i) permanently finance the costs of various capital improvements by the repayment at maturity of certain bond anticipation notes previously issued by the City; (ii) permanently finance the costs of various capital improvements, for which obligations have been authorized, but not issued; and (iii) pay certain costs and expenses incidental to the issuance and delivery of such bonds.

The Notes are authorized to be issued pursuant to: (i) the Local Bond Law; (ii) Ordinances 3-2018, 6-2022, as amended by 28-2024, 1-2023, 2-2024, 3-2024, 4-2024, 1-2025, and 2-2025, duly and finally adopted by the City Common Council and published in accordance with the requirements of the Local Bond Law; and (iii) a Certificate of Determination and Award executed by the Chief Financial Officer of the City on May __, 2026.

The Notes are being issued by the City to provide funds which will be used to: (i) currently refund the City’s outstanding Bond Anticipation Notes of 2025, Series A, maturing on June 4, 2026; (ii) temporarily finance the costs of various capital improvements and the acquisition of various capital equipment for which obligations have been authorized, but not yet issued; and (iii) pay certain costs and expenses incidental to the issuance and delivery of the Notes.

The full faith and credit of the City are irrevocably pledged for the payment of the principal of and interest on the Bonds and the Notes. The Bonds and the Notes are general obligations of the City payable as to principal and interest from *ad valorem* taxes that shall be levied upon all taxable real property within the City without limitation as to rate or amount.

This cover contains certain information for quick reference only. It is *not* a summary of this issue. Investors must read the entire Official Statement, including the Appendices attached hereto, to obtain information essential to their making of an informed investment decision.

The Bonds and the Notes are offered when, as and if issued, subject to prior approval of legality by the law firm of Parker McCay P.A., Mount Laurel, New Jersey, Bond Counsel to the City, and certain other conditions described herein. Certain legal matters will be passed upon for the City by its Attorney, Stuart A. Platt, Esquire, of the law firm The Platt Law Group, Stratford, New Jersey. Phoenix Advisors, a division of First Security Municipal Advisors, Inc., Hamilton, New Jersey, has acted as Municipal Advisor to the City in connection with the issuance of the Bonds and the Notes. It is anticipated that the Bonds and the Notes in definitive form will be available for delivery, in immediately available funds, through DTC in Brooklyn, New York on or about June 3, 2026.

ELECTRONIC SUBMISSIONS FOR THE BONDS, AND NOTES WILL BE RECEIVED VIA PARITY AND/OR EMAIL UNTIL 11:00 A.M., AND 11:15 A.M., RESPECTIVELY, ON MAY 20, 2026. FOR MORE DETAILS ON HOW TO BID ELECTRONICALLY VIEW THE RESPECTIVE NOTICES OF SALE POSTED AT WWW.MUNI.HUB.COM.

* Preliminary, subject to change

CITY OF BURLINGTON
County of Burlington, New Jersey

\$8,873,000* GENERAL OBLIGATION BONDS, SERIES 2026

Consisting of:

\$884,000* General Capital Bonds

\$2,656,000* Water Utility Bonds

\$5,333,000* Sewer Utility Bonds

MATURITY, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS AND CUSIPS**

Maturity Date (April 1)	General Capital Bonds*	Water Utility Bonds*	Sewer Utility Bonds*	Total Principal Amount*	Interest Rate	Yield	CUSIP**
2027	\$45,000	\$71,000	\$142,000	\$258,000	%	%	
2028	49,000	115,000	241,000	405,000			
2029	75,000	120,000	250,000	445,000			
2030	85,000	125,000	255,000	465,000			
2031	90,000	130,000	260,000	480,000			
2032	90,000	135,000	270,000	495,000			
2033	90,000	140,000	275,000	505,000			
2034	90,000	140,000	280,000	510,000			
2035	90,000	140,000	280,000	510,000			
2036	90,000	140,000	280,000	510,000			
2037	90,000	140,000	280,000	510,000			
2038	0	140,000	280,000	420,000			
2039	0	140,000	280,000	420,000			
2040	0	140,000	280,000	420,000			
2041	0	140,000	280,000	420,000			
2042	0	140,000	280,000	420,000			
2043	0	140,000	280,000	420,000			
2044	0	140,000	280,000	420,000			
2045	0	140,000	280,000	420,000			
2046	0	140,000	280,000	420,000			

\$6,573,000 BOND ANTICIPATION NOTES OF 2026, SERIES A

MATURITY, PRINCIPAL AMOUNT, INTEREST RATE, YIELD AND CUSIP**

Maturity	Principal Amount*	Interest Rate	Yield	CUSIP**
June 2, 2027	\$6,573,000	%	%	

* Preliminary, subject to change

** 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 numbers listed above are being provided solely for the convenience of holders of the Bonds and the Notes only at the time of issuance of the Bonds and the Notes. The City does not make any representation with respect to such numbers or undertake any responsibility for their accuracy now or at any time in the future. The CUSIP number for the specified maturities of the Bonds and the Notes are subject to being changed after the issuance of the Bonds and Notes as a result of procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds and the Notes.

CITY OF BURLINGTON
County of Burlington, New Jersey

Elected Officials

Barry W. Conaway, Mayor
Dawn Bergner-Thompson, Council President
Suzanne Woodard, Council Vice President
George Chachis, Councilperson
Mary Wirth, Councilperson
Clayton Long, Councilperson
David H. Ballard, Councilperson
Richard Spaulding, Councilperson

Business Administrator

Johanna S. Conyer

Chief Financial Officer

Tara Krueger

City Clerk

Cindy A. Crivaro

City Attorney

Stuart A. Platt, Esquire
The Platt Law Group
Stratford, New Jersey

City Accountant

PKF O'Connor Davies, LLP
(formerly Bowman & Company LLP)
Voorhees, New Jersey

City Auditor

Mercadien, P.C.
Hamilton, New Jersey

Bond Counsel

Parker McCay P.A.
Mount Laurel, New Jersey

Municipal Advisor

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

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

No broker, dealer, salesperson or other person has been authorized by the City 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 City. 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 any implication that there has been no change in any of the information herein since the date hereof, or the date as of which such information is given, if earlier.

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

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

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

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

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

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APPENDIX B: FINANCIAL STATEMENTS OF THE CITY OF BURLINGTON

APPENDIX C. FORM OF BOND COUNSEL OPINIONS

APPENDIX D: FORM OF CONTINUING DISCLOSURE AGREEMENT AND FORMS OF INFORMATION REPORTING UNDERTAKING AGREEMENT

OFFICIAL STATEMENT

\$8,873,000*
CITY OF BURLINGTON
County of Burlington, New Jersey
GENERAL OBLIGATION BONDS, SERIES 2026
Consisting of:
\$884,000* General Capital Bonds
\$2,656,000* Water Utility Bonds
\$5,333,000* Sewer Utility Bonds

and

\$6,573,000 BOND ANTICIPATION NOTES OF 2026, SERIES A

INTRODUCTION

The purpose of this Official Statement, including the cover page and Appendices attached hereto, is to provide certain information relating to the issuance by the City of Burlington, County of Burlington, New Jersey (“City”), of: (i) \$8,873,000* aggregate principal amount of its General Obligation Bonds, Series 2026 (“Bonds”); and (ii) \$6,573,000 principal amount of its Bond Anticipation Notes of 2026, Series A (“Notes”). The Bonds consists of: (i) \$884,000* General Capital Bonds; (ii) \$2,656,000* Water Utility Bonds; and (iii) \$5,333,000* Sewer Utility Bonds.

AUTHORIZATION FOR THE BONDS AND THE NOTES

Bonds

The Bonds are authorized to be issued pursuant to: (i) the Local Bond Law, Chapter 169 of the Laws of 1960 of the State of New Jersey (“State”), as amended and supplemented (“Local Bond Law”); (ii) bond ordinances 1-2012, 2-2012, 1-2015, 3-2016, 3-2014, 3-2017, 5-2017, 1-2018, 3-2018, 2-2019, 1-2020, 2-2020, 4-2020, 1-2022, 2-2022, 3-2022, 4-2022, 5-2022, 1-2023, 1-2024, 5-2024, 6-2024, 4-2025, and 5-2025, each duly and finally adopted by the City Common Council and published in accordance with the requirements of the Local Bond Law; (iii) a resolution adopted by the City Common Council on May 5, 2026; and (iv) a Certificate of Determination and Award executed by the Chief Financial Officer of the City on May __, 2026.

Notes

The Notes are authorized to be issued pursuant to: (i) the Local Bond Law; (ii) Ordinances 3-2018, 6-22/28-2024, 1-2023, 2-2024, 3-2024, 4-2024, 1-2025, and 2-2025, duly and finally adopted by the City Common Council and published in accordance with the requirements of the Local Bond Law; and (iii) a Certificate of Determination and Award executed by the Chief Financial Officer of the City on May __, 2026.

* Preliminary, subject to change.

PURPOSE OF THE ISSUE

Bonds

The Bonds are being issued to provide funds which will be used to: (i) permanently finance the costs of various capital improvements by the repayment at maturity of certain bond anticipation notes previously issued by the City; (ii) permanently finance the costs of various capital improvements for which obligations have been authorized, but not issued; and (iii) pay certain costs and expenses incidental to the issuance and delivery of such bonds.

The improvements to be permanently financed with the proceeds of the Bonds include the following:

General Capital

Ordinance Number	Description	Amount Authorized	Amount of Outstanding Notes	Available Funds	Amounts Funded with Bond Proceeds
01-2012	Construction of Various Capital Improvements and Acquisition of Various Capital Equipment	\$855,000	\$35,700	\$300	\$35,400
02-2012	Street Reconstruction	380,000	186,000	0	186,000
01-2015	Various Road Improvements	60,000	12,500	0	12,500
03-2016	Acquisition of Various Capital Equipment; Completion of Various Capital Improvements	622,200	70,400	0	70,400
03-2017	Acquisition of Various Capital Equipment; Completion of Various Capital Improvements	578,550	31,000	0	31,000
01-2018	Various Road Improvements	95,000	8,000	0	8,000
03-2018	Acquisition of Various Capital Equipment; Completion of Various Capital Improvements	915,325	340,000	0	340,000
02-2019	Reconstruction/Repaving of Various Roads	74,000	5,000	0	5,000
01-2020	Reconstruction/Repaving of Various Roads	118,750	8,700	0	8,700
02-2020	Acquisition of Various Capital Equipment; Completion of Various Capital Improvements	95,000	5,000	0	5,000
04-2020	Various Repairs to City Sidewalks and Promenade Bulkhead	175,000	50,000	0	50,000
01-2022	Various Road Improvements	57,000	57,000	0	57,000
03-2022	Parking Lot Improvements	75,000	75,000	0	75,000
Total		\$4,100,825	\$884,300	\$300	\$884,000

Water Utility

<u>Ordinance Number</u>	<u>Description</u>	<u>Amount Authorized</u>	<u>Amount of Outstanding Notes</u>	<u>Available Funds</u>	<u>Amounts Funded with Bond Proceeds</u>
03-2014	Various Improvements to Walnut Street Water Tower and Water Plant	\$905,000	\$178,000	\$0	\$178,000
05-2017, as amended by 05-2022	Water Utility System Improvements	3,600,000	28,000	0	217,481
04-2022	Water Tower and Related Improvements	2,030,000 ¹	60,000	0	274,429
01-2023	Water Utility System Improvements and Equipment	419,000	419,000	0	419,000
01-2024	Water Utility System Improvements and Equipment	285,000	285,000	0	285,000
05-2024	Water Utility System Improvements and Equipment	1,929,925	939,900	0	939,900
04-2025	Water Utility System Improvements and Equipment	622,250	0	0	342,190
Total		\$9,791,175	\$1,909,900	\$0	\$2,656,000

Sewer Utility

<u>Ordinance Number</u>	<u>Description</u>	<u>Amount Authorized</u>	<u>Amount of Outstanding Notes</u>	<u>Available Funds</u>	<u>Amounts Funded with Bond Proceeds</u>
02-2022	Drainage Line Replacement	\$450,000	\$450,000	\$0	\$450,000
01-2023	Sewer Utility Improvements and Equipment	419,000	419,000	0	419,000
01-2024	Sewer Utility Improvements and Equipment	926,250	926,250	0	926,250
06-2024	Sewer Utility Improvements and Equipment	1,532,350	1,532,350	0	1,532,350
05-2025	Sewer Utility Improvements and Equipment	2,928,850	0	0	2,005,400
Total		\$6,256,450	\$3,327,600	\$0	\$5,333,000

Combined

		<u>Amount Authorized</u>	<u>Amount of Outstanding Notes</u>	<u>Available Funds</u>	<u>Amounts Funded with Bond Proceeds</u>
Total:		\$20,148,450	\$6,121,800	\$300	\$8,873,000

¹ Remaining authorization to be financed through New Jersey Infrastructure Bank.

Notes

The Notes are being issued by the City to provide funds which will be used to: (i) currently refund the City's outstanding Bond Anticipation Notes of 2025, Series A, maturing on June 4, 2026; (ii) temporarily finance the costs of various capital improvements and the acquisition of various capital equipment for which obligations have been authorized, but not yet issued; and (iii) pay certain costs and expenses incidental to the issuance and delivery of the Notes.

<u>Ordinance Number</u>	<u>Description</u>	<u>Amount Authorized</u>	<u>Amount of Outstanding Notes</u>	<u>Available Funds</u>	<u>Notes to be Issued</u>
03-2018	Acquisition of Various Capital Equipment; Completion of Various Capital Improvements	\$915,325	\$0	\$0	\$5,300
06-2022, amended by 28-2024	Supplemental Funding for Construction of Bandstand	1,425,000	1,425,000	0	1,425,000
01-2023	Acquisition of Various Capital Equipment; Completion of Various Capital Improvements	419,000	924,700	0	924,700
02-2024	Acquisition of Vehicles and Equipment	828,400	828,400	0	828,400
03-2024	Various Road Improvements	378,100	378,100	0	378,100
04-2024	Various Capital Improvements	1,410,750	0	0	1,410,750
01-2025	Acquisition of Vehicles and Equipment	1,126,700	0	0	1,126,700
02-2025	Various Road Improvements	474,050	0	0	474,050
Total:		\$3,965,825	\$3,556,200	\$0	\$6,573,000

DESCRIPTION OF THE BONDS AND THE NOTES

General

Bonds

The Bonds will be issued in the aggregate principal amount of \$8,873,000*. The Bonds will be dated their date of delivery and bear interest from that date at the interest rates set forth on the inside front cover hereof. Interest on the Bonds is payable April 1 and October 1 (each an "Interest Payment Date" and collectively, "Interest Payment Dates"), commencing April 1, 2027, in each year until maturity or earlier redemption.

Individual purchases of the Bonds may be made in the principal amount of \$5,000, or any integral multiple of \$5,000, and in integral multiples of \$1,000 in excess thereof, or in such amount necessary to issue the principal amount of the Bonds, through book-entries made on the books and the records of DTC (as hereinafter defined) and its participants. See "DESCRIPTION OF THE BONDS – Book-Entry-Only System" below. The Bonds will mature on April 1 in the years and in the principal amounts, all as shown on the inside front cover page of this Official Statement.

* Preliminary, subject to change.

The Bonds will be issued in fully registered book-entry only form without coupons. The principal of the Bonds will be payable to the registered owners at maturity upon presentation and surrender of the Bonds at the offices of the City, or its hereafter designated paying agent, if any. Interest on each Bond shall be payable on each Interest Payment Date of such Bond to the registered owner of record thereof appearing on the registration books kept by the City for such purpose at the offices of the City, or its hereafter designated paying agent, if any, as of the close of business on the fifteenth (15th) day of the calendar month immediately preceding an Interest Payment Date (each a “Record Date”).

So long as The Depository Trust Company, Brooklyn, New York (“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 directly to Cede & Co., as nominee of DTC. Disbursements of such payments to the participants of DTC (“DTC Participants”) is the responsibility of DTC and disbursements of such payments to the Beneficial Owners (as hereinafter defined) of the Bonds is the responsibility of the DTC Participants and not the City or any hereinafter designated paying agent.

Notes

The Notes will be issued in the principal amount of \$6,573,000, will be dated their date of delivery and bear interest from that date at the interest rate set forth on the front cover hereof. Interest on the Notes shall be calculated on the basis of twelve (12) thirty (30) day months in a three hundred sixty (360) day year.

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

The Note certificates will be on deposit with DTC, if applicable. DTC will be responsible for maintaining a book-entry system for recording the interests of its participants and transfers of the interests among its participants. The participants will be responsible for maintaining records regarding the beneficial ownership interests in the Notes on behalf of the individual purchasers. Individual purchasers of the Notes will not receive certificates representing their beneficial ownership interests in the Notes, but each book-entry owner will receive a credit balance on the books of its nominee, and this credit balance will be confirmed by an initial transaction statement stating the details of the Notes purchased. So long as DTC or its nominee, Cede & Co., is the registered owner of the Notes, payments of the principal of and interest on the Notes will be made by the City or a duly designated paying agent directly to DTC or its nominee, Cede & Co., which will in turn remit such payments to DTC Participants, which will in turn remit such payments to the beneficial owners of the Notes. See “BOOK-ENTRY ONLY SYSTEM” herein.

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 directly to Cede & Co., as nominee of DTC. Disbursements of such payments to the DTC Participants is the responsibility of DTC and disbursements of such payments to the Beneficial Owners of the Notes is the responsibility of the DTC Participants and not the City or any hereinafter designated paying agent.

Redemption Provisions

The Bonds maturing on and after April 1, 2034, are subject to redemption prior to their stated maturity dates at the option of the City, upon notice as set forth below, as a whole or in part (and, if in part, such maturities as the City or its hereinafter designated paying agent, if any) shall determine and within any such maturity by lot) on any date on or after April 1, 2033, at a redemption price equal to 100% of the principal amount of Bonds to be redeemed, plus accrued interest to the redemption date.

Notice of redemption shall be given by mailing first class mail in a sealed envelope with postage prepaid not less than thirty (30) days nor more than sixty (60) days prior to the redemption date to the owner of every Bond of which all or a portion is to be redeemed at his or her last address, if any, appearing on the registration books of the City or its hereinafter designated paying agent, if any (“Paying Agent”). So long as the Bonds are issued in book-entry-only form, all notices of redemption will be sent only to DTC or any successor and will not be sent to the beneficial owners of the Bonds. Failure of an owner of the Bonds to receive such notice or of DTC to advise any participant or any failure of a participant to notify any beneficial owner of the Bonds shall not affect the validity of any proceedings for the redemption of Bonds. Such notice shall specify: (i) the series and maturity of the Bonds to be redeemed; (ii) the redemption date and the place or places where amounts that are due and payable upon such redemption will be payable; (iii) if less than all of the Bonds are to be redeemed, the letters and numbers or other distinguishing marks of the Bonds to be redeemed; (iv) in the case of a Bond to be redeemed in part only, the portion of the principal amount thereof to be redeemed; (v) that on the redemption date there shall become due and payable with respect to each Bond or portion thereof to be redeemed the redemption price; and (vi) that from and after the redemption date interest on such Bond or portion thereof to be redeemed shall cease to accrue and be payable.

Book-Entry-Only System*

The description which follows of the procedures and record keeping with respect to beneficial ownership interests in the Bonds and the Notes, payment of principal and interest, and other payments on the Bonds and the Notes to DTC Participants or Beneficial Owners (as such terms is hereinafter defined), confirmation and transfer of beneficial ownership interests in the Bonds and the Notes and other related transactions by and between DTC, DTC Participants and Beneficial Owners, is based on certain information furnished by DTC to the City, or its hereinafter designated Paying Agent, if any. Accordingly, the City does not make any representations as to the completeness or accuracy of such information.

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

* Source: The Depository Trust Company

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

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

To facilitate subsequent transfers, all the Bonds and the 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 the Bonds and the 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 and the Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds and the 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.

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

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds or the 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 City or the hereafter designated paying agent, if any, as soon as possible after the applicable Record Date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds and the Notes are credited on the applicable Record Date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and distributions on the Bonds and the Notes, if any, 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 City or the hereafter designated Paying Agent, if any, 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, the City or the hereafter designated Paying Agent, if any, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and distributions to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the hereafter designated Paying Agent, if any, disbursement of such payments to Direct Participants will be the responsibility of DTC and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds and the Notes at any time by giving reasonable notice to the City or its hereinafter designated Paying Agent, if any. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

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

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but neither the City nor the Underwriter (as hereinafter defined) take any responsibility for the accuracy thereof.

NEITHER THE CITY NOR ITS HEREAFTER DESIGNATED PAYING AGENT, IF ANY, WILL HAVE THE RESPONSIBILITY OR OBLIGATION TO THE DIRECT PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE PAYMENTS TO OR PROVIDING OF NOTICE FOR THE DIRECT PARTICIPANTS, OR THE INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS.

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE BONDS AND THE NOTES, AS NOMINEE OF DTC, REFERENCES HEREIN TO THE BONDHOLDERS/NOTEHOLDER OR REGISTERED OWNERS OF THE BONDS AND THE NOTES (OTHER THAN UNDER THE HEADING "TAX MATTERS") SHALL MEAN CEDE & CO. AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE BONDS AND THE NOTES.

Discontinuance of Book-Entry-Only System

In the event that the book-entry-only system is discontinued and the Beneficial Owners become registered owners of the Bonds and the Notes, the following provisions would apply: (i) the Bonds and the Notes may be exchanged for an equal principal amount of Bonds and Notes in other authorized denominations and of the same maturity, upon surrender thereof at the offices of the City, or its hereafter designated Paying Agent, if any; (ii) the transfer of the Bonds and the Notes may be registered on the books maintained by the City, or its hereafter designated Paying Agent, if any, for such purposes only upon the surrender thereof to the City, or its hereafter designated Paying Agent, if any, together with the duly

executed assignment in form satisfactory to the City, or its hereafter designated Paying Agent, if any; and (iii) for every exchange or registration of transfer of the Bonds and the Notes, the City, or its hereafter designated Paying Agent, if any, may make a charge sufficient to reimburse for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer of the Bonds and the Notes. In such event, interest on the Bonds and the Notes will be payable by check or draft, mailed on each Interest Payment Date, to the registered owners thereof as of the close of business on the Record Date, whether or not a business day.

SECURITY FOR THE BONDS AND THE NOTES

The full faith and credit of the City are irrevocably pledged for the payment of the principal of and interest on the Bonds and the Notes. The Bonds and the Notes are general obligations of the City payable as to principal and interest from *ad valorem* taxes that shall be levied upon all taxable real property within the City without limitation as to rate or amount.

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

MARKET PROTECTION

The City does not anticipate issuing any additional bonds within the next ninety (90) days. The City may issue additional bond anticipation notes, as necessary, during the remainder of calendar year 2026.

GENERAL INFORMATION REGARDING THE CITY

General

General information concerning the City, including economic, financial, demographic and other relevant data, is set forth in Appendix “A” to this Official Statement.

Financial

Appendix “B” to this Official Statement contains compiled financial statements of the City for the year ended December 31, 2025 and also contains audited financial statements of the City for the years ended December 31, 2024 and 2023. The compiled financial data for the year ended December 31, 2025 is provided by PKF O’Connor Davies, LLP. The audited financial statements for the years ended December 31, 2024 and 2023 were provided by Mercadien, P.C., Hamilton, New Jersey, and are included herein in reliance upon the authority of such firm. Copies of the complete reports of audit may be obtained upon request to the office of the Chief Financial Officer of the City.

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

Local Bond Law

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

Debt Limits - The authorized bonded indebtedness of the City is limited by statute, subject to the exceptions noted below, to an amount equal to three and one-half percent (3.50%) of its equalized valuation basis. The equalized valuation basis of the City is set by statute as the average for the last three years of the equalized value of all taxable real property and improvements as annually determined by the New Jersey State Board of Taxation. Certain categories of debt are permitted by statute to be deducted for purposes of computing the statutory debt limit.

Bonds, notes and long-term loans are included in the computation of debt for the statutory debt limit. The City, including the issuance of the Bonds and the Notes, will not exceed its three and one-half percent (3.50%) debt limit.

Exceptions to Debt Limits – Extensions of Credit - The City may exceed its debt limit with the approval of the New Jersey Department of Community Affairs, Division of Local Government Services, Local Finance Board (“Local Finance Board”), a State regulatory agency, and as permitted by other statutory exceptions. If all or any part of a proposed debt authorization would exceed its debt limit, the City may apply to the Local Finance Board for an extension of credit. If the Local Finance Board determines that a proposed debt authorization would not materially impair the credit of the City or substantially reduce the ability of the City to meet its obligations or to provide essential public improvements and services, or make certain other statutory determinations, approval may be granted.

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

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

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

Local Fiscal Affairs Law

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

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

An independent examination of the City’s books, accounts and financial transactions must be performed annually by a Registered Municipal Accountant who is licensed by the State Board of Public Accountants. The audit, conforming to the Division’s “Requirements of Audit”, includes recommendations for improvement of the local unit’s financial procedures and must be filed with the report, together with all recommendations made. A Summary of Audit, together with recommendations, must be published in a local newspaper within 30 days of its submission. The entire annual audit report for the year ended December 31, 2024 is on file with the Chief Financial Officer and is available for review during business hours.

The Local Fiscal Affairs Law also requires that the Chief Financial Officer of the local unit file annually with the Director a verified statement of the financial condition of the local unit as of the close of the fiscal year to be made not later than March 10 for December 31 fiscal year end local units and August 10 for June 30 fiscal year end local units.

Local Budget Law

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

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

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

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

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

of Goods and Services computed by the United States, Department of Commerce. Among the exceptions to the limitations imposed by the Cap Law are capital expenditures; debt service; extraordinary expenses approved by the Local Finance Board for implementation of an interlocal services agreement; expenditures mandated as a result of certain emergencies; and certain expenditures for services mandated by law.

Additionally, legislation constituting P.L. 2010, c. 44, was adopted on July 13, 2010 (S-29R1), which, among other things, imposes a two percent (2.00%) cap on the tax levy that municipalities, counties, fire districts and solid waste collection districts may impose, with very limited exceptions and subject to certain adjustments.

Exclusions from the two percent (2.00%) tax levy cap include: (i) increases required to be raised by taxation for capital expenditures, including debt service as defined by law; (ii) increases in pension contributions and accrued liability for pension contributions in excess of 2.00%; (iii) increases in health care costs equal to that portion of the actual increase in total health care costs for the budget year that is in excess of 2.00% of the total health care costs in the prior year, but is not in excess of the product of the total health care costs in the prior year and the average percentage increase of the State Health Benefits Program, P.L.1961, c.49 (C.52:14-17.25 *et seq.*), as annually determined by the Division of Pensions and Benefits in the Department of the Treasury; and (iv) and extraordinary costs incurred by a local unit directly related to a declared emergency, as defined by regulation promulgated by the Commissioner of the Department of Community Affairs, in consultation with the Commissioner of Education, as appropriate. The amendments to the tax levy sections of the “Cap Law” (specifically, *N.J.S.A.* 40A:4-45-46) in 2010 no longer permit municipalities, counties, fire districts and solid waste collection districts to request approval from the Local Finance Board for a waiver to increase the amount to be raised by taxation in excess of the two percent (2.00%) cap. However, counties, municipalities, fire districts and solid waste collection districts may request, through a public question submitted to the voters, an increase in the amount to be raised by taxes above the two percent (2.00%) tax levy cap. Such approval must be achieved by an affirmative vote in excess of fifty percent (50%) of those voting on such public question.

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

Miscellaneous Revenues

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

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

Real Estate Taxes

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

Current Year Tax Levy and Reserve for Uncollected Taxes - The current year’s taxes to be levied are determined by adding the sums of the cash required from taxes to support the municipal, school,

county and special district budgets, if any, together with the amount of an appropriation required to be included in the annual municipal budget entitled “Reserve for Uncollected Taxes”, less the total of anticipated revenues. The inclusion of the “Reserve for Uncollected Taxes” appropriation in the current year’s budget protects the municipality from taxes currently unpaid. The “Reserve for Uncollected Taxes” is required to be, at a minimum, an amount sufficient to provide for the same percentage of uncollected taxes in the current year as was experienced in the immediately preceding year, the average of the previous three years in accordance with P.L. 2000, c. 126, or the previous year collection percentage after reducing the previous year levy by tax appeal judgments of the county tax board pursuant to R.S.54:3-21 *et seq.*, or the State tax court pursuant to R.S.54:48-1 *et seq.* in accordance with Chapter 56 of P.L. 2010.

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

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

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

Deferral of Current Expenses

Emergency appropriations (i.e., those made after the adoption of the budget and determination of the tax rate for an unforeseen event or purpose) may be authorized by the governing body of the local governmental units. With minor exceptions, however, such appropriations must be included in full in the following year’s budget. When such appropriations exceed three percent (3.00%) of the adopted operating budget, consent of the Director of Local Government Services must be obtained.

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

Budget Transfers

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

Capital Budget

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

Related Constitutional and Statutory Provisions

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

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

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

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

The Municipal Finance Commission

The Municipal Finance Commission (“Commission”) was created in 1931 to assist in the financial rehabilitation of municipalities, which had defaulted in their obligations. The powers of the Commission are exercised today by the Local Finance Board. The previously discussed elements of the local finance system are intended to prevent default on obligations or occurrence of severe fiscal difficulties in any local unit. Should extreme economic conditions adversely affect any local unit, the “Municipal Finance Commission Statutes” are available to assist in restoring the stability of the local unit.

Any holder of bonds or notes which are in default for over sixty (60) days (for payment of principal or interest) may bring action against such municipality in the State’s Superior Court. Any municipality may declare itself unable to meet its obligations and bring action in such court. In either case, the court’s determination that the municipality is in default or unable to meet its obligations causes the Commission to become operative in that municipality.

The Commission exercises direct supervision over the finances and accounts of any local unit under its jurisdiction. The Commission is authorized to appoint an auditor to examine and approve all claims against the municipality and to serve as comptroller for that community. The Commission is also directed to supervise tax collections and assessments, to approve the funding of municipal school district indebtedness, the adjustment or composition of the claims of creditors and the readjustment of debts under the Federal Municipal Bankruptcy Act. Such Act permits municipalities to have access to bankruptcy court for protection against suits by bondholders and creditors.

The Local Finance Board also serves as the “Funding Commission” to exercise supervision over the funding or refunding of local government debt. Any county or municipality seeking to adjust its debt service must apply to and receive the approval of such Funding Commission for the proposed reorganization of its debt.

Limitation of Remedies Under Federal Bankruptcy Code

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

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

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

THE SUMMARIES OF AND REFERENCES TO THE STATE CONSTITUTION AND OTHER STATUTORY PROVISIONS ABOVE ARE NOT AND SHOULD NOT BE CONSTRUED AS COMPREHENSIVE OR DEFINITIVE. ALL REFERENCES TO SUCH DOCUMENTS ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE PARTICULAR DOCUMENT, THE FULL TEXT OF WHICH MAY CONTAIN QUALIFICATIONS OF AND EXCEPTIONS TO STATEMENTS MADE HEREIN.

TAXATION

Procedure for Assessment and Collection of Taxes

Property valuations (assessments) are determined on true values as arrived at by a cost approach, market data approach and capitalization of net income where appropriate. Current assessments are the results of maintaining new assessments on a like basis with established comparable properties for newly assessed or purchased properties. This method assures equitable treatment to like property owners.

Upon the filing of certified adopted budgets by the City, the School District and the County of Burlington (“County”), the tax rate is struck by the County Board of Taxation based on the certified amounts in each of the taxing districts for collection to fund the budgets. The statutory provision for the assessment of property, levying of taxes and the collection thereof are set forth in *N.J.S.A. 54:4-1 et seq.* Special taxing districts are permitted in the State for various special services rendered to the properties located within the special district.

Tax bills are due quarterly on February 1, May 1, August 1 and November 1. Installments not paid on or before the due date are subject to interest penalties of 8% per annum on the first \$1,500.00 of the delinquency and 18.00% per annum on any amounts in excess of \$1,500.00. These interest penalties are the maximum permitted under New Jersey Statutes. Additionally, a 6.00% penalty is charged on any delinquencies in excess of \$10,000.00 if not paid by the end of each year. Delinquent taxes open for one year or more are annually included in a tax sale in accordance with New Jersey Statutes. Tax liens retained by the City are periodically assigned to the City Attorney for “in rem foreclosures” in order to acquire title to these properties.

Tax Appeals

The State Statutes provide a taxpayer with remedial procedures for appealing an assessment deemed excessive. The taxpayer has a right to petition the New Jersey Board of Taxation (“Tax Board”) on or before the first day of April of the current tax year for review. The Tax Board has the authority, after a hearing, to decrease, increase or reject the appeal petition. These adjustments are usually concluded within the current tax year and reductions are shown as canceled or remitted taxes for that year. If the taxpayer feels his petition was unsatisfactorily reviewed by the Tax Board, appeal may be made to the State Tax Court. State Tax Court appeals tend to take several years prior to settlement and any losses in tax collection from prior years are charged directly to operations.

CERTAIN RISK FACTORS

Recent Healthcare Developments

In early March of 2020, the World Health Organization declared a pandemic following the global outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus ("Coronavirus" or "COVID-19"). 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 ended on February 16, 2026.

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

Pursuant to the funding methodology under the Plan, the City received \$1,031,822.61 in funding (“Plan Funds”). The deadline to obligate the Plan Funds was December 31, 2024 and to spend Plan Funds is December 31, 2026. Such Plan Funds were received in two (2) equal payments; one (1) received within 60 days of enactment of the Plan, and the balance received no earlier than 12 months from the initial payment.

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

Cyber Security

The City relies on a complex technology environment to conduct its various operations. As a result, the City faces certain cyber security threats at various times including, but not limited to, hacking, phishing, viruses, malware and other attacks on its computing and digital networks and systems. To mitigate the risks of business operations impact and/or damage from cybersecurity incidents or cyber-attacks, the City has invested in multiple forms of cybersecurity and operational safeguards.

Climate Change

The State is naturally susceptible to the effects of extreme weather events and natural disasters including floods and hurricanes, which could result in negative economic impacts on communities. Such effects can be exacerbated by a longer term shift in the climate over several decades (commonly referred to as climate change), including increasing global temperatures and rising sea levels. The occurrence of such extreme weather events could damage local infrastructure that provides essential

services to the City 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 City.

TAX MATTERS

Federal

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

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

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

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

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

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

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

New Jersey

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

Changes in Federal and State Tax Law

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

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

LITIGATION

To the knowledge of the City Attorney, Stuart A. Platt, Esquire, of the firm The Platt Law Group, Stratford, New Jersey (“City Attorney”), there is no litigation of any nature now pending, restraining or enjoining the issuance or the delivery of the Bonds and the Notes, or the levy or the collection of any taxes to pay the principal of or the interest on the Bonds and the Notes, or in any manner questioning the authority or the proceedings for the issuance of the Bonds and the Notes or for the levy or the collection of taxes, or contesting the corporate existence or the boundaries of the City or the title of any of the present officers.

RATINGS

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

An explanation of the significance of such ratings may be obtained from the Rating Agency. The ratings are not a recommendation to buy, sell or hold the Bonds and there is no assurance that such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by the Rating Agency if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of such ratings by the Rating Agency may have an adverse effect on the market price of the Bonds.

PREPARATION OF OFFICIAL STATEMENT

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

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

PKF O'Connor Davies, LLP, Voorhees, New Jersey, compiled this Official Statement from information obtained from City management and other various sources they consider to be reliable and makes no warranty, guaranty or other representation with respect to the accuracy and completeness or fairness of the information contained herein and, accordingly, will express no opinion with respect thereto. PKF O'Connor Davies, LLP, successor to Bowman & Company LLP, does take responsibility for the compiled financial statements, appearing in Appendix "B" hereto, to the extent specified in the Independent Accountants' Compilation Report.

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

UNDERWRITING

Bonds

The Bonds have been purchased from the City at a public sale by _____, as underwriter ("Bond Underwriter") at a price of \$ _____ ("Bond Purchase Price") in accordance with the Notice of Sale prepared in connection with the Bonds. The Bond Purchase Price reflects the principal amount of the Bonds, plus a bid premium in the amount of \$ _____. The Bond Underwriter is obligated to purchase all of the Bonds if any of the Bonds are purchased.

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 may offer and sell the Bonds to certain dealers (including

dealers depositing bonds and notes into investment trusts) at yields higher than the public offering yield set forth on the inside front cover page of this Official Statement, and such public offering yields may be changed, from time to time, by the Bond Underwriter without prior notice.

Notes

The Notes have been purchased from the City at a public sale by _____, as underwriter (“Note Underwriter”) at a price of \$_____ (“Note Purchase Price”). The Note Purchase Price reflects the principal amount of the Note, plus a bid premium in the amount of \$_____. The Note Underwriter is obligated to purchase all of the Note if any of the Note is purchased.

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

LEGALITY FOR INVESTMENT

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

MUNICIPAL ADVISOR

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

NO DEFAULT

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

CONTINUING DISCLOSURE

In accordance with the requirements of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (“Rule”), the City will, prior to the issuance of the Bonds and Notes, enter into separate agreements substantially in the forms set forth in Appendix “D” hereto, as required by the Rule.

The City has previously entered into secondary market disclosure undertakings in accordance with the Rule with respect to its own obligations and obligations of the Burlington County Bridge Commission for which the City is an obligated person. The City has engaged Phoenix Advisors, a division of First Security Municipal Advisors, Inc., Hamilton, New Jersey to serve as continuing disclosure agent to assist in the filing of certain information on MSRB's Electronic Municipal Market Access ("EMMA") website as required under its prior secondary market disclosure undertakings.

LEGAL MATTERS

The legality of the Bonds and the Notes will be subject to the approving legal opinion of Parker McCay P.A., Mount Laurel, New Jersey, Bond Counsel to the City ("Bond Counsel"). Such opinion will be printed on or accompany the Bonds and the Notes and provide, *inter alia*, that the Bonds and the Notes are valid and binding obligations of the City, and the City has the power and is obligated to levy *ad valorem* taxes upon all the taxable property within the City without limitation as to rate or amount for the payment of the Bonds and the Notes and interest thereon. The enforceability of rights or remedies with respect to the Bonds and the Notes may be limited by bankruptcy, insolvency, or other law affecting creditors' rights or remedies heretofore or hereinafter enacted. Certain legal matters will be passed upon for the City by the City Attorney.

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

The legal opinions to be delivered concurrently with the delivery of the Bonds and the Notes express the professional judgment of the attorneys rendering the opinion 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 Tara Krueger, Chief Financial Officer, City of Burlington, at 609-386-0200, or to the City's Municipal Advisor, Phoenix Advisors, a division of First Security Municipal Advisors, Inc., 2000 Waterview Drive, Suite 101, Hamilton, New Jersey 08691, at 609-291-0130.

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

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

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

**CITY OF BURLINGTON,
COUNTY OF BURLINGTON, NEW JERSEY**

**By: _____
TARA KRUEGER, Chief Financial Officer**

Dated: May __, 2026

APPENDIX A

**CERTAIN ECONOMIC, FINANCIAL AND DEMOGRAPHIC INFORMATION
REGARDING THE CITY OF BURLINGTON**

GENERAL INFORMATION ON THE CITY (1)

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

General

The City, founded in 1677, is a New Jersey municipal corporation located on the Delaware River in Southern Western New Jersey, approximately 17 miles North of the City of Philadelphia and 17 miles South of Trenton. The population of the City according to the 2020 census is 9,743.

The City provides to its citizens the following services: public safety, sanitation, recreation, public improvements, planning and zoning, health and welfare and general administrative services.

The City is under a Mayor-Council Plan form of government. The Mayor and seven Council members are elected at large to four-year terms. The City Administrator is responsible for the daily operations of the City and reports to the Council during their monthly meetings.

Retirement Systems

All full-time permanent or qualified City employees who began employment after 1944 must enroll in one of two retirement systems depending upon 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 of Pensions, within the New Jersey Department of Treasury ("Division"), is the administrator of the funds with the benefit and contribution levels set by the State. The City is enrolled in the Public Employees' Retirement System ("PERS") and the Police and Firemen's Retirement System ("PFRS").

Pension Information (2)

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.

Labor Contracts

Type of Employee	Union	<u>Contract Expiration</u>
Police	Fraternal Order of Police Lodge #63	Dec. 31, 2025 *
Police Officers	Superior Officers Association FOP Lodge #63	Dec. 31, 2025 *
Supervisory Workers	Communications Workers of America (Supervisory)	Dec. 31, 2027
Non-supervisory Workers	Communications Workers of America (Non-supervisory)	Dec. 31, 2027
Traffic Control Officers	Communications Workers of America (Local 1036)	Dec. 31, 2025 *

(1) Source: The City, unless otherwise indicated.

(2) Source: State of New Jersey Department of Treasury, Division of Pensions and Benefits

* Currently in Negotiations

Population (1)

	<u>City Population</u>	<u>County Population</u>
2020 Federal Census	9,743	461,860
2010 Federal Census	9,920	448,734
2000 Federal Census	9,736	423,394
1990 Federal Census	9,835	395,066
1980 Federal Census	10,246	362,542

Selected Census 2024 Data for the City (1)

Median household income	\$84,813
Per capita income	\$38,407

Labor Force (2)

The following table discloses current labor force data for the City, County and State.

<u>Year</u>	<u>Labor Force</u>	<u>Employed Persons</u>	<u>Unemployed Persons</u>	<u>Unemployment Rate</u>
City				
2024	5,029	4,697	332	6.6%
2023	5,714	5,378	336	5.9
2022	5,547	5,284	263	4.7
2021	5,444	5,036	408	7.5
2020	5,437	4,867	570	10.5
County				
2024	248,122	237,708	10,414	4.2%
2023	252,255	242,294	9,961	3.9
2022	246,708	238,085	8,623	3.5
2021	240,563	226,911	13,652	5.7
2020	238,216	219,308	18,908	7.9
State				
2024	4,898,008	4,676,064	221,944	4.5%
2023	4,829,671	4,615,722	213,949	4.4
2022	4,736,213	4,552,563	183,650	3.9
2021	4,648,814	4,337,793	311,021	6.7
2020	4,638,386	4,200,980	437,406	9.4

(1) Source: U.S. Department of Commerce, Bureau of Census

(2) Source: New Jersey Department of Labor.

CERTAIN TAX INFORMATION

TEN LARGEST REAL PROPERTY TAXPAYERS (1)

<u>Name of Taxpayer</u>	<u>Nature of Business</u>	<u>2026 Assessed Valuation</u>	<u>% of Total Assessed Valuation</u>
PSE&G Fossil LLC & PSE&G Power LLC	Natural Gas Plant	\$ 17,000,000	2.80%
CUE BURL TIC1 & CUE BURL TIC II & TIC3	Residential Apartments	10,750,000	1.77%
Burlington Manor Apartments	Residential Apartments	6,150,000	1.01%
Canon Business Solutions	Office Supplies and Services	4,728,800	0.78%
SPS Holdings LLC	Commercial/Residential Properties	3,772,300	0.62%
Mother's Kitchen	Restaurant	3,495,000	0.58%
ESP Group LLC	Wawa Store	3,210,000	0.53%
Retail Propco Borrower LLC	Walgreens	3,000,000	0.49%
302 CSB, LLC	Residential Apartments	2,835,000	0.47%
Veterans Drive BSD LLC	Commercial Office Space	2,670,000	0.44%

CURRENT TAX COLLECTIONS (2)

<u>Year</u>	<u>Total Levy</u>	<u>Collected in Year of Levy</u>		<u>Outstanding Dec. 31</u>	
		<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
2025 (3) \$	26,978,487	\$ 26,183,011	97.04%	\$ 704,995	2.61%
2024	26,291,807	25,337,227	96.36%	859,856	3.27%
2023	25,761,716	24,868,377	96.53%	765,304	2.97%
2022	25,440,488	24,482,345	96.23%	833,788	3.28%
2021	24,939,449	23,878,269	95.74%	911,317	3.65%

DELINQUENT TAXES (2)

<u>Year</u>	<u>Outstanding</u>		<u>Collected</u>		<u>Transferred to Liens</u>	<u>Other Credits</u>	<u>Outstanding Dec. 31</u>
	<u>Jan. 1</u>	<u>Added</u>	<u>Amount</u>	<u>Percentage</u>			
2025 (3) \$	859,856	\$ 1,335	\$ 858,914	99.74%	\$ 1,349	\$ 928	\$ -
2024	765,304	3,854	762,519	99.14%	553	6,086	-
2023	839,141	250	838,560	99.90%	-	831	-
2022	921,254	2,000	910,150	98.58%	2,353	5,398	5,353
2021	947,419	2,036	939,518	98.95%	-	-	9,937

(1) Source: City Tax Assessor

(2) Source: Annual Reports of Audit, unless otherwise indicated

(3) Source: Information from Annual Compiled Financial Statement

TAX TITLE LIENS (1)

<u>Year</u>	<u>Balance</u>	<u>Added by</u>			<u>Collected/</u>	<u>Balance</u>
	<u>Jan. 1</u>	<u>Sales and</u> <u>Transfers</u>	<u>Special</u> <u>Assessments</u>	<u>Other</u> <u>Charges</u>	<u>Canceled</u>	<u>Dec. 31</u>
2025 (2) \$	862,625	\$ 144,978	\$ -	\$ -	\$ 175,907	\$ 831,697
2024	847,582	163,553	-	-	148,510	862,625
2023	1,289,899	124,328	-	-	566,645	847,582
2022	1,098,724	105,516	89,000	117	3,458	1,289,899
2021	1,048,639	137,821	2,481	2,318	92,535	1,098,724

FORECLOSED PROPERTY (1) (3)

<u>Year</u>	<u>Balance</u> <u>Dec. 31</u>
2025 (2)	\$ 1,428,950
2024	1,428,950
2023	1,428,950
2022	1,428,950
2021	1,428,950

WATER UTILITY TAX COLLECTIONS (1)

<u>Year</u>	<u>Balance</u>	<u>Levy</u>	<u>Collected</u>	<u>Transfers/</u>	<u>Balance</u>
	<u>Jan. 1</u>			<u>Other Credits</u>	
2025 (2) \$	416,039	\$ 2,359,748	\$ 2,335,124	\$ 1,580	\$ 439,083
2024	540,934	2,361,775	2,483,126	3,544	416,039
2023	445,591	2,553,729	2,454,244	4,142	540,934
2022	704,561	2,399,643	2,627,045	31,568	445,591
2021	422,370	2,459,186	2,176,995	-	704,561

SEWER UTILITY TAX COLLECTIONS (1)

<u>Year</u>	<u>Balance</u>	<u>Levy</u>	<u>Collected</u>	<u>Transfers/</u>	<u>Balance</u>
	<u>Jan. 1</u>			<u>Other Credits</u>	
2025 (2) \$	296,661	\$ 3,180,773	\$ 3,173,453	\$ 2,618	\$ 301,363
2024	285,479	3,239,300	3,223,341	4,777	296,661
2023	241,980	2,886,721	2,839,223	3,999	285,479
2022	310,265	2,800,694	2,863,722	5,257	241,980
2021	341,388	2,861,525	2,887,753	4,895	310,265

(1) Source: Annual Reports of Audit, unless otherwise indicated

(2) Source: Information from Annual Compiled Financial Statement

(3) These amounts are reflected on the basis of assessed value in the year of acquisition in accordance with the regulation of the Division of Local Government Services.

NET ASSESSED VALUATIONS AND ANNUAL TAX RATES (1)

<u>Year</u>	<u>Net Valuation Taxable</u>	<u>Tax Rate (2)</u>				
		<u>Total Rate</u>	<u>County</u>			<u>Municipal</u>
			<u>County (3)</u>	<u>Open Space</u>	<u>Local School</u>	
2026	\$ 607,821,563	N/A	N/A	N/A	N/A	N/A
2025	606,044,667	\$ 4.441	\$ 0.465	\$ 0.052	\$ 2.369	\$ 1.555
2024	606,439,609	4.330	0.419	0.046	2.337	1.528
2023	604,339,780	4.254	0.417	0.032	2.316	1.489
2022	603,693,392	4.207	0.384	0.028	2.306	1.489
2021	599,089,494	4.146	0.381	0.020	2.312	1.433

**RATIO OF ASSESSED VALUATION TO TRUE VALUE
AND TRUE VALUE PER CAPITA (4)**

<u>Year</u>	<u>Real Property</u>	<u>Percentage</u>	<u>True</u>	<u>True Value</u>
	<u>Assessed Valuation</u>	<u>of True Value</u>	<u>Value</u>	<u>per Capita (5)</u>
2025	\$ 606,044,600	67.37%	\$ 899,576,369	\$ 92,331
2024	606,439,533	76.12%	796,688,824	81,770
2023	604,339,700	79.55%	759,697,926	77,974
2022	603,693,300	91.94%	656,616,598	67,394
2021	599,089,400	93.69%	639,437,934	65,630

REAL PROPERTY CLASSIFICATION (6)

<u>Year</u>	<u>Assessed Value of Land and</u>						
	<u>Improvements</u>	<u>Vacant Land</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Apartments</u>	<u>Farmland</u>
2025	\$ 606,044,600	\$ 15,571,200	\$ 442,257,600	\$ 109,280,500	\$ 14,004,400	\$ 24,930,900	\$ -
2024	606,439,533	15,294,700	442,475,300	109,264,400	14,814,400	24,590,733	-
2023	604,339,700	15,215,500	442,155,900	107,785,000	14,814,400	24,368,900	-
2022	603,693,300	14,602,700	441,069,000	108,498,300	15,154,400	24,368,900	-
2021	599,089,400	13,789,800	440,101,600	105,595,300	15,154,400	24,448,300	-

(1) Source: City's Tax Collector

(2) Per \$100 of Assessed Valuation

(3) Includes Library Tax

(4) Source: State of New Jersey, Department of Treasury, Division of Taxation

(5) Based on Federal Census 2020 of 9,743

(6) Source: City Tax Assessor

**CITY OF BURLINGTON
STATEMENT OF INDEBTEDNESS (1)**

The following table summarizes the direct debt of the City as of December 31, 2025, in accordance with the requirements of the Local Bond Law. The gross debt comprises short and long-term debt issued, and debt authorized but not issued, including General, Water Utility, and Sewer Utility. Deductions from gross debt to arrive at net debt include debt considered to be self-liquidating. The resulting net debt of \$15,161,437 represents 1.714% of the average of equalized valuations for the City for the last three years, which is within the 3.5% limit imposed by N.J.S.A. 40A:2-6.

	Debt Issued		Debt Auth. But Not Issued	Gross Debt	Deductions Self Liquidating	Net Debt
	Bonds/Loans	Notes				
General	\$ 5,405,000	\$4,440,500	\$ 5,315,937	\$ 15,161,437		\$ 15,161,437
Water Utility	4,372,467	1,909,900	1,827,762	8,110,129	\$ 8,110,129	
Sewer Utility	1,524,259	3,327,600	2,979,559	7,831,418	7,831,418	
	<u>\$ 11,301,726</u>	<u>\$9,678,000</u>	<u>\$10,123,259</u>	<u>\$ 31,102,984</u>	<u>\$ 15,941,547</u>	<u>\$ 15,161,437</u>

(1) As of December 31, 2025

DEBT RATIOS AND VALUATIONS (1) (2)

Average of Equalized Valuations of Real Property with Improvements for 2023, 2024 and 2025	\$	884,442,570
Statutory Net debt as a Percentage of the Average of Equalized Valuations of Real Property with Improvements for 2023, 2024 and 2025		1.71%
2025 Net Valuation Taxable	\$	606,044,667
2025 Equalized Valuation of Real Property and Taxable Personal Property Used in Communications	\$	899,576,436
Gross Debt (3)		
As a Percentage of 2025 Net Valuation Taxable		5.13%
As a Percentage of 2025 Equalized Valuation of Real Property and Taxable Personal Property Used in Communications		3.46%
Net Debt (3)		
As a Percentage of 2025 Net Valuation Taxable		2.50%
As a Percentage of 2025 Equalized Valuation of Real Property and Taxable Personal Property Used in Communications		1.69%
Gross Debt per Capita (4)	\$	3,192
Net Debt per Capita (4)	\$	1,556

CITY BORROWING CAPACITY (1) (2)

3.5% of Average (2023-25) Equalized Valuation of Real Property with Improvements and Second Class Railroad Property (\$884,442,570)	\$	30,955,490
Net Debt		(15,161,437)
Remaining Borrowing Capacity	\$	15,794,053

SCHOOL DISTRICT BORROWING CAPACITY (1) (2)

4.0% of Average (2023-25) Equalized Valuation of Real Property with Improvements and Second Class Railroad Property (\$884,442,570)	\$	35,377,703
School District Debt		-
Remaining Borrowing Capacity	\$	35,377,703

-
- (1) As of December 31, 2025
 - (2) Source: City Auditor
 - (3) Excluding Overlapping Debt
 - (4) Based on 2020 Federal Census of 9,743

**CITY OF BURLINGTON
OVERLAPPING DEBT
AS OF DECEMBER 31, 2025**

	DEBT ISSUED				Debt Auth. but not Issued
	<u>Debt Outstanding</u>	<u>Deductions</u>	<u>Net Debt Outstanding</u>	<u>Net Debt Outstanding Allocated to the Issuer</u>	
County of Burlington:					
General					
Bonds	\$ 112,055,000	\$ 15,979,771 (1)	\$ 96,075,229	\$ 1,220,155 (2)	
Notes	17,300,000		17,300,000	219,710 (2)	\$ 40,269,107
Loans	2,593,638		2,593,638	32,939 (2)	
Bonds Issued by Other Public Bodies					
Guaranteed by the County	358,743,800	358,743,800 (3)			
Solid Waste Utility	33,330,000	33,330,000			28,233,130
	<u>\$ 524,022,438</u>	<u>\$ 408,053,571</u>	<u>\$ 115,968,867</u>	<u>\$ 1,472,805</u>	<u>\$ 68,502,237</u>

- (1) Includes cash on hand, accounts receivable and County College Bonds paid with State Aid.
- (2) Such debt is allocated as a proportion of the Issuer's share of the total 2025 Net Valuations on which County taxes are apportioned, which is 1.27%.
- (3) Deductible in accordance with N.J.S. 40:37A-80.

**CITY OF BURLINGTON
SCHEDULE OF DEBT SERVICE(1)**

Year	General Capital			Water Utility			Sewer Utility			Grand Total
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	
2026	\$ 680,000	\$ 189,131	\$ 869,131	\$ 196,788	\$ 61,782	\$ 258,570	\$ 454,928	\$ 35,940	\$ 490,868	\$ 1,618,568
2027	685,000	166,694	851,694	201,788	55,685	257,473	273,924	17,740	291,664	1,400,831
2028	695,000	143,350	838,350	141,788	50,157	191,945	31,924	9,200	41,124	1,071,419
2029	705,000	118,444	823,444	141,788	45,250	187,039	31,924	9,000	40,924	1,051,406
2030	290,000	99,800	389,800	106,788	41,357	148,145	36,924	8,800	45,724	583,669
2031	295,000	88,100	383,100	106,788	38,423	145,212	36,924	8,400	45,324	573,636
2032	315,000	75,900	390,900	106,788	35,712	142,500	36,924	8,000	44,924	578,324
2033	325,000	63,100	388,100	106,788	33,021	139,810	36,924	7,600	44,524	572,434
2034	335,000	49,900	384,900	106,788	30,349	137,137	36,924	7,200	44,124	566,161
2035	345,000	36,300	381,300	116,788	27,690	144,478	36,924	6,800	43,724	569,502
2036	360,000	22,200	382,200	116,788	24,643	141,431	36,924	6,400	43,324	566,955
2037	375,000	7,500	382,500	121,788	21,831	143,619	36,924	6,000	42,924	569,043
2038				121,788	18,601	140,389	36,924	5,600	42,524	182,913
2039				135,779	15,401	151,180	36,924	5,200	42,124	193,304
2040				129,104	12,542	141,646	36,924	4,800	41,724	183,370
2041				106,013	9,930	115,942	36,924	4,400	41,324	157,266
2042				105,302	7,455	112,757	36,924	4,000	40,924	153,681
2043				109,564	5,007	114,571	41,924	3,600	45,524	160,095
2044				107,977	2,401	110,378	41,924	3,000	44,924	155,302
2045							41,924	2,400	44,324	44,324
2046							41,924	1,800	43,724	43,724
2047							41,924	1,200	43,124	43,124
2048							41,925	600	42,525	42,525
	<u>\$ 5,405,000</u>	<u>\$ 1,060,419</u>	<u>\$ 6,465,419</u>	<u>\$ 2,386,985</u>	<u>\$ 537,237</u>	<u>\$ 2,924,221</u>	<u>\$ 1,524,259</u>	<u>\$ 167,680</u>	<u>\$ 1,691,939</u>	<u>\$ 11,081,579</u>

(1) As of December 31, 2025

APPENDIX B

FINANCIAL STATEMENTS OF THE CITY OF BURLINGTON

FOR THE YEAR ENDED 2025
COMPILED FINANCIAL STATEMENTS



ACCOUNTANTS' COMPILATION REPORT

Honorable Mayor and Members
of the City Council
City of Burlington
Burlington, New Jersey

Management is responsible for the accompanying balance sheets – regulatory basis of the various funds of the City of Burlington (“City”), as of December 31, 2025 and the related statements of operations and changes in fund balance – regulatory basis, the statements of changes in fund balance, the statements of revenues – regulatory basis and statements 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 assurance on these financial statements.

We are not independent with respect to the City of Burlington.

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 City's assets, liabilities, fund balances, revenues and expenditures and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

PKF O'Connor Davies, LLP

Voorhees, New Jersey

May 13, 2026

Daniel M. DiGangi

Daniel M. DiGangi, CPA
Registered Municipal Accountant, No. CR00526

PKF O'CONNOR DAVIES LLP
601 White Horse Road, Voorhees, NJ 08043 | Tel: 856.435.6200 | Fax: 856.435.0440 | www.pkfod.com

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CITY OF BURLINGTON
CURRENT FUND
Statement of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
As of December 31, 2025

	<u>2025</u>
<u>ASSETS</u>	
Regular Fund:	
Cash -- Treasurer	\$ 9,267,225.94
Cash -- Collector	496,315.24
Cash -- Change Fund	900.00
	9,764,441.18
Receivables and Other Assets with Full Reserves:	
Taxes Receivable	704,995.15
Tax Title Liens Receivable	831,696.89
Property Acquired for Taxes--Assessed Valuation	1,428,950.00
Life Loans Receivable	4,250.00
Mortgages Receivable - High Street	359,824.80
Revenue Accounts Receivable	8,384.25
Due from Animal Control Fund	825.80
Due from Trust Other Funds	323,465.28
	3,662,392.17
Deferred Charges:	
Special Emergency Authorization (40A:4-53)	60,000.00
Total Regular Fund	13,486,833.35
Federal and State Grant Fund:	
Cash	236,592.39
Federal, State and Other Grants Receivable	5,012,815.13
Due from Current Fund	3,970.26
Due from General Capital Fund	275,663.62
Total Federal and State Grant Fund	5,529,041.40
Total Assets	\$ 19,015,874.75

See Accountants' Compilation Report

CITY OF BURLINGTON
CURRENT FUND
Statement of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
As of December 31, 2025

	<u>2025</u>
<u>LIABILITIES, RESERVES</u>	
<u>AND FUND BALANCE</u>	
Regular Fund:	
Liabilities:	
Appropriations Reserves	\$ 1,580,020.31
Reserve for Encumbrances	630,085.16
Due State of New Jersey -- Senior Citizens & Veterans Deductions	122,991.08
Accounts Payable	6,511.75
Other Payables	3,184.96
Tax Overpayments	6,218.27
Prepaid Taxes	216,361.98
Due County for Added and Omitted Taxes	7,444.40
Due State of New Jersey -- Marriage License Fees	5,252.00
Due State of New Jersey -- Domestic Partnership Fees	75.00
Due State of New Jersey -- Burial Permit Fees	145.00
Due State of New Jersey = Training Fees	2,300.00
Reserve for Special Emergency - Tax Maps	14,450.00
Reserve for Low Income Household Water Assistance Program	15,471.92
Due to Federal and State Grant Fund	3,970.26
	2,614,482.09
Reserves for Receivables and Other Assets	3,662,392.17
Fund Balance	7,209,959.09
Total Regular Fund	13,486,833.35
Federal and State Grant Fund:	
Reserve for Federal, State and Other Grants Appropriated	3,074,760.17
Reserve for Encumbrances	909,017.26
Reserve for Federal and State Grants Unappropriated	45,263.97
Due to Water Utility Capital Fund	250,000.00
Due to Sewer Utility Capital Fund	1,250,000.00
	5,529,041.40
Total Federal and State Grant Fund	5,529,041.40
Total Liabilities, Reserves, and Fund Balance	\$ 19,015,874.75

See Accountants' Compilation Report

CITY OF BURLINGTON
CURRENT FUND
Statement of Operations And Changes In Fund Balance -- Regulatory Basis
For the Year Ended December 31, 2025

<u>Revenue and Other</u>	<u>2025</u>
<u>Income Realized</u>	
Fund Balance Utilized	\$ 4,581,000.00
Miscellaneous Revenue Anticipated	8,978,524.31
Receipts from Delinquent Taxes	1,031,971.52
Receipts from Current Taxes	26,183,011.40
Non-Budget Revenue	1,288,511.10
Other Credits to Income:	
Statutory Excess in Reserve for Dog Fund Expenditures	825.80
Accounts Payable Canceled	6,620.40
Interfunds Returned	1,016.51
Unexpended Balance of Appropriation Reserves	1,597,873.11
	43,669,354.15
 Total Income	 43,669,354.15
 <u>Expenditures</u>	
Budget and Emergency Appropriations:	
Operations Within "CAPS":	
Salaries and Wages	7,945,100.00
Other Expenses	8,512,900.00
Deferred Charges and Statutory Expenditures Within "CAPS"	2,033,409.55
Operations Excluded from "CAPS":	
Salaries and Wages	142,200.00
Other Expenses	2,239,643.88
Capital Improvements--Excluded from "CAPS"	175,000.00
Municipal Debt Service--Excluded from "CAPS"	932,175.07
Deferred Charges--Municipal--Excluded from "CAPS"	15,000.00
County Taxes	3,131,909.18
County's Share of Added and Omitted Taxes	7,444.40
Local District School Tax	14,358,115.00
Refund of Prior Year Revenue	1,095.06
Other	6,532.40
Due County for Prior Year Share of Payment in Lieu of Taxes	107,783.26
Miscellaneous Added Overpayments - Appeals	14,919.71
Creation of Interfunds and Other Assets	25,273.99
Prior Year Senior Citizens' Deduction Disallowed	1,335.44
	39,649,836.94
 Total Expenditures	 39,649,836.94
 Excess in Revenue	 4,019,517.21
 <u>Fund Balance</u>	
Balance January 1	7,771,441.88
	11,790,959.09
Decreased by:	
Utilization as Anticipated Revenue	4,581,000.00
	11,790,959.09
Balance December 31	\$ 7,209,959.09

See Accountants' Compilation Report

CITY OF BURLINGTON
CURRENT FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2025

	Anticipated <u>Budget</u>	Special N.J.S.A. <u>40A:4-87</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
Surplus Anticipated	\$ 4,581,000.00		\$ 4,581,000.00	
Miscellaneous Revenue:				
Local Revenues:				
Licenses:				
Alcoholic Beverages	42,000.00		42,876.00	\$ 876.00
Fees and Permits	420,000.00		335,436.24	(84,563.76)
Fines and Costs:				
Municipal Court	135,000.00		149,038.18	14,038.18
Interests and Costs on Taxes	185,000.00		207,242.45	22,242.45
Interest on Investments and Deposits	190,000.00		119,853.96	(70,146.04)
Anticipated Lease Revenues	200,000.00		198,343.05	(1,656.95)
State Aid Without Offsetting Appropriations:				
Energy Receipts Tax (P.L. 1997, Chapters 162 & 167)	5,477,729.00		5,477,729.13	0.13
Dedicated Uniform Construction Code Fees Offset with Appropriations (N.J.S. 40A:4-36 and N.J.A.C. 5:23-4.17):				
Uniform Construction Code Fees	175,000.00		276,654.00	101,654.00
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services - Public and Private Revenues Offset with Appropriations:				
Burlington County Community Development Block Grant (CDBG)	394,399.00		394,399.00	
Clean Communities Program		\$ 29,268.69	29,268.69	
Municipal Alliance on Alcoholism and Drug Abuse	10,271.00		10,271.00	
Body Armor Replacement Fund	2,715.02		2,715.02	
Drunk Driving Enforcement Fund	6,511.75		6,511.75	
Recycling Tonnage Grant	34,205.93		34,205.93	
Emergency Management Assistance Fund		10,000.00	10,000.00	
FEMA Assistance to Firefighter Grant		22,334.74	22,334.74	
NJ Flood Mitigation Grant		300,000.00	300,000.00	
NJ Green Acres Matching Grant		238,750.00	238,750.00	
NJ Green Acres Grant - Kennedy Park		750,000.00	750,000.00	
New Jersey Historical Commission:				
Certified Local Governmental Grant		44,900.00	44,900.00	
NJ Transportation Trust Fund Grants	233,420.00		233,420.00	
Safe and Secure Communities Grant	45,150.00		45,150.00	
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services - Other Special Items Uniform Fire Safety Act	60,000.00		49,425.17	(10,574.83)
Total Miscellaneous Revenues	<u>7,611,401.70</u>	<u>1,395,253.43</u>	<u>8,978,524.31</u>	<u>(28,130.82)</u>
Receipts from Delinquent Taxes	592,598.30		1,031,971.52	439,373.22
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes including Reserve for Uncollected Taxes	9,421,000.00		10,281,542.82	860,542.82
Budget Totals	22,206,000.00	1,395,253.43	24,873,038.65	1,271,785.22
Non Budget Revenues			1,288,511.10	1,288,511.10
	<u>\$ 22,206,000.00</u>	<u>\$ 1,395,253.43</u>	<u>\$ 26,161,549.75</u>	<u>\$ 2,560,296.32</u>

(Continued)

CITY OF BURLINGTON
CURRENT FUND
Statement of Revenues--Regulatory Basis
For the Year Ended December 31, 2025

Analysis of Realized Revenues

Allocation of Current Tax Collections

Received from Collections	\$ 26,183,011.40
Allocated to:	
Local School and County Taxes	17,497,468.58
Balance for Support of Municipal Budget Appropriations	8,685,542.82
Add: Appropriation "Reserve for Uncollected Taxes"	1,596,000.00
Amount for Support of Municipal Budget Appropriations	\$ 10,281,542.82
Receipts for Delinquent Taxes:	
Delinquent Tax Collections	\$ 858,914.12
Tax Title Lien Collections	173,057.40
	\$ 1,031,971.52

Fees and Permits

City Clerk	\$ 12,997.24
Board of Health	10,537.00
Police	9,010.00
Code Inspection Office	254,333.00
Recreation	44,450.00
Land Use Board	3,175.00
Lyceum Hall	400.00
Tax Collector	30.00
	\$ 335,436.24

Non-Budget Revenues

Treasurer:		
200" List	\$ 20.00	
Administrative Fees for Outside Police Employment	208,643.75	
Bus Shelter Income	2,015.00	
Cable Television Franchise Fees	26,934.47	
Cancelled Trust Fund Reserves	4,206.47	
Chargepoint EV Fees	130.28	
DMV Inspections	2,500.00	
Insurance Refunds and Reimbursements	3,915.19	
Lease Agreements	37,367.92	
Miscellaneous	13,594.66	
Payment in Lieu of Taxes	847,563.33	
Polling Places Fee	560.00	
Recycling	2,784.10	
Refunds and Reimbursements	27,183.69	
Road Openings	12,740.00	
Sale of City Property	65,125.00	
State - Administrative Fee - Senior Citizens and Vets	1,033.29	
Trash and Recycling Can and Cart Sales	8,575.00	
Accounts Payable Cancelled	6,620.40	
Trust Assessment Fund Balance Cancelled	818.70	
		7,439.10
Tax Collector:		
Payment in Lieu of Taxes	14,459.10	
Miscellaneous	1,720.75	
		16,179.85
		\$ 1,288,511.10

See Accountants' Compilation Report

CITY OF BURLINGTON
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2025

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
Operations--Within "CAPS":						
GENERAL GOVERNMENT:						
General Administration:						
Salaries and Wages	\$ 268,900.00	\$ 295,900.00	\$ 294,698.12		\$ 1,201.88	
Other Expenses	51,800.00	51,800.00	33,912.38	\$ 14,766.67	3,120.95	
Mayor and Council:						
Salaries and Wages	33,100.00	33,100.00	30,958.88		2,141.12	
Other Expenses	8,600.00	8,600.00	3,144.48	1,109.42	4,346.10	
Municipal Clerk:						
Salaries and Wages	140,500.00	145,500.00	144,505.39		994.61	
Other Expenses	97,500.00	87,500.00	37,886.84	7,154.70	42,458.46	
Financial Administration:						
Salaries and Wages	100,500.00	99,500.00	94,799.35		4,700.65	
Other Expenses	118,700.00	103,700.00	52,912.95	12,578.84	38,208.21	
Audit Services:						
Other Expenses	34,700.00	39,700.00	39,000.00		700.00	
Tax Collection:						
Salaries and Wages	227,900.00	216,900.00	198,122.92		18,777.08	
Other Expenses	24,300.00	24,300.00	14,874.60	4,437.94	4,987.46	
Tax Assessment Administration:						
Salaries and Wages	40,000.00	41,000.00	39,999.96		1,000.04	
Other Expenses	9,700.00	9,700.00	5,896.71		3,803.29	
Municipal Court:						
Other Expenses	467,000.00	467,000.00	466,272.84		727.16	
Public Defender:						
Other Expenses	8,500.00	8,500.00	-	8,500.00	-	
Legal Services:						
Other Expenses	230,100.00	245,100.00	172,276.30	71,913.48	910.22	
Engineering Services and Costs:						
Other Expenses	105,000.00	105,000.00	97,541.17	7,174.20	284.63	
Economic Development						
Other Expenses	55,000.00	40,000.00	5,625.00	8,755.00	25,620.00	
Office of Programs Coordinator:						
Salaries and Wages	88,900.00	83,900.00	68,611.92		15,288.08	
Other Expenses	54,900.00	59,900.00	30,133.85	24,978.00	4,788.15	
Historic Commission:						
Salaries and Wages	5,200.00	5,200.00	5,000.06		199.94	
Other Expenses	40,800.00	40,800.00	32,849.93	5,519.34	2,430.73	
LAND USE ADMINISTRATION:						
Planning Board:						
Salaries and Wages	19,100.00	19,100.00	14,696.37		4,403.63	
Other Expenses	40,500.00	60,500.00	39,922.26	16,478.19	4,099.55	

(Continued)

CITY OF BURLINGTON
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2025

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
Operations--Within "CAPS" (Cont'd):						
CODE ENFORCEMENT AND ADMINISTRATION:						
Uniform Construction Code:						
Salaries and Wages	\$ 210,000.00	\$ 202,000.00	\$ 194,179.01		\$ 7,820.99	
Other Expenses	30,700.00	38,700.00	33,287.84	\$ 1,666.59	3,745.57	
Code Enforcement						
Salaries and Wages	222,000.00	172,000.00	121,434.63		50,565.37	
Other Expenses	41,600.00	41,600.00	22,904.80	1,254.17	17,441.03	
INSURANCE:						
Liability Insurance	447,900.00	417,900.00	359,407.14		58,492.86	
Workers Compensation Insurance	153,400.00	153,400.00	131,797.00		21,603.00	
Employee Group Insurance	2,791,500.00	2,707,500.00	2,222,587.03		484,912.97	
Employee Group Insurance - Waivers	20,000.00	20,000.00	13,608.18		6,391.82	
Unemployment Insurance	40,000.00	40,000.00	31,872.77		8,127.23	
PUBLIC SAFETY:						
Police:						
Salaries and Wages	4,914,500.00	4,914,500.00	4,467,238.87		447,261.13	
Other Expenses	414,000.00	414,000.00	259,520.22	130,754.72	23,725.06	
Emergency Management Services:						
Salaries and Wages	11,500.00	11,500.00	11,250.00		250.00	
Other Expenses	11,900.00	11,900.00	3,910.12	1,833.10	6,156.78	
Aid to Volunteer Fire Companies	69,000.00	69,000.00	69,000.00		-	
Aid to Volunteer Ambulance Companies:						
Endeavor Emergency Squad	95,000.00	95,000.00	95,000.00		-	
Fire Department:						
Salaries and Wages	35,000.00	35,000.00	31,641.08		3,358.92	
Other Expenses	296,900.00	296,900.00	231,998.79	60,074.11	4,827.10	
Uniform Fire Safety Act (P.L. 1983,						
Fire Official:						
Salaries and Wages	75,000.00	137,000.00	134,845.84		2,154.16	
Other Expenses	19,200.00	64,200.00	53,686.86	6,267.57	4,245.57	
Municipal Prosecutor:						
Other Expenses	25,000.00	25,000.00	-	25,000.00	-	

(Continued)

CITY OF BURLINGTON
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2025

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
Operations--Within "CAPS":						
PUBLIC WORKS:						
Streets and Road Maintenance:						
Salaries and Wages	\$ 413,500.00	\$ 441,500.00	\$ 441,497.38		\$ 2.62	
Other Expenses	236,300.00	231,300.00	195,979.88	\$ 21,019.03		14,301.09
Other Public Works Functions:						
Salaries and Wages	419,100.00	429,100.00	428,710.61			389.39
Other Expenses	69,300.00	64,300.00	39,721.36	9,678.18		14,900.46
Solid Waste Collection:						
Salaries and Wages	10,000.00	2,000.00	1,950.00			50.00
Other Expenses	481,000.00	471,000.00	449,658.75	6,699.05		14,642.20
Buildings and Grounds:						
Salaries and Wages	97,500.00	127,500.00	126,394.75			1,105.25
Other Expenses	228,800.00	218,800.00	139,293.82	66,020.52		13,485.66
Vehicle Maintenance:						
Salaries and Wages	108,900.00	108,900.00	107,872.08			1,027.92
Other Expenses	238,500.00	188,500.00	116,301.02	27,534.99		44,663.99
HEALTH AND HUMAN SERVICES:						
Board of Health:						
Salaries and Wages	27,000.00	27,000.00	26,213.20			786.80
Other Expenses	3,000.00	3,000.00	2,122.25			877.75
Animal Control Officer:						
Other Expenses	25,000.00	25,000.00	17,760.41	1,385.00		5,854.59
PARKS AND RECREATION:						
Recreation Programs:						
Salaries and Wages	146,800.00	141,800.00	138,680.91			3,119.09
Other Expenses	92,800.00	104,800.00	97,280.89	7,503.98		15.13
Operations of Boat Ramp:						
Other Expenses	6,500.00	6,500.00	3,630.64	1,584.59		1,284.77
Maintenance of Parks:						
Salaries and Wages	16,200.00	21,200.00	20,075.48			1,124.52
Other Expenses	40,000.00	20,000.00	3,570.57	6,464.67		9,964.76
UTILITY EXPENSES:						
Electricity and Natural Gas	561,000.00	586,000.00	582,491.91			3,508.09
Telecommunications	90,000.00	90,000.00	85,937.70	2,543.98		1,518.32
Petroleum Products	135,000.00	125,000.00	91,854.34			33,145.66
Fire Hydrant Service	40,000.00	40,000.00	40,000.00			-
LANDFILL/SOLID WASTE DISPOSAL:						
Landfill/Solid Waste Disposal Costs	478,000.00	468,000.00	381,982.16	55,512.17		30,505.67

(Continued)

CITY OF BURLINGTON
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2025

	<u>Appropriations</u>		<u>Paid or Charged</u>	<u>Expended</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>		<u>Encumbered</u>	<u>Reserved</u>	
Operations--Within "CAPS":						
OTHER COMMON OPERATING FUNCTIONS (UNCLASSIFIED):						
Accumulated Leave Compensation	\$ 50,000.00	\$ 100,000.00	\$ 100,000.00			
Celebration of Public Events:						
Salaries and Wages	110,000.00	114,000.00	110,865.87		\$ 3,134.13	
Other Expenses	108,000.00	143,000.00	122,431.98	\$ 13,057.76	7,510.26	
Total Operations within "CAPS"	<u>16,427,500.00</u>	<u>16,457,500.00</u>	<u>14,285,090.42</u>	<u>629,219.96</u>	<u>1,543,189.62</u>	<u>-</u>
CONTINGENT	<u>500.00</u>	<u>500.00</u>	<u>-</u>		<u>500.00</u>	
Total Operations Including Contingent - within "CAPS"	<u>16,428,000.00</u>	<u>16,458,000.00</u>	<u>14,285,090.42</u>	<u>629,219.96</u>	<u>1,543,689.62</u>	<u>-</u>
Detail:						
Salaries and Wages	7,811,100.00	7,945,100.00	7,367,850.86		577,249.14	
Other Expenses	8,616,900.00	8,512,900.00	6,917,239.56	629,219.96	966,440.48	
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"						
DEFERRED CHARGES::						
STATUTORY EXPENDITURES:						
Contribution to:						
Public Employees Retirement System	429,200.00	429,200.00	429,133.00		67.00	
Social Security System(O.A.S.I.)	414,909.55	384,909.55	361,385.00		23,524.55	
Police and Firemen's Retirement System of NJ	1,199,300.00	1,199,300.00	1,199,065.00		235.00	
Defined Contribution Retirement Program	20,000.00	20,000.00	12,217.99		7,782.01	
Total Deferred Charges and Statutory Expenditures - Municipal within "CAPS"	<u>2,063,409.55</u>	<u>2,033,409.55</u>	<u>2,001,800.99</u>		<u>31,608.56</u>	
Total General Appropriations for Municipal Purposes within "CAPS"	<u>18,491,409.55</u>	<u>18,491,409.55</u>	<u>16,286,891.41</u>	<u>629,219.96</u>	<u>1,575,298.18</u>	

(Continued)

CITY OF BURLINGTON
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2025

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
Aid to Library (NJSA 40:54-35):						
Other Expenses	\$ 66,000.00	\$ 66,000.00	\$ 66,000.00			
Recycling Tax	16,000.00	16,000.00	10,412.67	\$ 865.20	\$ 4,722.13	
Total Other Operations - Excluded from "CAPS"	<u>82,000.00</u>	<u>82,000.00</u>	<u>76,412.67</u>	<u>865.20</u>	<u>4,722.13</u>	<u>-</u>
Public and Private Programs Offset with Revenues:						
Burlington County Community Development Block Grant (CDBG)	394,399.00	394,399.00	394,399.00			
Clean Community Program (N.J.S. 40A:4-87, \$29,268.69+)		29,268.69	29,268.69			
Recycling Tonnage	34,205.93	34,205.93	34,205.93			
Body Armor Replacement Fund	2,715.02	2,715.02	2,715.02			
Drunk Driving Enforcement Fund	6,511.75	6,511.75	6,511.75			
Emergency Management Assistance Grant -- (N.J.S.40A:4-87, \$10,000.00+)		10,000.00	10,000.00			
FEMA Assistance to Firefighter Grant (N.J.A.A. 40A:4-87, \$22,334.74+)		22,334.74	22,334.74			
Municipal Alliance Grant on Alcoholism and Drug Abuse: Grant	10,271.00	10,271.00	10,271.00			
Local Match	2,567.75	2,567.75	2,567.75			
NJ Flood Mitigation Grant (N.J.S.A. 40A:4-87, \$300,000.00+)		300,000.00	300,000.00			
NJ Green Acres Matching Grant (N.J.S.A. 40A:4-87, \$238,750.00+)		238,750.00	238,750.00			
NJ Green Acres Grant - Kennedy Park (N.J.S. 40A:4-87, \$750,000.00+)		750,000.00	750,000.00			
New Jersey Historical Commission: Certified Local Governmental Grant, (N.J.S.A. 40A:4-87, \$44,900.00+)		44,900.00	44,900.00			
NJ Transportation Trust Fund Grants	233,420.00	233,420.00	233,420.00			
Safe and Secure Communities Grant: Salary and Wages	142,200.00	142,200.00	142,200.00			
Other Expenses	78,300.00	78,300.00	78,300.00			
Total Public and Private Programs Offset with Revenues	<u>904,590.45</u>	<u>2,299,843.88</u>	<u>2,299,843.88</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Operations Excluded from "CAPS"	<u>986,590.45</u>	<u>2,381,843.88</u>	<u>2,376,256.55</u>	<u>865.20</u>	<u>4,722.13</u>	<u>-</u>
Detail:						
Salaries and Wages	142,200.00	142,200.00	142,200.00			
Other Expenses	844,390.45	2,239,643.88	2,234,056.55	865.20	4,722.13	

(Continued)

CITY OF BURLINGTON
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2025

	<u>Appropriations</u>		<u>Paid or Charged</u>	<u>Expended</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>		<u>Encumbered</u>	<u>Reserved</u>	
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"						
Capital Improvement Fund	\$ 175,000.00	\$ 175,000.00	\$ 175,000.00			
			-		-	
Total Capital Improvements - Excluded From "CAPS"	<u>175,000.00</u>	<u>175,000.00</u>	<u>175,000.00</u>		-	
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"						
Payment of Bond Principal	670,000.00	670,000.00	670,000.00			
Interest on Bonds	212,000.00	212,000.00	211,193.75			\$ 806.25
Interest on Bond Anticipation Notes	60,000.00	60,000.00	50,981.32		-	9,018.68
Total Municipal Debt Service - Excluded from "CAPS"	<u>942,000.00</u>	<u>942,000.00</u>	<u>932,175.07</u>		-	<u>9,824.93</u>
DEFERRED CHARGES - MUNICIPAL EXCLUDED FROM "CAPS"						
Deferred Charges:						
Special Emergency Authorizations - 5 Years (N.J.S. 40A:4-55)	15,000.00	15,000.00	15,000.00		-	
Total Deferred Charges - Municipal - Excluded from "CAPS"	<u>15,000.00</u>	<u>15,000.00</u>	<u>15,000.00</u>	-	-	-
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	<u>2,118,590.45</u>	<u>3,513,843.88</u>	<u>3,498,431.62</u>	\$ 865.20	\$ 4,722.13	9,824.93
Subtotal General Appropriations	20,610,000.00	22,005,253.43	19,785,323.03	630,085.16	1,580,020.31	9,824.93
Reserve for Uncollected Taxes	1,596,000.00	1,596,000.00	1,596,000.00			
Total General Appropriations	<u>\$ 22,206,000.00</u>	<u>\$ 23,601,253.43</u>	<u>\$ 21,381,323.03</u>	<u>\$ 630,085.16</u>	<u>\$ 1,580,020.31</u>	<u>\$ 9,824.93</u>
Original Budget		\$ 22,206,000.00				
Appropriation by 40A:4-53						
Appropriation by 40A:4-87		<u>1,395,253.43</u>				
		<u>\$ 23,601,253.43</u>				
Reserve for Uncollected Taxes			\$ 1,596,000.00			
Reserve for Federal, State and Other Grants			2,297,276.13			
Local Match Due to Federal and State Grant Fund			2,567.75			
Due Trust Other			286,700.27			
Deferred Charge - Special Emergency			15,000.00			
Cash Disbursed			18,088,257.25			
Refunds -- Receipts			<u>(904,478.37)</u>			
			<u>\$ 21,381,323.03</u>			

See Accountants' Compilation Report

CITY OF BURLINGTON
TRUST FUNDS
Statement of Assets, Liabilities, Reserves, and Fund Balance -- Regulatory Basis
As of December 31, 2025

2025

ASSETS

Animal Control Fund:

Cash	\$ 3,191.20
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Other Funds:

Cash - Treasurer	2,141,389.64
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Cash - Collector	1,074,073.86
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Prepaid Payroll	319,554.24
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Forgiveable NSP Mortgage Receivable	64,581.00
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Loans Receivable:

UDAG - Economic Development Ordinance	16,639.13
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3,616,237.87

\$ 3,619,429.07

LIABILITIES, RESERVES AND FUND BALANCES

Animal Control Fund:

Reserve for Animal Control Fund Expenditures	\$ 2,365.40
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Due to Current Fund	825.80
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3,191.20

Other Funds:

Due to Current Fund	323,465.28
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Due to Water Utility Operating Fund	34,114.43
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Due to Sewer Utility Operating Fund	21,707.89
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Reserve for:

Forgiveable NSP Mortgages Receivable	64,581.00
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Title I UDAG Loans Receivable	16,639.13
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Community Development Act of 1974	461,620.99
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Miscellaneous Trust Fund Liabilities and Reserves	2,694,109.15
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3,616,237.87

\$ 3,619,429.07

See Accountants' Compilation Report

CITY OF BURLINGTON
GENERAL CAPITAL FUND
Statement of Assets, Liabilities, Reserves, and Fund Balance -- Regulatory Basis
As of December 31, 2025

<u>ASSETS</u>	<u>2025</u>
Cash	\$ 1,033,740.29
Due from County of Burlington	430,000.00
Due from State of New Jersey	24,041.08
Deferred Charges To Future Taxation:	
Funded	5,405,000.00
Unfunded	9,591,501.41
	\$ 16,484,282.78

LIABILITIES, RESERVES
AND FUND BALANCE

Bond Anticipation Notes	\$ 4,440,500.00
General Serial Bonds	5,405,000.00
Improvement Authorizations:	
Funded	219,284.76
Unfunded	2,969,965.42
Reserve for Encumbrances	2,993,755.67
Capital Improvement Fund	68,068.10
Due to Federal and State Grant Fund	275,663.62
Fund Balance	112,045.21
	\$ 16,484,282.78
 Bonds and Notes Authorized but not Issued	 \$ 5,151,001.41

See Accountants' Compilation Report

CITY OF BURLINGTON
GENERAL CAPITAL FUND
Statement of General Capital Fund Balance
For the Year Ended December 31, 2025

Balance December 31, 2024		\$ 24,070.81
Increased by:		
Improvement Authorizations Cancelled	\$ 43,525.00	
Premium Received on Note Sale	<u>44,449.40</u>	
		<u>87,974.40</u>
Balance December 31, 2025		<u><u>\$ 112,045.21</u></u>

See Accountants' Compilation Report

CITY OF BURLINGTON
WATER UTILITY FUND
Statement of Assets, Liabilities, Reserves
and Fund Balance -- Regulatory Basis
As of December 31, 2025

<u>ASSETS</u>	<u>2025</u>
Operating Fund:	
Cash - Treasurer	\$ 1,552,510.01
Cash - Collector	246,902.05
Change Funds - Collector	100.00
Due from Trust Other Funds	<u>34,114.43</u>
	<u>1,833,626.49</u>
Receivables With Full Reserves:	
Consumer Accounts Receivable	439,082.77
Water Utility Liens Receivable	<u>42,171.66</u>
	<u>481,254.43</u>
Total Operating Fund	<u>2,314,880.92</u>
Capital Fund:	
Cash	901,283.17
Due from Federal and State Grant Fund	250,000.00
Due from Sewer Utility Capital Fund	
Due From NJ Infrastructure Bank	199,688.00
Fixed Capital	14,752,551.75
Fixed Capital Authorized and Uncompleted	<u>9,451,500.00</u>
Total Capital Fund	<u>25,555,022.92</u>
	<u>\$ 27,869,903.84</u>

(Continued)

CITY OF BURLINGTON
WATER UTILITY FUND
Statement of Assets, Liabilities, Reserves
and Fund Balance -- Regulatory Basis
As of December 31, 2025

LIABILITIES, RESERVES
AND FUND BALANCE

2025

Operating Fund:

Appropriation Reserves	\$	167,701.86
Encumbrances Payable		241,635.77
Accrued Interest on Debt		70,571.76
Water Rent Overpayments		13,797.97
Prepaid Water Rents		1,333.76
Due to Sewer Operating Fund		4,054.50

499,095.62

Reserve for Receivables		481,254.43
Fund Balance		<u>1,334,530.87</u>

Total Operating Fund		<u>2,314,880.92</u>
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Capital Fund:

Serial Bonds Payable		275,000.00
NJ Environmental Infrastructure Bank Fund Loan		788,033.51
NJ Environmental Infrastructure Bank Trust Loan		1,323,951.00
Bond Anticipation Notes Payable		1,909,900.00
Interim Loan - N.J. Infrastructure Bank		1,755,571.00
Encumbrances		864,375.75
Improvement Authorizations:		
Funded		52,851.93
Unfunded		2,369,120.82
Capital Improvement Fund		57,684.17
Reserve for Amortization		14,690,485.09
Deferred Reserve for Amortization		1,443,381.03
Fund Balance		<u>24,668.62</u>

Total Capital Fund		<u>25,555,022.92</u>
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\$ 27,869,903.84

Bonds and Notes Authorized but not Issued	\$	<u>2,017,730.12</u>
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See Accountants' Compilation Report

CITY OF BURLINGTON
WATER UTILITY OPERATING FUND
Statement of Operations and Changes In Fund Balance -- Regulatory Basis
For the Year Ended December 31, 2025

<u>Revenue and Other</u>	<u>2025</u>
<u>Income Realized</u>	
Fund Balance Utilized	\$ 729,000.00
Water Utility Rents	2,342,436.89
Fire Hydrant Service	40,000.00
Miscellaneous Revenue Anticipated	138,247.96
Other Credits to Income:	
Unexpended Balance of Appropriation Reserves	71,177.48
Total Income	3,320,862.33
 <u>Expenditures</u>	
Operating	2,718,048.07
Capital Improvements	75,000.00
Debt Service	235,351.93
Deferred Charges and Statutory Expenditures	115,600.00
Miscellaneous Added Overpayments	2,729.74
Total Expenditures	3,146,729.74
Excess in Revenues	174,132.59
 <u>Fund Balance</u>	
Balance, January 1	1,889,398.28
	2,063,530.87
Decreased by:	
Utilized as Anticipated Revenue	729,000.00
Balance, December 31	\$ 1,334,530.87

See Accountants' Compilation Report

CITY OF BURLINGTON
WATER UTILITY OPERATING FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2025

	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Operating Surplus Anticipated	\$ 729,000.00	\$ 729,000.00	
Rents	2,275,000.00	2,342,436.89	\$ 67,436.89
Fire Hydrant Service	40,000.00	40,000.00	
Miscellaneous Revenue Anticipated	<u>100,000.00</u>	<u>138,247.96</u>	<u>38,247.96</u>
 Budget Totals	 <u>\$ 3,144,000.00</u>	 <u>\$ 3,249,684.85</u>	 <u>\$ 105,684.85</u>
 Revenue from Collections:			
Water Rents Collected	\$ 2,315,875.26		
Overpayments Applied	19,249.07		
Sewer Liens Collected	<u>7,312.56</u>		
		<u>\$ 2,342,436.89</u>	
 <u>Analysis of Miscellaneous Revenue:</u>			
Treasurer:			
Interest Earnings on Deposits	\$ 18,971.60		
Cell Tower Lease	70,806.35		
Liquidation of Water Assessment Fund	557.64		
	<u>90,335.59</u>		
		\$ 90,335.59	
Collector:			
Interest on Delinquent Accounts	33,765.87		
Miscellaneous	5,746.50		
Water Connections	<u>8,400.00</u>		
		<u>47,912.37</u>	
 Total		 <u>\$ 138,247.96</u>	

See Accountants' Compilation Report

CITY OF BURLINGTON
WATER UTILITY OPERATING FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2025

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Original Budget	Budget After Modification		Encumbered	Reserved	
Operating:						
Salaries and Wages	\$ 904,100.00	\$ 904,100.00	\$ 894,397.21		\$ 9,702.79	
Other Expenses	1,853,300.00	1,813,948.07	1,421,050.20	\$ 241,635.77	151,262.10	
Total Operating	2,757,400.00	2,718,048.07	2,315,447.41	\$241,635.77	160,964.89	-
Capital Improvements:						
Capital Improvement Fund	75,000.00	75,000.00	75,000.00		-	
Debt Service:						
Payment of Bond Principal	95,000.00	95,000.00	95,000.00			
Interest on Bonds	20,000.00	11,532.92	11,532.92			
Interest on Bond Anticipation Notes	35,000.00	54,755.45	54,755.45			
N.J. Environmental Infrastructure Trust:						
State of New Jersey Fund Loan:						
Payment of Principal	3,000.00	18,196.36	18,196.36			
State of New Jersey Trust Loan:						
Payment of Principal	15,000.00	15,000.00	15,000.00			
Payment of Interest	20,000.00	40,867.20	40,867.20			
Total Debt Service	188,000.00	235,351.93	235,351.93	-	-	
Deferred Charges and Statutory Expenditures:						
Statutory Expenditures:						
Contributions to:						
Public Employees' Retirement System	50,900.00	50,900.00	50,900.00			
Social Security System (O.A.S.I.)	71,700.00	63,700.00	56,963.03		6,736.97	
Unemployment Compensation Insurance	1,000.00	1,000.00	1,000.00			
Total Deferred Charges and Statutory Expenditures	123,600.00	115,600.00	108,863.03		6,736.97	
Total Water Utility Appropriations	\$ 3,144,000.00	\$ 3,144,000.00	\$ 2,734,662.37	\$ 241,635.77	\$ 167,701.86	\$ -
Accrued Interest on Debt:						
Interest on Bonds			\$ 11,532.92			
Interest on Loans			40,867.20			
Interest on Bond Anticipation Notes			54,755.45			
Refunds -- Receipts			(1,518.42)			
Realize Prepaid Payroll			30,459.95			
Disbursements			2,598,565.27			
			\$ 2,734,662.37			

CITY OF BURLINGTON
WATER UTILITY CAPITAL FUND
Statement of Water Capital Fund Balance
For the Year Ended December 31, 2025

Balance December 31, 2024	\$ 5,550.52
Increased by:	
Premium Received on Note Sale	<u>19,118.10</u>
Balance December 31, 2025	<u><u>\$ 24,668.62</u></u>

See Accountants' Compilation Report

CITY OF BURLINGTON
WATER UTILITY ASSESSMENT FUND
Statement of Assessment Trust Fund Balance - Water Utility
For the Year Ended December 31, 2025

Balance December 31, 2024	\$ 557.64
Decreased by:	
Cancelled - Operations Water Utility Operating Fund	<u>557.64</u>
Balance December 31, 2025	<u><u>\$ -</u></u>

See Accountants' Compilation Report

CITY OF BURLINGTON
SEWER UTILITY FUND
Statement of Assets, Liabilities, Reserves
and Fund Balance -- Regulatory Basis
As of December 31, 2025

<u>ASSETS</u>	<u>2025</u>
Operating Fund:	
Cash - Treasurer	\$ 943,102.02
Cash - Collector	436,145.66
Due from Trust Other Funds	21,707.89
Due from Water Operating Fund	4,054.50
	1,405,010.07
Receivables With Full Reserves:	
Sewer Rents Receivable	301,363.13
Sewer Liens Receivable	24,381.28
	325,744.41
Total Operating Fund	1,730,754.48
Capital Fund:	
Cash	998,288.05
Due from Federal and State Grant Fund	1,250,000.00
Fixed Capital	26,555,755.78
Fixed Capital Authorized and Uncompleted	6,797,700.00
Total Capital Fund	35,601,743.83
	\$ 37,332,498.31

(Continued)

CITY OF BURLINGTON
SEWER UTILITY FUND
Statement of Assets, Liabilities, Reserves
and Fund Balance -- Regulatory Basis
As of December 31, 2025

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>2025</u>
Operating Fund:	
Liabilities:	
Appropriation Reserves	\$ 426,535.77
Encumbrances Payable	223,769.28
Accrued Interest on Bonds, Notes and Loans	94,636.62
Prepaid Sewer Rents	929.60
Sewer Rents Overpayments	11,197.32
	757,068.59
Reserve for Receivables	325,744.41
Fund Balance	647,941.48
	1,730,754.48
Capital Fund:	
Serial Bonds Payable	250,000.00
Fund Loan - N.J. Environmental Infrastructure Trust	662,259.09
Trust Loan - N.J. Environmental Infrastructure Trust	612,000.00
Bond Anticipation Notes Payable	3,327,600.00
Improvement Authorizations:	
Funded	153,308.30
Unfunded	4,177,097.91
Encumbrances	834,951.56
Reserve for Mitchell Avenue Pump Station	5,000.00
Capital Improvement Fund	21,997.31
Reserve for Amortization	24,930,861.69
Deferred Reserve for Amortization	591,175.89
Capital Fund Balance	35,492.08
	35,601,743.83
Total Capital Fund	35,601,743.83
	\$ 37,332,498.31
Bonds and Notes Authorized but not Issued	\$ 2,979,559.11

See Accountants' Compilation Report

CITY OF BURLINGTON
SEWER UTILITY OPERATING FUND
Statement of Operations and Changes In Fund Balance -- Regulatory Basis
For the Years Ended December 31, 2025

<u>Revenue and Other</u>	<u>2025</u>
<u>Income Realized</u>	
Fund Balance Utilized	\$ 592,000.00
Sewer Rents	3,178,660.72
Miscellaneous Revenue	56,024.60
Other Credits to Income:	
Overpayments Cancelled	3.89
Unexpended Balance of Appropriation Reserves	<u>377,769.81</u>
Total Income	<u>4,204,459.02</u>
 <u>Expenditures</u>	
Operating	2,834,686.65
Capital Improvements	80,000.00
Debt Service	733,713.35
Deferred Charges and Statutory Expenditures	<u>143,600.00</u>
Total Expenditures	<u>3,792,000.00</u>
Excess In Revenues	412,459.02
 <u>Fund Balance</u>	
Balance January 1	<u>827,482.46</u>
	1,239,941.48
Decreased by:	
Utilized as Revenue	<u>592,000.00</u>
Balance December 31	<u>\$ 647,941.48</u>

See Accountants' Compilation Report

CITY OF BURLINGTON
SEWER UTILITY OPERATING FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2025

	Anticipated <u>Budget</u>	Realized	Excess or <u>Deficit</u>
Surplus Anticipated	\$ 592,000.00	\$ 592,000.00	
Rents	3,160,000.00	3,178,660.72	\$ 18,660.72
Miscellaneous	<u>40,000.00</u>	<u>56,024.60</u>	<u>16,024.60</u>
 Budget Totals	 <u>\$ 3,792,000.00</u>	 <u>\$ 3,826,685.32</u>	 <u>\$ 34,685.32</u>
 Revenue from Collections:			
Sewer Rents Collected	\$ 3,154,127.11		
Overpayments Applied	19,325.48		
Sewer Liens Collected	<u>5,208.13</u>		
		<u>\$ 3,178,660.72</u>	
 <u>Analysis of Miscellaneous Revenue</u>			
 Treasurer:			
Interest on Investments and Deposits		\$ 21,654.36	
 Due Assessment Fund - Liquidation of Sewer Assessment Fund		1,364.97	
 Collector:			
Interest on Delinquent Rents	\$ 24,005.27		
Connection Fees	<u>9,000.00</u>		
		<u>33,005.27</u>	
		<u>\$ 56,024.60</u>	

See Accountants' Compilation Report

CITY OF BURLINGTON
SEWER UTILITY OPERATING FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2025

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Original Budget	Budget After Modification		Encumbered	Reserved	
Operating:						
Salaries and Wages	\$ 815,900.00	815,900.00	\$ 745,212.38		\$ 70,687.62	
Other Expenses	2,039,500.00	2,018,786.65	1,461,076.12	\$ 223,769.28	333,941.25	
Total Operating	2,855,400.00	2,834,686.65	2,206,288.50	223,769.28	404,628.87	-
Capital Improvements:						
Capital Improvement Fund	80,000.00	80,000.00	80,000.00		-	
Debt Service:						
Principal on Bonds	115,000.00	115,000.00	115,000.00			
Interest on Bonds	25,000.00	14,653.16	14,653.16			
Interest on Notes	50,000.00	92,915.72	92,915.72			
NJ Environmental Infrastructure Trust:						
Fund Loan:						
Principal	227,000.00	226,236.74	226,236.74			
NJ Environmental Infrastructure Trust:						
Trust Loan:						
Principal	251,000.00	251,000.00	251,000.00			
Interest	45,000.00	33,907.73	33,907.73			
Total Debt Service	713,000.00	733,713.35	733,713.35	-	-	-
Deferred Charges and Statutory Expenditures:						
Statutory Expenditures:						
Contributions to:						
Public Employees' Retirement System	79,400.00	79,400.00	79,400.00			
Social Security System (O.A.S.I.)	63,200.00	63,200.00	41,293.10		21,906.90	
N.J. Unemployment Compensation	1,000.00	1,000.00	1,000.00			
Total Deferred Charges and Statutory Expenditures	143,600.00	143,600.00	121,693.10	-	21,906.90	-
Surplus General Budget						
Grand Total	\$ 3,792,000.00	\$ 3,792,000.00	\$ 3,141,694.95	\$ 223,769.28	\$ 426,535.77	\$ -
Accrued Interest on Bonds and Notes:						
Interest on Bonds			\$ 14,653.16			
Interest on Bond Anticipation Notes			92,915.72			
Interest on Loans			33,907.73			
Refunds - Receipts			(15,692.25)			
Due Trust Other Funds			25,299.79			
Disbursed			2,990,610.80			
			\$ 3,141,694.95			

CITY OF BURLINGTON
SEWER UTILITY CAPITAL FUND
Statement of Sewer Capital Fund Balance
For the Year Ended December 31, 2025

Balance December 31, 2024	\$ 2,182.80
Increased by:	
Premium Received on Note Sale	<u>33,309.28</u>
Balance December 31, 2025	<u><u>\$ 35,492.08</u></u>

See Accountants' Compilation Report

CITY OF BURLINGTON
SEWER UTILITY ASSESSMENT FUND
Statement of Assessment Trust Fund Balance - Sewer Utility Fund
For the Year Ended December 31, 2025

Balance December 31, 2024	\$ 1,364.97
Decreased by:	
Cancelled - Operations Sewer Utility Operating Fund	<u>1,364.97</u>
Balance December 31, 2025	<u><u>\$ -</u></u>

See Accountants' Compilation Report

FOR THE YEARS ENDED 2024 AND 2023

AUDITED FINANCIAL STATEMENTS

**CITY OF BURLINGTON
COUNTY OF BURLINGTON,
STATE OF NEW JERSEY**

FINANCIAL STATEMENTS

December 31, 2024

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

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INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of City Council
City of Burlington
County of Burlington
Burlington, New Jersey 08016

Report on the Audit of the Financial Statements

Opinions

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

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective regulatory basis financial position of the City as of December 31, 2024, and the respective changes in financial position for the year then ended, in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note A.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* section of our report, the financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the City as of December 31, 2024, or the changes in financial position for the year then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (“GAAS”) and requirements of audit prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

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

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Responsibilities of Management for the Financial Statements

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and requirements of audit prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, we:

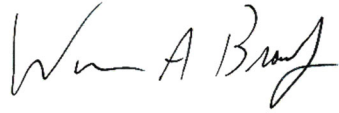
- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, which raise substantial doubt about the City'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.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Report on Summarized Comparative Information

We have previously audited the City's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 9, 2024, in accordance with the financial reporting provisions described in Note A. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.



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

Mercadieu, P.C.
Certified Public Accountants

July 3, 2025

BASIC FINANCIAL STATEMENTS

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A

**CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE**

December 31, 2024 and 2023

	2024	2023
ASSETS		
Regular Fund:		
Cash -- Treasurer	\$ 10,270,549.76	\$ 10,822,273.69
Cash -- Collector	481,591.46	518,222.27
Cash -- Change Fund	750.00	750.00
	<u>10,752,891.22</u>	<u>11,341,245.96</u>
Receivables and Other Assets with Full Reserves:		
Taxes Receivable	859,855.52	765,304.00
Tax Title Liens Receivable	862,625.27	847,582.41
Property Acquired for Taxes--Assessed Valuation	1,428,950.00	1,428,950.00
Life Loans Receivable	4,250.00	4,250.00
Mortgages Receivable - High Street	314,284.92	314,284.92
Revenue Accounts Receivable	13,294.26	196,929.85
Due from Animal Control Fund	1,518.08	1,062.66
Due from Trust Other Funds	298,191.29	-
Due from Trust Assessment Fund	0.70	1.04
Due from General Capital Fund	323.53	-
	<u>3,783,293.57</u>	<u>3,558,364.88</u>
Deferred Charges:		
Emergency Authorization (40A:4-53)	-	20,482.35
Special Emergency Authorization (40A:4-53)	75,000.00	-
	<u>14,611,184.79</u>	<u>14,920,093.19</u>
Federal and State Grant Fund:		
Cash	534,695.04	1,044,422.80
Federal, State and Other Grants Receivable	4,702,970.23	2,641,335.82
Due from Current Fund	860.70	12,425.67
	<u>5,238,525.97</u>	<u>3,698,184.29</u>
Total Assets	<u><u>\$ 19,849,710.76</u></u>	<u><u>\$ 18,618,277.48</u></u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A

**CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE (CONTINUED)**

December 31, 2024 and 2023

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>2024</u>	<u>2023</u>
Regular Fund:		
Liabilities:		
Appropriations Reserves	\$ 2,101,945.85	\$ 2,466,840.98
Reserve for Encumbrances	382,203.86	548,850.06
Due State of New Jersey -- Senior Citizens' & Veterans' Deductions	121,991.08	121,876.01
Accounts Payable	36,364.95	73,870.83
Tax Overpayments	8,819.17	2,681.67
Prepaid Taxes	254,384.24	228,613.41
Due County for Share of Payment in Lieu of Taxes	44,835.34	-
Due County for Added and Omitted Taxes	3,540.84	5,576.66
Due State of New Jersey -- Marriage License Fees	4,627.00	3,452.00
Due State of New Jersey -- Domestic Partnership Fees	75.00	75.00
Due State of New Jersey -- Burial Permit Fees	145.00	145.00
Due State of New Jersey -- Training Fees	6,157.00	6,277.00
Reserve for Special Emergency - Tax Maps	74,745.00	-
Reserve for Municipal Relief Fund	-	564,625.29
Reserve for Low Income Household Water Assistance Program	15,471.92	23,251.16
Due to Federal and State Grant Fund	860.70	12,425.67
Due to Trust Other Funds	-	118,620.83
Due to General Capital Fund	-	232,083.20
Due to Sewer Utility Operating Fund	282.39	-
	<u>3,056,449.34</u>	<u>4,409,264.77</u>
Reserves for Receivables and Other Assets	3,783,293.57	3,558,364.88
Fund Balance	<u>7,771,441.88</u>	<u>6,952,463.54</u>
Total Regular Fund	<u>14,611,184.79</u>	<u>14,920,093.19</u>
Federal and State Grant Fund:		
Reserve for Federal, State and Other Grants Appropriated	3,978,882.79	3,403,224.37
Reserve for Encumbrances	1,211,667.17	292,291.79
Reserve for Federal and State Grants Unappropriated	<u>47,976.01</u>	<u>2,668.13</u>
Total Federal and State Grant Fund	<u>5,238,525.97</u>	<u>3,698,184.29</u>
Total Liabilities, Reserves and Fund Balance	<u>\$ 19,849,710.76</u>	<u>\$ 18,618,277.48</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-1

**CURRENT FUND
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE**

Years Ended December 31, 2024 and 2023

	2024	2023
<u>Revenue and Other Income Realized:</u>		
Fund Balance Utilized	\$ 3,846,000.00	\$ 3,955,000.00
Miscellaneous Revenue Anticipated	10,089,501.48	7,776,248.22
Receipts from Delinquent Taxes	911,029.56	925,922.77
Receipts from Current Taxes	25,337,227.10	24,868,377.11
Non-Budget Revenue	1,547,277.43	1,359,286.93
Other Credits to Income:		
Tax Overpayments Canceled	-	3,091.97
Statutory Excess in Reserve for Dog Fund Expenditures	1,514.80	1,056.60
Accounts Payable Canceled	6,439.14	-
Interfunds Returned	0.34	-
Unexpended Balance of Appropriation Reserves	1,973,580.34	1,116,311.34
Total Income	<u>43,712,570.19</u>	<u>40,005,294.94</u>
<u>Expenditures:</u>		
Budget and Emergency Appropriations:		
Operations Within "CAPS":		
Salaries and Wages	7,691,100.00	7,697,000.00
Other Expenses	8,265,687.00	7,673,610.00
Deferred Charges and Statutory Expenditures Within "CAPS"	1,944,446.32	1,799,755.35
Operations Excluded from "CAPS":		
Other Expenses	2,861,982.45	1,462,459.04
Capital Improvements--Excluded from "CAPS"	75,000.00	100,000.00
Municipal Debt Service--Excluded from "CAPS"	910,703.58	954,435.00
Deferred Charges--Municipal--Excluded from "CAPS"	20,482.35	-
County Taxes	2,822,764.13	2,712,935.61
County's Share of Added and Omitted Taxes	3,540.84	5,576.66
Local District School Tax	14,171,315.00	13,994,863.50
Refund of Prior Year Revenue - Accounts Payable	-	1,953.00
Refund of Prior Year Revenue	54,066.51	-
Miscellaneous Added Overpayments	1,753.30	-
Creation of Interfunds and Other Assets	298,970.92	104.50
Prior Year Senior Citizens' Deduction Disallowed	779.45	250.00
Total Expenditures	<u>39,122,591.85</u>	<u>36,402,942.66</u>
Excess in Revenue	4,589,978.34	3,602,352.28
Adjustments to Income Before Fund Balance:		
Expenditures Included Above Which are by Statute		
Deferred Charges to Budget of Succeeding Year	75,000.00	20,482.35
Statutory Excess to Fund Balance	4,664,978.34	3,622,834.63
<u>Fund Balance:</u>		
Balance January 1	6,952,463.54	7,284,628.91
	11,617,441.88	10,907,463.54
Decreased by:		
Utilization as Anticipated Revenue	3,846,000.00	3,955,000.00
Balance December 31	<u>\$ 7,771,441.88</u>	<u>\$ 6,952,463.54</u>

See notes to financial statements.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-2

**CURRENT FUND
STATEMENT OF REVENUES**

Year Ended December 31, 2024

	Anticipated Budget	Special N.J.S.A. 40A:4-87	Realized	Excess or (Deficit)
Surplus Anticipated	\$ 3,846,000.00	\$ -	\$ 3,846,000.00	\$ -
Miscellaneous Revenue:				
Local Revenues:				
Licenses:				
Alcoholic Beverages	40,000.00	-	49,440.00	9,440.00
Fees and Permits	100,000.00	-	474,976.84	374,976.84
Fines and Costs:				
Municipal Court	110,000.00	-	150,211.45	40,211.45
Interests and Costs on Taxes	185,000.00	-	192,024.08	7,024.08
Interest on Investments and Deposits	190,000.00	-	195,946.18	5,946.18
Anticipated Lease Revenues	240,000.00	-	200,536.10	(39,463.90)
State Aid Without Offsetting Appropriations:				
Energy Receipts Tax (P.L. 1997, Chapters 162 & 167)	5,477,729.00	-	5,477,729.13	0.13
Reserve for Municipal Relief Fund	564,625.29	-	564,625.29	-
Dedicated Uniform Construction Code Fees Offset with Appropriations (N.J.S.A. 40A:4-36 and N.J.A.C. 5:23-4.17):				
Uniform Construction Code Fees	155,000.00	-	179,545.00	24,545.00
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services - Public and Private Revenues Offset with Appropriations:				
Clean Communities Program	-	29,510.23	29,510.23	-
Body Armor Replacement Fund	2,611.61	-	2,611.61	-
DCA Local Recreation Improvement Grant	82,000.00	-	82,000.00	-
Emergency Management Assistance Fund	-	10,000.00	10,000.00	-
Hazardous Discharge Site Remediation Grant	-	558,787.89	558,787.89	-
Municipal Alliance on Alcoholism and Drug Abuse	10,270.00	-	10,270.00	-
Neighborhood Preservation Program	-	125,000.00	125,000.00	-
NJ Regional Greenhouse Gas Project	485,000.00	-	485,000.00	-
NJ Transportation Trust Fund Grants	261,120.00	-	261,120.00	-
NJ Water Quality Restoration Grant	95,000.00	-	95,000.00	-
Recycling Tonnage Grant	28,302.22	-	28,302.22	-
Safe and Secure Communities Grant	32,400.00	-	32,400.00	-
Stormwater Management Grant	-	25,000.00	25,000.00	-
Sustainable Jersey Grant	2,500.00	-	2,500.00	-
US Department of Housing & Urban Development:				
Allen School	-	394,400.00	394,400.00	-
Promenade Bandstand	-	400,000.00	400,000.00	-
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services - Other Special Items				
Uniform Fire Safety Act	40,000.00	-	62,565.46	22,565.46
Total Miscellaneous Revenues	8,101,558.12	1,542,698.12	10,089,501.48	445,245.24
Receipts from Delinquent Taxes	550,441.88	-	911,029.56	360,587.68
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	9,264,000.00	-	9,949,607.13	685,607.13
Budget Totals	21,762,000.00	1,542,698.12	24,796,138.17	1,491,440.05
Non Budget Revenues	-	-	1,547,277.43	1,547,277.43
	<u>\$ 21,762,000.00</u>	<u>\$ 1,542,698.12</u>	<u>\$ 26,343,415.60</u>	<u>\$ 3,038,717.48</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-2

**CURRENT FUND
STATEMENT OF REVENUES (CONTINUED)**

Year Ended December 31, 2024

Analysis of Realized Revenues:

Allocation of Current Tax Collections

Received from Collections	\$ 25,337,227.10
Allocated to:	
Local School and County Taxes	<u>16,997,619.97</u>
Balance for Support of Municipal Budget Appropriations	8,339,607.13
Add: Appropriation "Reserve for Uncollected Taxes"	1,610,000.00
Amount for Support of Municipal Budget Appropriations	<u>\$ 9,949,607.13</u>
Receipts for Delinquent Taxes:	
Delinquent Tax Collections	\$ 762,519.34
Tax Title Lien Collections	<u>148,510.22</u>
	<u>\$ 911,029.56</u>

Fees and Permits

City Clerk	\$ 11,374.30
Board of Health	14,922.00
Police	15,925.85
Zoning and Planning Board	1,154.00
Code Inspection Office	418,640.00
Road Opening Permits	5,700.00
Recreation	2,375.69
Bureau of Fire Protection	4,035.00
Lyceum Hall	600.00
Mayor - Weddings	150.00
Tax Collector	<u>100.00</u>
	<u>\$ 474,976.84</u>

Non-Budget Revenues

Treasurer:

Administrative Fees for Outside Police Employment	\$ 148,435.00
Bus Shelter Income	2,235.00
Cable Television Franchise Fees	28,081.26
DMV Inspections	1,400.00
Insurance Refunds and Reimbursements	8,462.75
Miscellaneous	3,318.89
NJ Joint Burlington Economic Development Corp	55,213.74
Payment in Lieu of Taxes	961,750.12
Polling Places Fee	382.10
Prior Year Employee Health Deductions	205,004.24
Recycling	4,810.00
Refunds and Reimbursements	45,129.85
Restitution	249.00
Road Openings	1,500.00
Sale of City Property	38,875.00
State - Administrative Fee - Senior Citizens and Veterans	1,091.71
Trash Can Sales	<u>11,515.00</u>
	\$ 1,517,453.66

Tax Collector:

Payment in Lieu of Taxes	28,053.77
Miscellaneous	<u>1,770.00</u>
	29,823.77
	<u>\$ 1,547,277.43</u>

See notes to financial statements.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

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**CURRENT FUND
STATEMENT OF EXPENDITURES**

Year Ended December 31, 2024

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid	Encumbered	Reserved	
Operations--Within "CAPS":						
GENERAL GOVERNMENT:						
General Administration:						
Salaries and Wages	\$ 246,700.00	\$ 246,700.00	\$ 237,933.56	\$ -	\$ 8,766.44	\$ -
Other Expenses	44,200.00	44,200.00	27,568.16	7,149.53	9,482.31	-
Mayor and Council:						
Salaries and Wages	33,100.00	33,100.00	30,355.31	-	2,744.69	-
Other Expenses	7,800.00	9,800.00	6,589.60	1,945.94	1,264.46	-
Municipal Clerk:						
Salaries and Wages	148,600.00	148,600.00	132,927.51	-	15,672.49	-
Other Expenses	78,100.00	78,100.00	51,829.78	13,356.69	12,913.53	-
Financial Administration:						
Salaries and Wages	113,500.00	103,500.00	95,356.89	-	8,143.11	-
Other Expenses	82,800.00	112,800.00	101,266.12	6,640.42	4,893.46	-
Audit Services:						
Other Expenses	34,600.00	34,600.00	33,600.00	-	1,000.00	-
Tax Collection:						
Salaries and Wages	262,600.00	252,600.00	203,072.13	-	49,527.87	-
Other Expenses	16,200.00	16,200.00	10,902.99	24.02	5,272.99	-
Tax Assessment Administration:						
Salaries and Wages	32,500.00	32,500.00	30,882.02	-	1,617.98	-
Other Expenses	11,400.00	86,400.00	80,218.35	-	6,181.65	-
Municipal Court:						
Other Expenses	458,000.00	458,000.00	457,130.16	-	869.84	-
Public Defender:						
Other Expenses	8,500.00	8,500.00	-	-	8,500.00	-
Legal Services:						
Other Expenses	205,600.00	215,600.00	140,241.25	38,351.25	37,007.50	-
Engineering Services and Costs:						
Other Expenses	85,000.00	105,000.00	64,733.59	25,206.41	15,060.00	-
Economic Development						
Other Expenses	60,000.00	60,000.00	10,035.50	31,271.96	18,692.54	-
Office of Programs Coordinator:						
Salaries and Wages	93,600.00	93,600.00	85,563.96	-	8,036.04	-
Other Expenses	52,800.00	52,800.00	36,037.49	7,550.00	9,212.51	-
Historic Commission:						
Salaries and Wages	5,100.00	5,600.00	5,000.06	-	599.94	-
Other Expenses	31,700.00	31,700.00	23,985.14	4,646.23	3,068.63	-
LAND USE ADMINISTRATION:						
Planning Board:						
Salaries and Wages	19,100.00	19,100.00	16,815.61	-	2,284.39	-
Other Expenses	36,400.00	36,400.00	28,837.89	2,411.79	5,150.32	-
CODE ENFORCEMENT AND ADMINISTRATION:						
Uniform Construction Code:						
Salaries and Wages	102,800.00	114,800.00	112,018.47	-	2,781.53	-
Other Expenses	63,700.00	56,700.00	48,292.85	1,000.16	7,406.99	-
Code Enforcement						
Salaries and Wages	268,100.00	208,100.00	150,072.60	-	58,027.40	-
Other Expenses	42,300.00	42,300.00	20,722.62	740.08	20,837.30	-
INSURANCE:						
Liability Insurance	355,900.00	365,900.00	350,164.60	2,966.04	12,769.36	-
Workers Compensation Insurance	136,600.00	136,600.00	133,353.00	-	3,247.00	-
Employee Group Insurance	2,659,987.00	2,586,487.00	1,866,170.09	-	720,316.91	-
Employee Group Insurance - Waivers	20,000.00	20,000.00	18,600.00	-	1,400.00	-
Unemployment Insurance	40,000.00	40,000.00	32,412.71	-	7,587.29	-

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-3

**CURRENT FUND
STATEMENT OF EXPENDITURES (CONTINUED)**

Year Ended December 31, 2024

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid	Encumbered	Reserved	
Operations--Within "CAPS" (Continued):						
PUBLIC SAFETY:						
Police:						
Salaries and Wages	4,837,200.00	4,837,200.00	4,504,383.77	-	332,816.23	-
Other Expenses	443,000.00	443,000.00	341,599.10	69,765.25	31,635.65	-
Emergency Management Services:						
Salaries and Wages	11,500.00	11,500.00	11,100.00	-	400.00	-
Other Expenses	11,900.00	11,900.00	4,177.48	12.20	7,710.32	-
Aid to Volunteer Fire Companies	66,000.00	66,000.00	65,500.00	-	500.00	-
Aid to Volunteer Ambulance Companies:						
Endeavor Emergency Squad	64,000.00	86,000.00	85,000.00	-	1,000.00	-
Fire Department:						
Salaries and Wages	35,000.00	35,000.00	31,483.79	-	3,516.21	-
Other Expenses	281,900.00	281,900.00	163,699.61	17,424.14	100,776.25	-
Uniform Fire Safety Act (P.L. 1983), Fire Official:						
Salaries and Wages	51,900.00	77,900.00	72,349.73	-	5,550.27	-
Other Expenses	19,200.00	19,200.00	9,291.23	616.56	9,292.21	-
Municipal Prosecutor:						
Other Expenses	25,000.00	25,000.00	25,000.00	-	-	-
PUBLIC WORKS:						
Streets and Road Maintenance:						
Salaries and Wages	389,000.00	404,000.00	399,392.22	-	4,607.78	-
Other Expenses	210,800.00	210,800.00	184,565.16	14,681.43	11,553.41	-
Other Public Works Functions:						
Salaries and Wages	403,000.00	403,000.00	389,463.75	-	13,536.25	-
Other Expenses	54,100.00	57,100.00	45,015.84	2,826.85	9,257.31	-
Solid Waste Collection:						
Salaries and Wages	28,100.00	28,100.00	-	-	28,100.00	-
Other Expenses	472,000.00	472,000.00	445,363.10	9,942.20	16,694.70	-
Buildings and Grounds:						
Salaries and Wages	125,500.00	125,500.00	89,797.53	-	35,702.47	-
Other Expenses	169,400.00	169,400.00	89,049.73	25,941.22	54,409.05	-
Vehicle Maintenance:						
Salaries and Wages	107,400.00	107,400.00	62,090.09	-	45,309.91	-
Other Expenses	196,000.00	196,000.00	150,222.65	29,057.44	16,719.91	-
HEALTH AND HUMAN SERVICES:						
Board of Health:						
Salaries and Wages	27,000.00	27,000.00	25,996.68	-	1,003.32	-
Other Expenses	3,000.00	3,000.00	85.00	1,065.00	1,850.00	-
Animal Control Officer:						
Other Expenses	25,000.00	25,000.00	17,560.22	2,788.00	4,651.78	-
PARKS AND RECREATION:						
Recreation Programs:						
Salaries and Wages	133,600.00	141,600.00	141,017.32	-	582.68	-
Other Expenses	95,800.00	92,800.00	58,850.29	10,148.82	23,800.89	-
Operations of Boat Ramp:						
Other Expenses	3,200.00	8,200.00	5,912.27	129.00	2,158.73	-
Maintenance of Parks:						
Salaries and Wages	25,000.00	25,000.00	15,633.28	-	9,366.72	-
Other Expenses	47,500.00	32,500.00	6,691.31	1,443.76	24,364.93	-
UTILITY EXPENSES:						
Electricity and Natural Gas	539,000.00	539,000.00	520,937.32	-	18,062.68	-
Telecommunications	90,000.00	90,000.00	83,940.24	280.35	5,779.41	-
Petroleum Products	135,000.00	135,000.00	102,433.35	-	32,566.65	-
Fire Hydrant Service	40,000.00	40,000.00	40,000.00	-	-	-
LANDFILL/SOLID WASTE DISPOSAL:						
Landfill/Solid Waste Disposal Costs	550,000.00	550,000.00	404,250.57	32,541.58	113,207.85	-
OTHER COMMON OPERATING FUNCTIONS (UNCLASSIFIED):						
Accumulated Leave Compensation	10,000.00	10,000.00	10,000.00	-	-	-
Celebration of Public Events:						
Salaries and Wages	204,700.00	199,700.00	170,066.37	-	29,633.63	-
Other Expenses	108,300.00	113,300.00	88,692.01	20,279.54	4,328.45	-
Total Operations within "CAPS"	15,896,287.00	15,956,287.00	13,503,301.02	382,203.86	2,070,782.12	-

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

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**CURRENT FUND
STATEMENT OF EXPENDITURES (CONTINUED)**

Year Ended December 31, 2024

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid	Encumbered	Reserved	
CONTINGENT:	500.00	500.00	-	-	500.00	-
Total Operations Including Contingent - within "CAPS"	15,896,787.00	15,956,787.00	13,503,301.02	382,203.86	2,071,282.12	-
Detail:						
Salaries and Wages	7,714,600.00	7,691,100.00	7,022,772.65	-	668,327.35	-
Other Expenses	8,182,187.00	8,265,687.00	6,480,528.37	382,203.86	1,402,954.77	-
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS" STATUTORY EXPENDITURES:						
Contribution to:						
Public Employees' Retirement System	455,200.00	455,200.00	455,189.00	-	11.00	-
Social Security System (O.A.S.I.)	345,946.32	360,946.32	342,287.42	-	18,658.90	-
Police and Firemen's Retirement System of NJ (N.J.S.A. 40A:4-53, \$18,232.35+)	1,108,300.00	1,108,300.00	1,108,212.00	-	88.00	-
Defined Contribution Retirement Program	20,000.00	20,000.00	13,246.71	-	6,753.29	-
Total Deferred Charges and Statutory Expenditures - Municipal within "CAPS"	1,929,446.32	1,944,446.32	1,918,935.13	-	25,511.19	-
Total General Appropriations for Municipal Purposes within "CAPS"	17,826,233.32	17,901,233.32	15,422,236.15	382,203.86	2,096,793.31	-
OPERATIONS - EXCLUDED FROM "CAPS" OTHER OPERATIONS:						
Aid to Library (N.J.S.A. 40:54-35):						
Other Expenses	66,000.00	66,000.00	66,000.00	-	-	-
Recycling Tax	16,000.00	16,000.00	10,847.46	-	5,152.54	-
Employee Group Insurance	78,413.00	78,413.00	78,413.00	-	-	-
Total Other Operations - Excluded from "CAPS"	160,413.00	160,413.00	155,260.46	-	5,152.54	-
Public and Private Programs Offset with Revenues:						
Clean Community Program	-	29,510.23	29,510.23	-	-	-
Recycling Tonnage	28,302.22	28,302.22	28,302.22	-	-	-
Body Armor Replacement Fund	2,611.61	2,611.61	2,611.61	-	-	-
Emergency Management Assistance Grant	-	10,000.00	10,000.00	-	-	-
Municipal Alliance Grant on Alcoholism and Drug Abuse:						
Grant	10,270.00	10,270.00	10,270.00	-	-	-
Local Match	2,567.50	2,567.50	2,567.50	-	-	-
Hazardous Discharge Site Remediation Grant						
US Pipe & Foundry McNeal Mansion Site	-	558,787.89	558,787.89	-	-	-
Neighborhood Preservation Program	-	125,000.00	125,000.00	-	-	-
NJ Transportation Trust Fund Grants	261,120.00	261,120.00	261,120.00	-	-	-
Safe and Secure Communities Grant:						
Grant	32,400.00	32,400.00	32,400.00	-	-	-
Local Match	157,100.00	157,100.00	157,100.00	-	-	-
Sustainable Jersey Small Grant Program:						
Sustainable Jersey Grant	2,500.00	2,500.00	2,500.00	-	-	-
Community Energy Plan Grant	-	25,000.00	25,000.00	-	-	-
US Department of Housing & Urban Development:						
Allen School	-	394,400.00	394,400.00	-	-	-
Promenade Bandstand	-	400,000.00	400,000.00	-	-	-
NJ Regional Greenhouse Gas Project	485,000.00	485,000.00	485,000.00	-	-	-
DCA Local Recreation Improvement Grant	82,000.00	82,000.00	82,000.00	-	-	-
NJ Water Quality Restoration Grant	95,000.00	95,000.00	95,000.00	-	-	-
Total Public and Private Programs Offset with Revenues	1,158,871.33	2,701,569.45	2,701,569.45	-	-	-
Total Operations Excluded from "CAPS"	1,319,284.33	2,861,982.45	2,856,829.91	-	5,152.54	-
Detail:						
Other Expenses	1,319,284.33	2,861,982.45	2,856,829.91	-	5,152.54	-
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"						
Capital Improvement Fund	75,000.00	75,000.00	75,000.00	-	-	-
Total Capital Improvements - Excluded from "CAPS"	75,000.00	75,000.00	75,000.00	-	-	-

See notes to financial statements.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

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**CURRENT FUND
STATEMENT OF EXPENDITURES (CONTINUED)**

Year Ended December 31, 2024

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid	Encumbered	Reserved	
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"						
Payment of Bond Principal	665,000.00	665,000.00	665,000.00	-	-	-
Interest on Bonds	233,000.00	233,000.00	232,881.25	-	-	118.75
Interest on Bond Anticipation Notes	13,000.00	13,000.00	12,822.33	-	-	177.67
Total Municipal Debt Service - Excluded from "CAPS"	<u>911,000.00</u>	<u>911,000.00</u>	<u>910,703.58</u>	<u>-</u>	<u>-</u>	<u>296.42</u>
DEFERRED CHARGES - MUNICIPAL EXCLUDED FROM "CAPS"						
Deferred Charges:						
Emergency Authorization	20,482.35	20,482.35	20,482.35	-	-	-
Total Deferred Charges - Municipal - Excluded from "CAPS"	<u>20,482.35</u>	<u>20,482.35</u>	<u>20,482.35</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	<u>2,325,766.68</u>	<u>3,868,464.80</u>	<u>3,863,015.84</u>	<u>-</u>	<u>5,152.54</u>	<u>296.42</u>
Subtotal General Appropriations	20,152,000.00	21,769,698.12	19,285,251.99	382,203.86	2,101,945.85	296.42
Reserve for Uncollected Taxes	1,610,000.00	1,610,000.00	1,610,000.00	-	-	-
Total General Appropriations	<u>\$ 21,762,000.00</u>	<u>\$ 23,379,698.12</u>	<u>\$ 20,895,251.99</u>	<u>\$ 382,203.86</u>	<u>\$ 2,101,945.85</u>	<u>\$ 296.42</u>
Original Budget		\$ 21,762,000.00				
Appropriation by 40A:4-53		75,000.00				
Appropriation by 40A:4-87		1,542,698.12				
		<u>\$ 23,379,698.12</u>				
Reserve for Uncollected Taxes			\$ 1,610,000.00			
Reserve for Federal, State and Other Grants			2,541,901.95			
Local Match Due to Federal and State Grant Fund			159,667.50			
Reserve for Special Emergency Tax Maps			75,000.00			
Deferred Charge - Emergency			20,482.35			
Cash Disbursed			17,275,520.44			
Refunds -- Receipts			(787,320.25)			
			<u>\$ 20,895,251.99</u>			

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

B

**TRUST FUNDS
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE**

December 31, 2024 and 2023

	2024	2023
ASSETS:		
Assessment Trust Fund:		
Cash	\$ 819.40	\$ 819.74
	<u>819.40</u>	<u>819.74</u>
Animal Control Fund:		
Cash	3,861.88	4,024.66
	<u>3,861.88</u>	<u>4,024.66</u>
Other Funds:		
Cash - Treasurer	2,668,963.14	3,041,132.49
Cash - Collector	1,326,700.41	786,711.31
Due from Current Fund	-	118,620.83
Forgivable NSP Mortgage Receivable	68,442.00	72,303.00
Loans Receivable:		
UDAG - Economic Development Ordinance	17,512.68	21,122.69
	<u>4,081,618.23</u>	<u>4,039,890.32</u>
	<u>\$ 4,086,299.51</u>	<u>\$ 4,044,734.72</u>
LIABILITIES, RESERVES AND FUND BALANCE:		
Assessment Trust Fund:		
Due to Current Fund	\$ 0.70	\$ 1.04
Fund Balance	818.70	818.70
	<u>819.40</u>	<u>819.74</u>
Animal Control Fund:		
Reserve for Animal Control Fund Expenditures	2,343.80	2,962.00
Due to Current Fund	1,518.08	1,062.66
	<u>3,861.88</u>	<u>4,024.66</u>
Other Funds:		
Due to Current Fund	298,191.29	-
Due to Current Fund	30,459.95	-
Due to Current Fund	25,299.79	-
Reserve for:		
Forgivable NSP Mortgages Receivable	68,442.00	72,303.00
Title I UDAG Loans Receivable	17,512.68	21,122.69
Community Development Act of 1974	465,620.99	461,909.99
Miscellaneous Trust Fund Liabilities and Reserves	3,176,091.53	3,484,554.64
	<u>4,081,618.23</u>	<u>4,039,890.32</u>
	<u>\$ 4,086,299.51</u>	<u>\$ 4,044,734.72</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

C

**GENERAL CAPITAL FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE**

December 31, 2024 and 2023

	2024	2023
<u>ASSETS</u>		
Cash	\$ 338,021.38	\$ 61,239.33
Due from Current Fund	-	232,083.20
Due from Water Utility Capital Fund	-	2,392.00
Due from County of Burlington	430,000.00	430,000.00
Due from State of New Jersey	347,557.66	1,142,785.16
Deferred Charges to Future Taxation:		
Funded	6,075,000.00	6,740,000.00
Unfunded	7,040,387.31	4,256,887.31
	<u>\$ 14,230,966.35</u>	<u>\$ 12,865,387.00</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
Bond Anticipation Notes	\$ 1,738,000.00	\$ 390,000.00
General Serial Bonds	6,075,000.00	6,740,000.00
Improvement Authorizations:		
Funded	453,197.15	1,306,778.18
Unfunded	5,405,415.16	3,566,380.36
Reserve for Encumbrances	498,941.60	734,845.51
Capital Improvement Fund	36,018.10	107,518.10
Due to Current Fund	323.53	-
Fund Balance	24,070.81	19,864.85
	<u>\$ 14,230,966.35</u>	<u>\$ 12,865,387.00</u>
Bonds and Notes Authorized but not Issued	<u>\$ 5,302,387.31</u>	<u>\$ 3,866,887.31</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

C-1

**GENERAL CAPITAL FUND
STATEMENT OF GENERAL CAPITAL FUND BALANCE**

December 31, 2024 and 2023

Balance December 31, 2023	\$	19,864.85
Increased by:		
Premium Received on Note Sale		<u>4,205.96</u>
Balance December 31, 2024	\$	<u><u>24,070.81</u></u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

D

**WATER UTILITY FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE**

December 31, 2024 and 2023

	2024	2023
ASSETS		
Operating Fund:		
Cash - Treasurer	\$ 2,111,980.38	\$ 1,624,434.40
Cash - Collector	166,597.69	143,875.42
Change Funds - Collector	100.00	100.00
Due from Trust Other Funds	30,459.95	-
Due from Water Trust Assessment Fund	0.48	0.71
Due from Water Utility Capital Fund	358.84	550,543.67
	<u>2,309,497.34</u>	<u>2,318,954.20</u>
Receivables With Full Reserves:		
Consumer Accounts Receivable	416,039.49	540,934.37
Water Utility Liens Receivable	45,472.21	49,164.13
	<u>461,511.70</u>	<u>590,098.50</u>
Deferred Charges - Emergency Appropriations		
Total Operating Fund	<u>-</u>	<u>-</u>
	<u>2,771,009.04</u>	<u>2,909,052.70</u>
Assessment Trust Fund:		
Cash	558.12	558.35
Total Assessment Trust Fund	<u>558.12</u>	<u>558.35</u>
Capital Fund:		
Cash	377,194.30	542,865.31
Due from Sewer Utility Capital Fund	-	55,000.00
Due from NJ Infrastructure Bank	2,048,366.00	292,795.00
Fixed Capital	14,652,551.75	14,652,551.75
Fixed Capital Authorized and Uncompleted	8,896,500.00	6,565,000.00
Total Capital Fund	<u>25,974,612.05</u>	<u>22,108,212.06</u>
	<u>\$ 28,746,179.21</u>	<u>\$ 25,017,823.11</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

D

**WATER UTILITY FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE (CONTINUED)**

December 31, 2024 and 2023

	2024	2023
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
Operating Fund:		
Appropriation Reserves	\$ 199,179.43	\$ 294,217.12
Encumbrances Payable	186,284.50	115,909.67
Accrued Interest on Debt	15,513.86	6,423.23
Water Rent Overpayments	19,121.27	30,829.05
	<u>420,099.06</u>	<u>447,379.07</u>
Reserve for Receivables	461,511.70	590,098.50
Fund Balance	1,889,398.28	1,871,575.13
Total Operating Fund	<u>2,771,009.04</u>	<u>2,909,052.70</u>
Assessment Trust Fund:		
Due to Water Utility Operating Fund	0.48	0.71
Fund Balance	557.64	557.64
Total Assessment Trust Fund	<u>558.12</u>	<u>558.35</u>
Capital Fund:		
Serial Bonds Payable	370,000.00	460,000.00
NJ Environmental Infrastructure Bank Fund Loan	39,495.87	41,964.36
NJ Environmental Infrastructure Bank Trust Loan	345,000.00	360,000.00
Bond Anticipation Notes Payable	611,000.00	160,000.00
Interim Loan - N.J. Infrastructure Bank	3,746,167.00	1,990,596.00
Due to General Capital Fund	-	2,392.00
Due to Water Utility Operating Fund	358.84	550,543.67
Encumbrances	2,625,792.76	177,823.50
Improvement Authorizations:		
Funded	75,015.00	16,200.00
Unfunded	2,207,821.13	2,628,678.19
Capital Improvement Fund	15,434.17	7,009.17
Reserve for Amortization	14,557,488.73	14,025,020.24
Deferred Reserve for Amortization	1,375,488.03	1,683,913.03
Fund Balance	5,550.52	4,071.90
Total Capital Fund	<u>25,974,612.05</u>	<u>22,108,212.06</u>
	<u>\$ 28,746,179.21</u>	<u>\$ 25,017,823.11</u>
Bonds and Notes Authorized but not Issued	<u>\$ 2,504,412.12</u>	<u>\$ 2,496,058.12</u>

See notes to financial statements.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

D-1

**WATER UTILITY FUND
STATEMENTS OF INCOME AND CHANGES IN OPERATING FUND BALANCE**

Years Ended December 31, 2024 and 2023

	2024	2023
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 683,000.00	\$ 463,383.00
Water Utility Rents	2,495,127.90	2,463,959.78
Fire Hydrant Service	40,000.00	40,000.00
Water Capital Fund Balance Anticipated	-	-
Miscellaneous Revenue Anticipated	153,533.60	155,013.78
Other Credits to Income:		
Accounts Payable Canceled	-	2,619.00
Unexpended Balance of Appropriation Reserves	254,723.23	139,381.46
Water Rents Overpayments Canceled	24.36	140.25
Total Income	<u>3,626,409.09</u>	<u>3,264,497.27</u>
 <u>Expenditures</u>		
Operating	2,528,800.00	2,244,100.00
Capital Improvements	125,000.00	-
Debt Service	146,585.94	125,496.63
Deferred Charges and Statutory Expenditures	125,200.00	173,083.00
Total Expenditures	<u>2,925,585.94</u>	<u>2,542,679.63</u>
 Excess in Revenues	700,823.15	721,817.64
 <u>Fund Balance</u>		
Balance, January 1	<u>1,871,575.13</u>	<u>1,613,140.49</u>
	2,572,398.28	2,334,958.13
Decreased by:		
Utilized as Anticipated Revenue	<u>683,000.00</u>	<u>463,383.00</u>
 Balance, December 31	<u>\$ 1,889,398.28</u>	<u>\$ 1,871,575.13</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

D-2

**WATER UTILITY FUND
STATEMENT OF REVENUES**

Year Ended December 31, 2024

	Anticipated Budget	Realized	Excess or (Deficit)
Operating Surplus Anticipated	\$ 683,000.00	\$ 683,000.00	\$ -
Rents	2,129,000.00	2,495,127.90	366,127.90
Fire Hydrant Service	40,000.00	40,000.00	-
Miscellaneous Revenue Anticipated	100,000.00	153,533.60	53,533.60
Budget Totals	<u>\$ 2,952,000.00</u>	<u>\$ 3,371,661.50</u>	<u>\$ 419,661.50</u>
 <u>Analysis of Rents:</u>			
Revenue from Collections:			
Water Rents Collected	\$ 2,451,886.22		
Overpayments Applied	31,240.45		
Sewer Liens Collected	12,001.23		
		<u>\$ 2,495,127.90</u>	
 <u>Analysis of Miscellaneous Revenue:</u>			
Treasurer:			
Interest Earnings on Deposits	\$ 31,650.26		
Cell Tower Lease	69,079.38		
Interest Earned - Due Water Capital	358.84		
Interest Earned - Due Water Assessment Trust	0.48		
		\$ 101,088.96	
Collector:			
Interest on Delinquent Accounts	50,005.76		
Miscellaneous	2,438.88		
		<u>52,444.64</u>	
Total		<u>\$ 153,533.60</u>	

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

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**WATER UTILITY FUND
STATEMENT OF EXPENDITURES**

Year Ended December 31, 2024

	Appropriations		Expended			Unexpended Balance Canceled
	Original Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
Operating:						
Salaries and Wages	\$ 903,800.00	\$ 913,800.00	\$ 883,483.86	\$ -	\$ 30,316.14	\$ -
Other Expenses	1,630,000.00	1,615,000.00	1,274,252.22	186,284.50	154,463.28	-
Total Operating	<u>2,533,800.00</u>	<u>2,528,800.00</u>	<u>2,157,736.08</u>	<u>186,284.50</u>	<u>184,779.42</u>	<u>-</u>
Capital Improvements:						
Down Payments on Improvements	125,000.00	125,000.00	125,000.00	-	-	-
Debt Service:						
Payment of Bond Principal	90,000.00	90,000.00	90,000.00	-	-	-
Interest on Bonds	15,000.00	20,000.00	14,534.39	-	-	5,465.61
Interest on Bond Anticipation Notes	15,000.00	15,000.00	14,960.09	-	-	39.91
N.J. Environmental Infrastructure Trust:						
State of New Jersey Fund Loan:						
Payment of Principal	3,000.00	3,000.00	2,468.49	-	-	531.51
State of New Jersey Trust Loan:						
Payment of Principal	18,000.00	18,000.00	15,000.00	-	-	3,000.00
Payment of Interest	27,000.00	27,000.00	9,622.97	-	-	17,377.03
Total Debt Service	<u>168,000.00</u>	<u>173,000.00</u>	<u>146,585.94</u>	<u>-</u>	<u>-</u>	<u>26,414.06</u>
Deferred Charges and Statutory Expenditures:						
Statutory Expenditures:						
Contributions to:						
Public Employees' Retirement System	54,100.00	54,100.00	54,100.00	-	-	-
Social Security System (O.A.S.I.)	70,100.00	70,100.00	56,699.99	-	13,400.01	-
Unemployment Compensation Insurance	1,000.00	1,000.00	-	-	1,000.00	-
Total Deferred Charges and Statutory Expenditures	<u>125,200.00</u>	<u>125,200.00</u>	<u>110,799.99</u>	<u>-</u>	<u>14,400.01</u>	<u>-</u>
Total Water Utility Appropriations	<u>\$ 2,952,000.00</u>	<u>\$ 2,952,000.00</u>	<u>\$ 2,540,122.01</u>	<u>\$ 186,284.50</u>	<u>\$ 199,179.43</u>	<u>\$ 26,414.06</u>
Accrued Interest on Debt:						
Interest on Bonds			\$ 14,534.39			
Interest on Loans			9,622.97			
Interest on Bond Anticipation Notes			14,960.09			
Disbursements			<u>2,501,004.56</u>			
			<u>\$ 2,540,122.01</u>			

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

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**WATER UTILITY FUND
STATEMENT OF WATER CAPITAL FUND BALANCE**

Year Ended December 31, 2024

Balance December 31, 2023	\$ 4,071.90
Increased by:	
Premium Received on Note Sale	<u>1,478.62</u>
Balance December 31, 2024	<u>\$ 5,550.52</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

E

**SEWER UTILITY FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE**

December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<u>ASSETS</u>		
Operating Fund:		
Cash - Treasurer	\$ 1,091,327.72	\$ 1,371,641.48
Cash - Collector	379,144.51	200,750.80
Due from Current Fund	282.39	-
Due from Trust Other Funds	25,299.79	-
Due from Sewer Assessment Trust Fund	1.16	1.74
Due from Sewer Capital Fund	269.92	350.17
	<u>1,496,325.49</u>	<u>1,572,744.19</u>
Receivables With Full Reserves:		
Sewer Rents Receivable	296,660.56	285,479.32
Sewer Liens Receivable	26,187.13	28,523.41
	<u>322,847.69</u>	<u>314,002.73</u>
Total Operating Fund	<u>1,819,173.18</u>	<u>1,886,746.92</u>
Assessment Fund:		
Cash	<u>1,366.13</u>	<u>1,366.71</u>
Capital Fund:		
Cash	305,116.12	295,317.65
Fixed Capital	26,402,455.78	26,402,455.78
Fixed Capital Authorized and Uncompleted	<u>3,868,000.00</u>	<u>1,280,000.00</u>
Total Capital Fund	<u>30,575,571.90</u>	<u>27,977,773.43</u>
	<u>\$ 32,396,111.21</u>	<u>\$ 29,865,887.06</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

E

**SEWER UTILITY FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE (CONTINUED)**

December 31, 2024 and 2023

	2024	2023
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
Operating Fund:		
Liabilities:		
Appropriation Reserves	\$ 349,988.66	\$ 291,668.78
Encumbrances Payable	267,972.72	290,721.31
Accrued Interest on Bonds, Notes and Loans	33,015.68	25,622.29
Sewer Rents Overpayments	17,865.97	26,373.07
	<u>668,843.03</u>	<u>634,385.45</u>
Reserve for Receivables	322,847.69	314,002.73
Fund Balance	<u>827,482.46</u>	<u>938,358.74</u>
 Total Operating Fund	 <u>1,819,173.18</u>	 <u>1,886,746.92</u>
Assessment Fund:		
Due to Sewer Utility Operating Fund	1.16	1.74
Fund Balance	<u>1,364.97</u>	<u>1,364.97</u>
 Total Assessment Fund	 <u>1,366.13</u>	 <u>1,366.71</u>
Capital Fund:		
Serial Bonds Payable	365,000.00	475,000.00
Fund Loan - N.J. Environmental Infrastructure Trust	888,495.83	1,116,669.09
Trust Loan - N.J. Environmental Infrastructure Trust	863,000.00	1,106,000.00
Bond Anticipation Notes Payable	869,000.00	450,000.00
Due to Sewer Operating	269.92	350.17
Due to Water Utility Capital Fund	-	55,000.00
Improvement Authorizations:		
Funded	68,150.00	16,200.00
Unfunded	2,185,083.40	461,901.34
Encumbrances	457,591.80	948.12
Reserve for Mitchell Avenue Pump Station	5,000.00	5,000.00
Capital Improvement Fund	96,147.31	225,547.31
Reserve for Amortization	24,330,959.95	23,749,786.69
Deferred Reserve for Amortization	444,690.89	315,290.89
Capital Fund Balance	<u>2,182.80</u>	<u>79.82</u>
 Total Capital Fund	 <u>30,575,571.90</u>	 <u>27,977,773.43</u>
	<u>\$ 32,396,111.21</u>	<u>\$ 29,865,887.06</u>
 Bonds and Notes Authorized but not Issued	 <u>\$ 2,509,309.11</u>	 <u>\$ 469,709.11</u>

See notes to financial statements.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

E-1

**SEWER UTILITY FUND
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE**

Years Ended December 31, 2024 and 2023

	2024	2023
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 595,000.00	\$ 851,980.00
Sewer Rents	3,234,878.30	2,847,299.07
Miscellaneous Revenue	47,681.96	52,032.04
Sewer Capital Fund Balance Anticipated	-	42,000.00
Other Credits to Income:		
Accounts Payable Canceled	-	8,455.57
Unexpended Balance of Appropriation Reserves	276,065.12	420,001.66
Total Income	<u>4,153,625.38</u>	<u>4,221,768.34</u>
 <u>Expenditures</u>		
Operating	2,833,200.00	2,755,200.00
Debt Service	675,501.66	642,095.26
Deferred Charges and Statutory Expenditures	160,800.00	161,230.00
Other Charges to Expenditures		
Miscellaneous Adjustment - Sewer Rent Overpayments	-	140.25
Total Expenditures	<u>3,669,501.66</u>	<u>3,558,665.51</u>
 Statutory Excess to Fund Balance	 484,123.72	 663,102.83
 <u>Fund Balance</u>		
Balance January 1	<u>938,358.74</u>	<u>1,127,235.91</u>
	1,422,482.46	1,790,338.74
Decreased by:		
Utilized as Revenue	<u>595,000.00</u>	<u>851,980.00</u>
 Balance December 31	 <u>\$ 827,482.46</u>	 <u>\$ 938,358.74</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

E-2

**SEWER UTILITY FUND
STATEMENT OF REVENUES**

Year Ended December 31, 2024

	Anticipated Budget	Realized	Excess or Deficit
Surplus Anticipated	\$ 595,000.00	\$ 595,000.00	\$ -
Rents	3,082,000.00	3,234,878.30	152,878.30
Miscellaneous	30,000.00	47,681.96	17,681.96
 Budget Totals	 <u>\$ 3,707,000.00</u>	 <u>\$ 3,877,560.26</u>	 <u>\$ 170,560.26</u>
<u>Analysis of Rents:</u>			
Revenue from Collections:			
Sewer Rents Collected	\$ 3,196,049.58		
Overpayments Applied	27,292.03		
Sewer Liens Collected	11,536.69		
		<u>\$ 3,234,878.30</u>	
<u>Analysis of Miscellaneous Revenue</u>			
Treasurer:			
Interest on Investments and Deposits		\$ 24,189.08	
Due Capital Fund - Interest on Investments and Deposits		269.92	
Due Assessment Fund - Interest on Investments and Deposits		1.16	
Collector:			
Collected by the Current Fund	\$ 282.39		
Receipts	22,939.41		
		<u>23,221.80</u>	
		<u>\$ 47,681.96</u>	

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

E-3

**SEWER UTILITY FUND
STATEMENT OF EXPENDITURES**

Year Ended December 31, 2024

	Appropriations		Expended			Unexpended Balance Canceled
	Original Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
Operating:						
Salaries and Wages	\$ 932,200.00	\$ 917,200.00	\$ 803,911.52	\$ -	\$ 113,288.48	\$ -
Other Expenses	1,906,000.00	1,916,000.00	1,441,507.13	267,972.72	206,520.15	-
Total Operating	<u>2,838,200.00</u>	<u>2,833,200.00</u>	<u>2,245,418.65</u>	<u>267,972.72</u>	<u>319,808.63</u>	<u>-</u>
Debt Service:						
Principal on Bonds	110,000.00	110,000.00	110,000.00	-	-	-
Interest on Bonds	21,000.00	26,000.00	20,301.10	-	-	5,698.90
Interest on Notes	35,000.00	35,000.00	27,949.80	-	-	7,050.20
NJ Environmental Infrastructure Trust:						
State of New Jersey Fund Loan:						
Payment of Principal	229,000.00	229,000.00	228,173.26	-	-	826.74
State of New Jersey Fund Loan:						
Payment of Principal	243,000.00	243,000.00	243,000.00	-	-	-
Payment of Interest	70,000.00	70,000.00	46,077.50	-	-	23,922.50
Total Debt Service	<u>708,000.00</u>	<u>713,000.00</u>	<u>675,501.66</u>	<u>-</u>	<u>-</u>	<u>37,498.34</u>
Deferred Charges and Statutory Expenditures:						
Statutory Expenditures:						
Contributions to:						
Public Employees' Retirement System	84,400.00	84,400.00	84,400.00	-	-	-
Social Security System (O.A.S.I.)	74,400.00	74,400.00	46,219.97	-	28,180.03	-
N.J. Unemployment Compensation	2,000.00	2,000.00	-	-	2,000.00	-
Total Deferred Charges and Statutory Expenditures	<u>160,800.00</u>	<u>160,800.00</u>	<u>130,619.97</u>	<u>-</u>	<u>30,180.03</u>	<u>-</u>
Total Sewer Utility Appropriations	<u>\$ 3,707,000.00</u>	<u>\$ 3,707,000.00</u>	<u>\$ 3,051,540.28</u>	<u>\$ 267,972.72</u>	<u>\$ 349,988.66</u>	<u>\$ 37,498.34</u>
Accrued Interest on Bonds and Notes:						
Interest on Bonds			\$ 20,301.10			
Interest on Bond Anticipation Notes			27,949.80			
Interest on Loans			46,077.50			
Disbursed			<u>2,957,211.88</u>			
			<u>\$ 3,051,540.28</u>			

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

E-4

**SEWER UTILITY FUND
STATEMENT OF SEWER CAPITAL FUND BALANCE**

Year Ended December 31, 2024

Balance December 31, 2023	\$ 79.82
Increased by:	
Premium Received on Note Sale	<u>2,102.98</u>
Balance December 31, 2024	<u>\$ 2,182.80</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

F

**GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE BALANCE SHEET**

December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
General Fixed Assets:		
Land, Buildings and Improvements	\$ 13,803,683.07	\$ 13,486,683.07
Property Held for Redevelopment	190,324.52	190,324.52
Furniture, Vehicles and Equipment	<u>10,315,485.12</u>	<u>9,876,557.37</u>
 Total	 <u>\$ 24,309,492.71</u>	 <u>\$ 23,553,564.96</u>
 Total Investment in General Fixed Assets	 <u>\$ 24,309,492.71</u>	 <u>\$ 23,553,564.96</u>

NOTES TO FINANCIAL STATEMENTS

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The City of Burlington (the “City”), founded in 1677, is a New Jersey municipal corporation located on the Delaware River in Southern Western New Jersey, approximately 17 miles north of the City of Philadelphia and 17 miles south of Trenton. The population of the City according to the 2020 census is approximately 9,743. The City provides to its citizens the following services: public safety, sanitation, recreation, public improvements, planning and zoning, health and welfare, and general administrative services.

The City is under a Mayor-Council Plan form of government. The Mayor and seven Council members are elected at large to four-year terms. The City Administrator is responsible for the daily operations of the City and reports to the Council during their monthly meetings.

Component Units

The City had no component units as defined by Governmental Accounting Standards Board (“GASB”) Statement No. 14, as amended by GASB Statements No. 39 and 61 defining a component unit.

Descriptions of Funds

The financial statements of the City contain all funds and account groups in accordance with the “Requirements of Audit” (“Requirements”) as promulgated by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the “Division”). The principles and practices established by the Requirements are designed primarily for determining compliance with legal provisions and budgetary restrictions as a means of reporting on the stewardship of public officials with respect to public funds. Generally, the financial statements are presented using the flow of current financial resources measurement focus and modified accrual basis of accounting with minor exceptions as mandated by these Requirements. In addition, the prescribed accounting principles previously referred to differ in certain respects from accounting principles generally accepted in the United States of America applicable to local government units. The more significant differences are explained in this Note.

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

Current Fund – The Current Fund accounts for resources and expenditures for government operations of a general nature, including Federal and State Grant funds.

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

General Capital Fund - Receipt and disbursement of funds for the acquisition of capital facilities, other than those acquired in the Current Fund.

Water Utility Operating and Capital Funds - Account for the operations and acquisition of capital facilities of the municipally owned Water Utility.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Descriptions of Funds (Continued)

Sewer Utility Operating and Capital Funds - Account for the operations and acquisition of capital facilities of the municipally owned Sewer Utility.

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

Basis of Accounting

The accounting principles and practices prescribed for municipalities by the Division differ in certain respects from Generally Accepted Accounting Principles (“GAAP”) applicable to local governmental units. The more significant differences are as follows:

A modified accrual basis of accounting is followed with minor exceptions.

Property Taxes and Other Revenues - property taxes and other revenues are recognized on a cash basis. Receivables for property taxes and other items that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the City’s Current Fund. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

Grant Revenues - Federal and State Grants, entitlement or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the City’s budget. Federal and State Grant revenues received for purposes of capital projects financed by capital ordinances are recognized when received. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

Expenditures - 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, which should be recognized when due.

Pension and Other Post-Employment Benefits (“OPEB”) Expenses - are recorded on a cash basis as billed by the State of New Jersey. Thus, net pension liability, OPEB liability and related deferred inflows and outflows are not recorded on the statements of assets, liabilities, reserves and fund balance. GAAP requires all related pension and OPEB accounting to be recognized on an accrual basis.

Encumbrances - contractual orders at December 31 are reported as expenditures through the establishment of a reserve for encumbrances. Encumbrances do not constitute expenditures under GAAP.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting (Continued)

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

Deferred Charges - the regulatory basis of accounting utilized by the City requires that certain expenditures be deferred, and raised as items of appropriation in budgets of succeeding years. These deferred charges include the two general categories, overexpenditures and emergency appropriations. Overexpenditures occur when expenditures recorded as "paid or charged" exceed available appropriation balances. Emergency appropriations occur when, subsequent to the adoption of a balanced budget, the governing body authorizes the establishment of additional appropriations based on unforeseen circumstances or for other special purposes as defined by statute. Overexpenditures and emergency appropriations are deducted from total expenditures in the calculation of operating results and are established as assets for Deferred Charges on the respective balance sheet. GAAP does not permit the deferral of overexpenditures to succeeding budgets. In addition, GAAP does not recognize expenditures based on the authorization of an appropriation. Instead, the authorization of special purpose expenditures, such as the preparation of tax maps or revaluation of assessable real property, would represent the designation of fund balance.

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

Property Acquired for Taxes - is recorded in the Current Fund at the assessed valuation when such property was acquired and fully reserved. GAAP requires such property to be recorded in the general fixed assets at its market value.

Sale of Municipal Assets - cash proceeds from the sale of the City-owned property are reserved until utilized as an item of anticipated revenue in a subsequent year budget. Year-end balances of such proceeds are reported as a cash liability in the Current Fund. GAAP requires that revenue be recognized in the accounting period that the terms of sales contracts become legally enforceable.

Interfunds - advances in the Current Fund are reported as interfund receivables with offsetting reserves, which are created by charges to operations. Income is recognized in the year the receivables are liquidated. GAAP does not require the establishment of an offsetting reserve.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting (Continued)

Inventories of Supplies - the costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various balance sheets. GAAP requires that the cost of inventories be reflected on the balance sheets until utilized and expended.

General Fixed Assets - in accordance with the Technical Accounting Directive No. 85-2, *Accounting for Governmental Fixed Assets*, as promulgated by the Division, which differs in certain respects from GAAP, the City has developed a fixed assets accounting and reporting system based on an inspection and appraisal prepared by an independent appraisal firm.

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

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

No depreciation has been provided for the financial statements, which follows Requirements and the City's basis of accounting. GAAP requires recognition of straight line depreciation over the estimated useful lives of fixed assets.

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

Utility Fixed Assets - accounting for utility fund "fixed capital" remains unchanged under the requirements of Technical Accounting Directive No. 85-2.

Property and equipment purchased by the Water-Sewer Utility Fund are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent reproduction costs or current value. Contributions in aid of construction are not capitalized. The balance in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the utility capital fund represents charges to operations for the costs of acquisitions of property, equipment and improvements.

Property and equipment of the Water-Sewer Utility Fund are not depreciated. GAAP requires recognition of straight line depreciation over the estimated useful lives of fixed assets.

Principal payments for Water-Sewer Utility debt are recorded as expenditures in the Water-Sewer Utility Statement of Operations.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property Taxes

Property taxes are an enforceable lien on the assessed property. Taxes are due on a quarterly basis on February 1, May 1, August 1 and November 1. All unpaid taxes become delinquent 10 days after the above due dates. The City bills and collects its own property taxes as well as the taxes levied by the other taxing bodies within the municipality. Property tax revenues are recognized when collected. A reserve for uncollected taxes is established in the current operating budget to the extent that their collectability is improbable.

Financial Statements

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

Budget and Budgetary Accounting

The City is required by state law to adopt an annual budget for the Current Fund. Each budget is presented in accordance with accounting principles prescribed by the Division.

The following steps are taken in establishing the budgetary data reflected in the financial statements:

1. Not later than February 10 of the budget year the City introduces a budget, which includes proposed expenditures and financing methods.
2. A public hearing is held at least 28 days after introduction; after a public hearing the budget may be adopted by the governing body.

Once a budget is approved, it may be amended after November 1 by a resolution adopted by the governing body.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

B. CASH AND CASH EQUIVALENTS AND INVESTMENTS

The City is governed by the deposit and investment limitations of New Jersey state law. The deposits and investments held at December 31, 2024, and reported at fair value are as follows:

Type	Carrying Value
Deposits	
Demand Deposits	\$20,059,337.44
Total Deposits & Investments	<u>\$20,059,337.44</u>
Reconciliation of Cash	
Current	\$10,752,891.22
Federal and State Grants	534,695.04
Dog Trust	3,861.88
Other Trust	3,995,663.55
General Capital	338,021.38
Trust Assessment	819.40
Sewer	
Operating	1,470,472.23
Assessment	1,366.13
Capital	305,116.12
Water	
Operating	2,278,678.07
Assessment	558.12
Capital	377,194.30
Total Reconciliation of Comparative Balance Sheets	<u>\$20,059,337.44</u>

Custodial Credit Risk – Deposits in financial institutions, reported as components of cash, cash equivalents and investments had a bank balance of \$19,916,170.15 at December 31, 2024. Of the bank balance, \$250,000.00 was fully insured by the Federal Deposit Insurance Corporation and \$19,666,170.15 was secured by a collateral pool held by the bank as required by New Jersey’s Governmental Unit Deposit Protection Act (“GUDPA”). The GUDPA is more fully described in Note C of these financial statements.

In addition to the funds noted above, \$51,352 of bank balances for outside offices were also maintained by the City that were not included in the basic financial statements. These accounts include accounts for recreation, board of health, municipal court, municipal clerk, police department and code enforcement. The accounts are used to collect deposits related to certain services provided by these departments. The deposits are then recorded as revenue and transferred to current fund accounts weekly or monthly depending on frequency and balances collected. Excluding the municipal court accounts, no disbursements can be made from these accounts outside of transfers to City current fund accounts.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

B. CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investment Interest Rate Risk – The City has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Investment Credit Risk – The City has no investment policy that limits its investment choices other than the limitation by state law of certain investments as follows:

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- Government money market mutual funds;
- Any obligation that a federal agency or 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 City or bonds or other obligations of the local unit or units within which the City is located;
- Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, approved by the Division of Investment in the Department of Treasury for investment by the City;
- Local governments' investment pools;
- Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281; or
- Agreements for the repurchase of fully collateralized securities with certain limitations.

Concentration of Investment Credit Risk – The City places no limit on the amount it may invest in any one issuer.

C. GOVERNMENTAL UNIT DEPOSIT PROTECTION ACT (“GUDPA”)

The City has deposited cash in 2024 with an approved public fund depository qualified under the provisions of the GUDPA. In addition to savings and checking accounts, the City can invest monies in certificates of deposit, however, no certificates of deposit were owned by the City as of December 31, 2024.

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

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

C. GOVERNMENTAL UNIT DEPOSIT PROTECTION ACT (“GUDPA”) (CONTINUED)

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with GUDPA, a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include state or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured.

The market value of the collateral must equal five percent of the average daily balance of public funds; and, if the public funds deposited exceed 75 percent of the capital funds of the depository, the depository must provide collateral having a market value equal to 100 percent of the amount exceeding 75 percent.

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board, or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

D. PENSION PLANS

A substantial number of the City’s employees participate in the following defined benefit pension plans: the Public Employees’ Retirement System (“PERS”) and the Police and Firemen’s Retirement System (“PFRS”), which are administered and/or regulated by the New Jersey Division of Pensions and Benefits (the “Division of Pensions and Benefits”). Both plans have a board of trustees that is primarily responsible for its administration. The Division of Pensions and Benefits issues publicly available financial reports for each plan that includes financial statements and required supplementary information. Those reports may be obtained at <https://www.state.nj.us/treasury/pensions/annual-reports.shtml> or by writing to:

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

The Governmental Accounting Standards Board (“GASB”) Statement No. 68 reports for PERS and PFRS for the plan year ended June 30, 2024, were not available as of the date of this report. Per Local Finance Notice 2023-10, issued by the Division of Local Government Services, calendar year municipalities are able to include in their annual audits the most recent audited GASB 68 information published by the Division of Pensions and Benefits. As a result, except for 2024 contributions to the plan made, the City included in the note below disclosures based on the plan year ended June 30, 2023, audited PERS and PFRS information.

Plan Descriptions

PERS is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955. PFRS is a cost-sharing multiple-employer defined benefit pension plan administered by the Division of Pensions and Benefits. For additional information about PERS and PFRS, please refer to the Division of Pensions and Benefits annual financial statements, which can be found at the link above.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

D. PENSION PLANS (CONTINUED)

Plan Descriptions (Continued)

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

Benefits Provided

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

The following represents the membership tiers for PERS:

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

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

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

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

D. PENSION PLANS (CONTINUED)

Benefits Provided (Continued)

The following represents the membership tiers for PFRS:

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

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

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

PERS

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in state fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012, and will be adjusted by the rate of return on the actuarial value of assets.

The State, as a non-employer, is required to pay the additional costs incurred by local employers under Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The plan year ended June 30, 2023, State PERS special funding situation net pension liability amount of \$122.1 million is the accumulated difference between the annual actuarially determined State obligation under the special funding situation and the actual State contribution through the valuation date. As of plan year ended June 30, 2023, there is no net pension liability associated with this special funding situation as there was no accumulated difference between the annual additional normal cost under the special funding situation and the actual State contribution through the valuation date.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

D. PENSION PLANS (CONTINUED)

PERS (Continued)

The State special funding situation pension expense of \$55.7 million, for the plan year ended June 30, 2023, is the actuarially determined contribution amount that the State owes for the plan year ended June 30, 2023. The pension expense is deemed to be a State administrative expense due to the special funding situation.

PFRS

The contribution policy for PFRS is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PFRS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in state fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012, and will be adjusted by the rate of return on the actuarial value of assets.

A special funding situation exists for the local employers of the PFRS of New Jersey. The State of New Jersey, as a non-employer, is required to pay the additional costs incurred by local employers under Chapter 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 plan year ended June 30, 2023, state special funding situation net pension liability amount of \$2,035,866,759, is the accumulated difference between the annual actuarially determined state obligation under the special funding situation and the actual state contribution through the valuation date. The state special funding situation pension expense of \$231,575,656, for the plan year ended June 30, 2023, is the actuarially determined contribution amount that the state owes for the plan year ended June 30, 2023. The pension expense is deemed to be a state administrative expense due to the special funding situation.

Special Funding Situation

Under N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed that legally obligated the state if certain circumstances occurred. The legislation, which legally obligates the state, is as follows: Chapter 8, P.L. 2000; Chapter 318, P.L. 2001; Chapter 86, P.L. 2001; Chapter 511, P.L. 1991; Chapter 109, P.L. 1979; Chapter 247, P.L. 1993; and Chapter 201, P.L. 2001. The amounts contributed on behalf of the local participating employers under this legislation are considered to be a special funding situation as defined by GASB Statement No. 68 and the state is treated as a non-employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer-specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers related to this legislation. The portion of the PERS and PFRS non-employer contributing entities' total proportionate share of the collective net pension liability that is associated with the City is \$0 and \$1,767,483 and the non-employer contributions were \$20,065 and \$202,132, respectively.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

D. PENSION PLANS (CONTINUED)

DCRP

The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the City contributes 3% of the employees' base salary, for each pay period, to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period. For the year ended December 31, 2024, the City's contributions were \$13,246.71. There were no forfeitures during the year.

The City is billed annually for its normal contribution plus any accrued liability. Paid contribution to PERS from the City was \$593,688.00 for the year ended December 31, 2024. Paid contribution to PFRS from the City was \$1,155,712.00 for the year ended December 31, 2024.

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

At plan year ended June 30, 2023, the City had a liability of \$6,433,987.00 for its proportionate share of the net pension liability in PERS and had a liability of \$9,592,248.00 for its proportionate share of the net pension liability in PFRS.

The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating members of the plan, actuarial determined. At plan year ended June 30, 2023, the City's PERS proportion was 0.0444201939%, which was an increase of 0.0020326% from its proportion measured as of plan year ended June 30, 2022. At plan year ended June 30, 2023, the City's PFRS proportion was 0.08681724% which was a decrease of 0.0029786% from its proportion measured as of plan year ended June 30, 2022. Per the State report, the City's PERS pension expense for the plan year ended June 30, 2023, was a net credit of \$63,485 and the City's PFRS pension expense for the plan year ended June 30, 2023, was \$696,433.

At plan year ended June 30, 2023, the City had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	PERS as of June 30, 2023		PFRS as of June 30, 2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 61,517	\$ 26,300	\$ 410,721	\$ 457,465
Changes in Assumptions	14,134	389,927	20,703	647,707
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	29,629	-	488,515	-
Changes in Proportion	288,121	302,585	650,677	522,911
	<u>\$ 393,401</u>	<u>\$ 718,812</u>	<u>\$ 1,570,616</u>	<u>\$ 1,628,083</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

D. PENSION PLANS (CONTINUED)

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

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

PERS as of		PFRS as of	
Years Ending June 30,		Years Ending June 30,	
2024	\$ (339,690)	2024	\$ (373,296.8)
2025	(189,602)	2025	(358,244)
2026	264,956	2026	576,379
2027	(47,417)	2027	(49,573)
2028	806	2028	17,694
Thereafter	-	Thereafter	1,808
	<u>\$ (310,947)</u>		<u>\$ (185,233)</u>

The previous amounts do not include City-specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by the City over the average of the expected remaining service lives of all plan members, which is 5.08, 5.04, 5.13, 5.16, 5.21 and 5.63 years for PERS and 6.16, 6.22, 6.17, 5.90, 5.92 and 5.73 years for PFRS for the years 2023, 2022, 2021, 2020, 2019 and 2018, respectively.

Actuarial Assumptions

The PERS and PFRS net pension liabilities were 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, which was rolled forward to June 30, 2023. The total PERS and PFRS pension liabilities for the plan year ended June 30, 2023, actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

For PERS, pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

D. PENSION PLANS (CONTINUED)

Actuarial Assumptions (Continued)

rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

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.

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

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.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. equity	28.00%	8.98%
Non-U.S. developed markets equity	12.75%	9.22%
International Small cap Equity	1.25%	9.22%
Emerging markets equity	5.50%	11.13%
Private equity	13.00%	12.50%
Real assets	3.00%	8.40%
Real estate	8.00%	8.58%
High yield	4.50%	6.97%
Private credit	8.00%	9.20%
Investment grade credit	7.00%	5.19%
Cash equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk mitigation strategies	3.00%	6.21%
	100.00%	

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

D. PENSION PLANS (CONTINUED)

Discount Rate

The discount rate used to measure the total pension liabilities of PERS and PFRS was 7.00% as of plan year ended 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 employers and the non-employer 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 projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

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

The following presents the City's proportionate share of the collective net pension liability of the participating employers, calculated using the discount rate as disclosed above as well as what the City's proportionate share of the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>At 1% Decrease (6.00%)</u>	<u>At Current Discount Rate (7.00%)</u>	<u>At 1% Increase (8.00%)</u>
City's proportionate share of PERS Plan Year Ended June 30, 2023	<u>\$ 8,392,052</u>	<u>\$ 6,433,987</u>	<u>\$ 4,767,415</u>
	<u>At 1% Decrease (6.00%)</u>	<u>At Current Discount Rate (7.00%)</u>	<u>At 1% Increase (8.00%)</u>
City's proportionate share of PFRS Plan Year Ended June 30, 2023	<u>\$ 14,060,314</u>	<u>\$ 9,592,248</u>	<u>\$ 5,871,417</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

E. OTHER POST-EMPLOYMENT BENEFITS

General Information About the OPEB Plan

The City contributes to the State Health Benefits Program (“SHBP”), a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the Division of Pensions and Benefits. The SHBP was established in 1961 under N.J.S.A. 52:14-17.25 et seq., to provide health benefits to State employees, retirees and their dependents. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. The SHBP provides medical and prescription drug coverage to retirees and their covered dependents.

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. In 1990, the City authorized participation in the SHBP’s post-retirement benefit program through resolution number 05-340-R-255 on December 6, 2005. The City adopted the provision of Chapter 88, Public Laws of 1974 as amended by Chapter 436, P.L. 1981 to permit local public employers to pay the premium charges for certain eligible pensioners and their dependents covered by the New Jersey Health Benefits Program. In accordance with P.L. 2011 c. 78, employees make contributions towards their health insurance premiums based on their salary in accordance with a formula provided for in the law.

The formula is based on:

- Type of coverage: family, employee plus (children, spouse, partner), or individual employee, or their equivalents;
- Base salary, which determines the percent of premium cost that is contributed for each type of coverage; and
- Cost of coverage (premium).

The GASB Statement No. 75 report of the State Health Benefits Local Government Retired Employees Plan (the “Plan”) for the plan year ended June 30, 2024, was not available as of the date of this report. Per Local Finance Notice 2023-10, issued by the Division of Local Government Services, calendar year municipalities are able to include in their annual audits the most recent audited GASB 75 information published by the Division of Pensions and Benefits. As a result, excluding current year contributions paid to the plan, the City included in the note below disclosures based on the plan year ended June 30, 2023, audited plan information.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

E. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

General Information About the OPEB Plan (Continued)

The minimum and maximum percentages, based on the type of coverage and impact of income range at full (fourth year) implementation, are as follows:

<u>Type of Coverage</u>	<u>First Salary Bracket</u>	<u>% of Premium at Lowest Salary Bracket</u>	<u>Highest Salary (and over)</u>	<u>Maximum % of Premium Paid</u>
Employee	< than \$20,000	4.5%	\$ 95,000	35%
Employee plus	< than \$25,000	3.5%	\$ 100,000	35%
Family	< than \$25,000	3.0%	\$ 110,000	35%

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

In accordance with Chapter 330, P.L. 1997, which is codified in N.J.S.A. 52:14-17.32i, the State provides medical and prescription coverage to local police officers and firefighters, who retire with 25 years of service or on a disability from an employer who does not provide post-retirement medical coverage. Local employers were required to file a resolution with the Division of Pensions and Benefits in order for their employees to qualify for State-paid retiree health benefits coverage under Chapter 330. 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 post-retirement medical coverage who have less than 20 years of creditable service on June 28, 2011, will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

E. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Fund Policy

Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-retirement medical benefits under the plan have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis. Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the City on a monthly basis. As a participating employer, the City will pay and remit to the State Treasury contributions to cover the full cost of premiums for eligible pensioners on a basis comparable to the reimbursement made by the State to its eligible pensioners and their spouses in accordance with the provisions of Chapter 75, Public Laws of 1972.

The City's contributions to SHBP retirees for the year ended December 31, 2024, were \$3,095,590.15 including employee contributions, which equaled the required contributions for active and retired participants for the year. There were one hundred sixty-four eligible plan members in 2023.

Allocation Methodology

GASB Statement No. 75 requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB expense. The special funding situation's and nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are based on separately calculated total OPEB liabilities. For the special funding situation and the nonspecial funding situation, the total OPEB liabilities for the plan year ended June 30, 2023, were \$3,461,898,890 and \$11,427,677,896, respectively. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are further allocated to employers based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2022 through June 30, 2023.

Net OPEB Liability

Components of Net OPEB Liability

The components of the collective net OPEB liability of the participating employers in the SHBP as of plan year ended June 30, 2023, are as follows:

	<u>June 30, 2023</u>
Total OPEB Liability	\$ 26,768,481
Plan Fiduciary Net Position	<u>(210,276)</u>
Net OPEB Liability	<u>\$ 26,978,757</u>
Plan Fiduciary Net Position as a % of Total OPEB Liability	-0.79%

Actuarial assumptions used in the July 1, 2022, valuation were based on the results of the PFRS and PERS experience studies prepared for July 1, 2018 to June 30, 2021. One-hundred percent of active members are considered to participate in the Plan upon retirement.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

E. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Net OPEB Liability (Continued)

The total OPEB liability as of plan year ended June 30, 2023, was 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:

Inflation rate	2.50%
Salary increases*:	
Public Employees' Retirement System (PERS)	
Rate for all Future Years	2.75 - 6.55%
Police and Firemen's Retirement System (PFRS)	
Rate for all Future Years	3.25 - 16.25%
Mortality:	
PERS	Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021
PFRS	Pub-2010 Safety classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021

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

Health Care Trend Assumptions

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

Discount Rate

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

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

E. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Sensitivity of Net OPEB Liability to Changes in the Discount Rate

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

At 1% Decrease (2.65%)	At Current Discount Rate (3.65%)	At 1% Increase (4.65%)
\$ 31,250,000	\$ 26,978,757	\$ 23,543,201

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

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

At 1% Decrease	Healthcare Cost Trend Rate	At 1% Increase
\$ 22,928,769	\$ 26,978,757	\$ 32,163,979

Deferred Outflows of Resources and Deferred Inflows of Resources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 1,244,121	\$ 7,326,549
Changes in Assumptions	3,494,761	7,626,031
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	4,452
Changes in Proportion	14,748,704	9,414,890
	<u>\$ 19,487,586</u>	<u>\$ 24,371,922</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

E. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

The amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows for the plan year ended June 30, 2023:

	Years Ending December 31,	
2024	\$	(9,829,154)
2025		(1,057,131)
2026		228,067
2027		820,000
2028		(156,179)
Thereafter		(223,753)
	<u>\$</u>	<u>(10,218,150)</u>

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

F. COMPENSATED ABSENCES

City employees are entitled to paid vacation depending upon their length of service with the City. Vacation days not used during the year may be accumulated and carried forward to the next succeeding year and must then be used or forfeited. Unused vacation time is reimbursed to the employee at their current rate of pay upon termination in accordance with their respective union contracts or personnel policies.

City employees accrue unused sick time in three separate classes: Class A – Supervisors will be compensated for up to 100 days of sick leave at retirement; Class B – Police Officers employed prior to January 4, 1990, will be compensated for all unused sick time at retirement and Police Officers hired afterwards will be compensated for up to 100 days of sick leave at retirement; and Class C – Other City employees will be compensated for one-half of all unused sick time not exceeding \$6,000 at retirement.

The City does not record accrued expenses related to compensated absences. However, at December 31, 2024, the estimated liability for accumulated leave was \$2,843,741 and a related reserve of \$38,783.91 was maintained in the Trust Funds. The estimated liability for accumulated leave is broken down as follows:

Vacation	\$ 489,825
Sick	2,332,260
Personal Time	<u>21,657</u>
Total	<u>\$ 2,843,741</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

G. DEFERRED COMPENSATION PLAN

The City offers its employees a Deferred Compensation Plan in accordance with IRC Section 457, which has been approved by the Director of the Division. The plan, available to all full time employees at their option, permits employees to defer a portion of their salary to future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency.

Amounts deferred under Section 457 plans must be held in trust for the exclusive benefit of participating employees and not be accessible by the City or its creditors. Since the City does not have a fiduciary relationship with the plan, the balances and activities of the plan are not reported in the City's financial statements.

H. FUND BALANCES APPROPRIATED

The 2024 annual budget utilized \$3,846,000.00 of fund balance in the Current Fund. \$683,000.00 of the Water Utility Operating Fund is anticipated in support of the 2024 Water Utility Fund budget. \$595,000.00 of the Sewer Utility Operating Fund is anticipated in support of the 2024 Sewer Utility Fund budget. The 2025 annual budget appropriated utilization of \$4,581,000.00, \$729,000.00, and \$592,000.00 of fund balance from the Current Fund, Water Utility Operating Fund, and the Sewer Utility Operating Fund, respectively.

I. JOINT INSURANCE POOL

The City is a member of the New Jersey Self-Insurers Joint Insurance Fund and the Municipal Excess Liability Joint Insurance Fund ("MEL"). These funds provide the City with the following coverage:

Liability – Auto, General & Workers' Compensation	Excess Public Officials Bond
Property – Building, Collision & Boiler/Machinery	Public Officials Liability
Public Employee Dishonesty Bond	Employment Liability
Monies and Securities	

Contributions to the Fund, including a reserve for contingencies, are payable in four installments and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Insurance may order additional assessments to supplement the Fund's claim, loss retention or administrative accounts to assure the payment of the Fund's obligations. Contributions to the Fund are payable in an annual premium and are based on actuarial assumptions determined by the Fund's actuary. The City's agreement with the pool provides that the pool will be self-sustaining through member premiums and will reinsure through commercial insurance (MEL) for claims in excess of the Fund's insured limits for each insured event.

The Fund published its own financial report for the year ended December 31, 2024, which can be obtained from:

New Jersey Municipal Self-Insurers' Joint Insurance Fund
c/o Risk and Loss Managers, Inc.
51 Everett Drive, Suite B-40
West Windsor, New Jersey 08550-5374

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

J. UNEMPLOYMENT COMPENSATION INSURANCE

The City has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method.” Under this plan, the City is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The City is billed quarterly for amounts due to the State. The following is a summary of City contributions, reimbursements to the State for benefits paid, and the ending balance of the City’s trust fund for the current and previous two years:

Year	City Contributions	Amount Reimbursed	Ending Balance
2024	\$ 237.71	\$ 21,428.84	\$ 113,501.39
2023	194.11	26,565.82	134,692.52
2022	11,747.49	16,434.79	161,064.23

K. INTERFUNDS

The following interfunds remained as of December 31, 2024:

Fund	Due from	Due to
Current Fund	\$ 300,033.60	\$ 1,143.09
State/Federal Grant Fund	860.70	-
General Capital	-	323.53
Trust Assessment	-	0.70
Trust Other	-	353,951.03
Animal Control	-	1,518.08
Water Operating	30,819.27	-
Water Assessment Trust	-	0.48
Water Capital	-	358.84
Sewer Operating	25,853.26	-
Sewer Assessment Trust	-	1.16
Sewer Capital	-	269.92
Total	<u>\$ 357,566.83</u>	<u>\$ 357,566.83</u>

The purpose of these interfunds is short-term borrowings.

L. RISK MANAGEMENT

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

The City, for the year 2024, has adopted a plan of self-insurance for auto liability, general liability and workers’ compensation insurance, and has established the Reserve for Self-Insurance in the Trust Other Fund to account for and finance its related uninsured risks of loss up to \$100,000 per any one claim for auto liability and general liability, and \$150,000 for any one claim for workers’ compensation. Qual-Lynx acts as administrator for the plan. Coverage for claims in excess of amounts stipulated is provided by the New Jersey Municipal Self-Insurer’s Joint Insurance Fund.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

P. CAPITAL DEBT

The Local Bond Law governs the issuance of bonds and notes to finance general municipal capital expenditures. Bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the City on the capital fund, water utility capital fund, and sewer utility capital fund are general obligation serial bonds, backed by the full faith and credit of the City. At December 31, 2024, the City had general obligation serial bonds payable totaling \$6,810,000.

Bond anticipation notes (“BANs”) are issued to temporarily finance capital projects prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. All such notes must be paid no later than the tenth anniversary of the date of the original note. The State of New Jersey also prescribes that on or before the third anniversary date of the original note a payment of at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid. A second legal installment must be paid if the notes are to be renewed beyond the fourth anniversary date of the original issuance. Such notes are authorized by a resolution adopted by the governing body. At December 31, 2024, the City had bond anticipation notes payable totaling \$3,218,000.

The City also has permanent and interim loans payable through the New Jersey Infrastructure Bank (“NJIB”) Infrastructure Financing Program for various water and sewer utility capital projects. Under the NJIB program the borrowers benefit from a loan formula under which participants borrow a percentage of cost from the State Revolving Fund maintained by the NJDEP at zero interest and the remaining percentage from the Trust at the same interest rate the Trust pays on its bonds. At December 31, 2024, the City had permanent loans payable of \$2,135,991.70 and interim loans payable totaling \$3,746,167.00. See the tables below for the summary of capital debt.

	<u>December 31, 2024</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Summary of Municipal Debt Issued			
General Bonds and Notes	\$ 7,813,000.00	\$ 7,130,000.00	\$ 7,350,000.00
Water Utility Bonds and Notes	1,365,495.87	3,012,560.36	2,950,029.00
Sewer Utility Bonds and Notes	2,985,495.83	3,147,669.09	3,255,097.00
Total Issued	<u>12,163,991.70</u>	<u>13,290,229.45</u>	<u>13,555,126.00</u>
Authorized but not Issued			
General Bonds and Notes	5,302,387.31	3,866,887.31	3,548,187.00
Water Utility Bonds and Notes	2,504,412.12	2,496,058.12	2,237,058.00
Sewer Utility Bonds and Notes	2,509,309.11	469,709.11	500,709.00
Total Authorized but not Issued	<u>10,316,108.54</u>	<u>6,832,654.54</u>	<u>6,285,954.00</u>
Total Issued and Authorized but not Issued	<u>22,480,100.24</u>	<u>20,122,883.99</u>	<u>19,841,080.00</u>
Deductions			
Self-Liquidating Debt	9,364,712.93	9,125,996.68	8,942,893.00
Net Debt	<u>\$ 13,115,387.31</u>	<u>\$ 10,996,887.31</u>	<u>\$ 10,898,187.00</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

P. CAPITAL DEBT (CONTINUED)

General Capital Fund
General Serial Bonds

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 670,000.00	\$ 211,193.75	\$ 881,193.75
2026	680,000.00	189,131.25	869,131.25
2027	685,000.00	166,693.75	851,693.75
2028	695,000.00	143,350.00	838,350.00
2029	705,000.00	118,444.00	823,444.00
2030-2034	1,560,000.00	376,800.00	1,936,800.00
2035-2037	1,080,000.00	66,000.00	1,146,000.00
Total	<u>\$ 6,075,000.00</u>	<u>\$ 1,271,612.75</u>	<u>\$ 7,346,612.75</u>

Sewer Utility Fund Capital Fund
General Serial Bonds

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 115,000.00	\$ 15,375.00	\$ 130,375.00
2026	120,000.00	9,500.00	129,500.00
2027	130,000.00	3,250.00	133,250.00
Total	<u>\$ 365,000.00</u>	<u>\$ 28,125.00</u>	<u>\$ 393,125.00</u>

NJIB Loan

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 477,236.74	\$ 51,485.00	\$ 528,721.74
2026	334,927.50	38,935.00	373,862.50
2027	143,924.14	26,985.00	170,909.14
2028	31,924.00	10,010.00	41,934.00
2029	31,924.00	9,810.00	41,734.00
2030-2034	184,620.70	44,050.00	228,670.70
2035-2039	184,620.70	34,050.00	218,670.70
2040-2044	194,620.70	23,850.00	218,470.70
2045-2048	167,697.35	9,240.00	176,937.35
Total	<u>\$ 1,751,495.83</u>	<u>\$ 248,415.00</u>	<u>\$ 1,999,910.83</u>

Water Utility Capital Fund
General Serial Bonds

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 95,000.00	\$ 11,862.50	\$ 106,862.50
2026	95,000.00	8,762.50	103,762.50
2027	100,000.00	5,606.25	105,606.25
2028	40,000.00	3,000.00	43,000.00
2029	40,000.00	1,000.00	41,000.00
Total	<u>\$ 370,000.00</u>	<u>\$ 30,231.25</u>	<u>\$ 400,231.25</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

P. CAPITAL DEBT (CONTINUED)

<u>NJIB Loan*</u>			
Year	Principal	Interest	Total
2025	\$ 17,468.49	\$ 9,839.68	\$ 27,308.17
2026	22,468.49	9,112.94	31,581.43
2027	22,468.49	8,172.68	30,641.17
2028	22,468.49	7,250.00	29,718.49
2029	22,468.49	6,344.00	28,812.49
2030-2034	112,342.45	21,831.00	134,173.45
2035-2039	137,342.45	10,636.00	147,978.45
2040	27,468.52	945.00	28,413.52
Total	<u>\$ 384,495.87</u>	<u>\$ 74,131.30</u>	<u>\$ 458,627.17</u>

*Excludes \$3,746,167 interim loan payable. See loan details below.

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

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest & Other Investment Income & Other Charges for the Year	\$3,371,661.50
Deductions:	
Operating & Maintenance Cost	\$2,779,000.00
Debt Service Per Water Utility Fund	<u>146,585.94</u>
	<u>2,925,585.94</u>
Excess in Revenue	<u>\$ 446,075.56</u>

Calculation of “Self-Liquidating Purpose” Sewer Utility Per N.J.S.A. 40A:2-45

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest & Other Investment Income & Other Charges for the Year	\$3,877,560.26
Deductions:	
Operating & Maintenance Cost	\$2,994,000.00
Debt Service Per Water Utility Fund	<u>675,501.66</u>
	<u>3,669,501.66</u>
Excess in Revenue	<u>\$ 208,058.60</u>

Interim Loan – NJIB

On November 12, 2020, the City was approved for an interest-free NJIB Interim Loan in the amount of \$1,990,596. The loan proceeds will be utilized towards the funding of Water Plant improvements and replacement of water meters. On September 10, 2024, the City was approved for an additional interest free NJIB Interim Loan in the amount of \$1,755,571. The loan proceeds will be utilized towards the funding of the Broad Street Water Tower Improvements. Both loans are not due for repayment until the projects are completed and final costs are known at which time a permanent NJIB loan will be issued. As of December 31, 2024, the balance of the Interim Loan is \$3,746,167.00.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Q. CAPITAL DEBT REFUNDING

On June 6, 2006, the NJIB, formerly New Jersey Environmental Infrastructure Trust, refunded Series 1999 Bonds of which the City had \$695,000 outstanding as of the date of the refunding. As a result, NJIB defeased \$35,000 in outstanding principal of the City which also resulted in a reduction of \$35,171 in future interest expense.

On March 15, 2011, the Burlington County Bridge Commission ("BCBC") refunded Series 2002 Bonds of which the City had \$3,862,000 outstanding as of the date of the refunding. As a result, BCBC defeased \$25,000 in outstanding principal of the City which also resulted in a reduction of \$83,805 in future interest expense.

During the fiscal year ended December 31, 2015, the City did not utilize the entire funding portion of the 2008A NJIB loan and the NJIB forgave \$1,057,616 of the City's loan. \$500,000 was forgiven towards the Trust Loan and \$557,616 was forgiven towards the Trust Fund Loan.

On May 11, 2016, the NJIB refunded Series 2008A Bonds of which the City had \$2,055,245 outstanding as of the date of the refunding. As a result, NJIB defeased \$202,000 in outstanding principal of the City which also resulted in a reduction of \$150,209 in future interest expense.

There were no refunding bonds issued or defeased debt in the current year.

R. LEASE AND SUBSCRIPTION BASED IT AGREEMENTS

The City leases multiple copiers with De Lage Landen Financial Services, Marlin Leasing Corp, Pitney Bowes and Canon Financial Services for varying interest rates. The lease agreements were either renewed through the current year end or were on a month-to-month basis and payments for the year 2024 were \$30,424.07.

The City leases multiple vehicles through Enterprise FM Trust. The City payments for the year 2024 for vehicle leases were \$119,526.58. The City also has leases for various equipment and storage needs. The leases are with multiple vendors and payments for the year 2024 were \$22,619.97.

Lastly, the City has multiple information technology subscriptions with Lexis Nexis, MC Systems Solutions and Power DMS vendors. The City payments on these agreements for the year 2024 were \$9,935.57. Each of these agreements qualify as leases or subscription-based IT agreements under GASB Statements number 87 and 96, respectively. Implementation of these standards was not required under the basis of accounting promulgated by the Division.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

S. TAX ABATEMENT AND PAYMENT IN LIEU OF TAXES

The City has entered into several property tax abatement agreements in order to provide incentives to redevelop areas that are in need for improvement or to create economic growth. These agreements are authorized under various New Jersey state statutes. The following represents the City's most significant tax abatement agreements:

Program/Entity Name	PILOT 2024 Billing	PILOT 2024 Collection	Taxes if Billed in Full	Total Abated Taxes
Pearl St. Burlington Urban Renewal, LLC	\$ 11,350.00	\$ 11,350.00	\$ 23,815.00	\$ 12,465.00
High St. Burlington Urban Renewal, LLC	7,929.20	7,929.20	33,566.16	25,636.96
Catholic Charities	2,982.37	2,982.37	-	(2,982.37)
Burlington County Bridge Commission	3,181.50	3,181.50	-	(3,181.50)
Peron Pearl Urban Renewal, LLC	384,841.91	384,841.91	889,382.00	504,540.09
Matrix Burlington River Road North, LLC	511,864.75	511,864.75	1,088,072.71	576,207.96
NJHMFA - The Mill-Ingerman	28,455.00	28,455.00	549,910.00	521,455.00
NJHMFA - Burlington Housing Authority	10,612.00	10,612.00	51,483.70	40,871.70
Canon Business Solutions	37,248.80	37,248.80	36,198.80	(1,050.00)
Total	<u>\$ 998,465.53</u>	<u>\$ 998,465.53</u>	<u>\$ 2,672,428.37</u>	<u>\$ 1,673,962.84</u>

T. SUBSEQUENT EVENTS

The City has evaluated all subsequent events occurring after December 31, 2024, through July 3, 2025, which is the date the financial statements were available to be issued. The following events were determined by management to require disclosure.

On April 4, 2025, the City issue bond anticipation notes in the amount of \$9,678,000. The issuance resulted in new money BANs of \$2,702,500, \$1,298,900 and \$2,458,600 and renewed existing BANs of \$1,738,000, \$611,000 and \$869,000 for multiple capital fund, water utility fund and sewer utility fund bond ordinances, respectively. There were no pay downs in the issuance and the new BANs are due 1 year from the date of issuance.

APPENDIX C

FORM OF BOND COUNSEL OPINIONS



June __, 2026

Mayor and Common Council
of the City of Burlington
252 High Street
Burlington, New Jersey

**RE: \$8,873,000 CITY OF BURLINGTON, COUNTY OF BURLINGTON,
NEW JERSEY, GENERAL OBLIGATION BONDS, SERIES 2026**

Mayor and Council Members:

We have served as Bond Counsel in connection with the authorization, issuance, sale and delivery of the above-referenced obligations ("Bonds") by the City of Burlington, County of Burlington, New Jersey ("City"). The Bonds consist of: (i) \$884,000 General Capital Improvement Bonds; (ii) \$2,656,000 Water Utility Bonds; and (iii) \$5,333,000 Sewer Utility Bonds.

The Bonds are authorized pursuant to and in accordance with: (i) the Local Bond Law, constituting Chapter 169 of the Laws of 1960 of the State of New Jersey, as amended and supplemented ("Local Bond Law"); (ii) the bond ordinances set forth in the Resolution (hereinafter defined), each duly and finally adopted by the City Common Council and published in accordance with the Local Bond Law (collectively, the "Bond Ordinances"); (iii) a resolution adopted by the City Common Council on May 5, 2026 ("Resolution"); and (iv) a Certificate of Determination and Award executed by the Chief Financial Officer of the City on May __, 2026 ("Award Certificate").

<u>Year</u>	<u>General Capital Improvement Bonds</u>	<u>Water Utility Bonds</u>	<u>Sewer Utility Bonds</u>	<u>Total Principal Amount</u>	<u>Interest Rate</u>
2027	\$45,000	\$71,000	\$142,000	\$258,000	%
2028	49,000	115,000	241,000	405,000	
2029	75,000	120,000	250,000	445,000	
2030	85,000	125,000	255,000	465,000	
2031	90,000	130,000	260,000	480,000	
2032	90,000	135,000	270,000	495,000	
2033	90,000	140,000	275,000	505,000	
2034	90,000	140,000	280,000	510,000	
2035	90,000	140,000	280,000	510,000	
2036	90,000	140,000	280,000	510,000	
2037	90,000	140,000	280,000	510,000	
2038		140,000	280,000	420,000	
2039		140,000	280,000	420,000	
2040		140,000	280,000	420,000	
2041		140,000	280,000	420,000	
2042		140,000	280,000	420,000	



<u>Year</u>	<u>General Capital Improvement Bonds</u>	<u>Water Utility Bonds</u>	<u>Sewer Utility Bonds</u>	<u>Total Principal Amount</u>	<u>Interest Rate</u>
2043		\$140,000	\$280,000	\$420,000	%
2044		140,000	280,000	420,000	
2045		140,000	280,000	420,000	
2046		140,000	280,000	420,000	

The Bonds are dated their date of delivery, mature on April 1 in each of the years and in the respective principal amounts set opposite each such year in the table below and bear interest at the interest rates per annum in the table below, payable semi-annually on April 1 and October 1, commencing April 1, 2027, in each year until maturity or earlier redemption.

The Bonds are issued in fully registered book-entry-only form without coupons, and are subject to redemption prior to maturity on the terms and conditions stated therein.

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

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

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

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

1. The Bonds are legal, valid and binding obligations of the City enforceable in accordance with the terms thereof, except to the extent that enforcement thereof may be limited by bankruptcy, insolvency, moratorium or other laws or equitable principles affecting the enforcement of creditors' rights generally ("Creditors' Rights Limitations").
2. For the payment of principal and interest on the Bonds, the City has the power and is obligated, to the extent payment is not otherwise provided, to levy *ad valorem* taxes upon all taxable real property within the City without limitation as to rate or amount, except to the extent that enforcement thereof may be affected by Creditors' Rights Limitations.



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

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

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

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

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

In addition, attention is called to the fact that Section 265(b)(1) of the Code eliminates the interest deduction otherwise allowable with respect to indebtedness deemed incurred by banks, thrift institutions and other financial institutions to purchase or to carry tax-exempt obligations acquired after August 7, 1986 other



than "qualified tax-exempt obligations" as defined in Section 265(b)(3) of the Code. The City has *not* designated the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

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

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

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

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

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

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

Very truly yours,



June __, 2026

Mayor and Common Council
of the City of Burlington
525 High Street
Burlington, New Jersey

RE: \$6,573,000 CITY OF BURLINGTON, COUNTY OF BURLINGTON, NEW JERSEY, BOND ANTICIPATION NOTES OF 2026, SERIES A

Mayor and Council Members:

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

The Notes are issued pursuant to and in accordance with: (i) the Local Bond Law, constituting Chapter 169 of the Laws of 1960 of the State of New Jersey, as amended and supplemented ("Local Bond Law"); (ii) bond ordinances 03-2018; 6-2022, as amended by 28-2024; 1-2023; 2-2024; 3-2024; 4-2024; 1-2025; and 2-2025, each duly and finally adopted by the City Common Council (collectively, the "Bond Ordinances"), and published in accordance with the requirements of the Local Bond Law; and (iii) a Certificate of Determination and Award executed by the Chief Financial Officer of the City on May __, 2026 ("Award Certificate").

The Notes are dated June 3, 2026 and mature on June 2, 2027. The Notes are issued in [bearer] [registered book-entry only] form without coupons and are not subject to redemption prior to maturity. The Notes are issued to temporarily finance the costs of certain improvements described in the Bond Ordinances.

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

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

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

COUNSEL WHEN IT MATTERS.SM



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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

Very truly yours,

APPENDIX D

**FORM OF CONTINUING DISCLOSURE AGREEMENT AND FORMS OF
INFORMATION REPORTING UNDERTAKING AGREEMENT**

CONTINUING DISCLOSURE AGREEMENT

THIS CONTINUING DISCLOSURE AGREEMENT ("Disclosure Agreement") is made on this ___th day of June, 2026, between the City of Burlington, County of Burlington, New Jersey ("City") and the Dissemination Agent (hereinafter defined). This Disclosure Agreement is entered into in connection with the issuance and sale by the City of its General Obligation Bonds, Series 2026, in the principal amount of \$8,873,000 ("Bonds"). The Bonds consist of: (i) \$884,000 General Capital Improvement Bonds; (ii) \$2,656,000 Water Utility Bonds; and (iii) \$5,333,000 Sewer Utility Bonds.

SECTION 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered for the benefit of the holders and beneficial owners of the Bonds (collectively, the "Bondholders") and in compliance with the provisions of Rule 15c2-12(b)(5), promulgated by the Securities and Exchange Commission ("Commission") pursuant to the Securities Exchange Act of 1934, as it may be amended from time to time, including administrative or judicial interpretations thereof, as it applies to the Bonds ("Rule").

SECTION 2. Definitions. Capitalized terms, not otherwise defined herein, shall, for purposes of this Disclosure Agreement, have the following meanings:

"Annual Report" shall mean, the City's Annual Report provided pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

"Commission" shall have the meaning set forth in Section 1 of this Disclosure Agreement

"Business Day" shall mean any day other than a Saturday, Sunday or a day on which the City or the Dissemination Agent is authorized by law or contract to remain closed.

"Continuing Disclosure Information" shall mean: (i) the Annual Report; (ii) any notice required to be filed with the National Repository pursuant to Section 5 hereof; and (iii) any notice of an event required to be filed with the National Repository pursuant to Section 3(c) hereof.

"Dissemination Agent" shall mean Phoenix Advisors, a Division of First Security Municipal Advisors, Inc., Hamilton, New Jersey, or any successor Dissemination Agent designated in writing by the City and which has filed with the City a written acceptance of such designation.

"EMMA" shall mean the Electronic Municipal Market Access System, an internet based filing system created and maintained by the MSRB in accordance with Release No. 34-59062 of the Commission, dated December 5, 2008, pursuant to which issuers of tax-exempt bonds, including the Bonds, and other filers on behalf of such issuers shall upload Continuing Disclosure Information to assist underwriters in complying with the Rule and to provide the general public with access to such Continuing Disclosure Information.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

"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 Commission as a repository for purposes of the Rule.

"Official Statement" shall mean the Official Statement of the City, dated June __, 2026, relating to the Bonds.

"Opinion of Counsel" shall mean a written opinion of counsel expert in federal securities law acceptable to the City.

"Rule" shall have the meaning set forth in Section 1 of this Disclosure Agreement.

SECTION 3. Provision of Annual Report.

(a) The City shall not later than two hundred seventy (270) days after the end of its fiscal year (currently December 31) for each fiscal year until termination of the City's reporting obligations under this Disclosure Agreement pursuant to the provisions of Section 6 hereof provide to the Dissemination Agent the Annual Report prepared for the preceding fiscal year of the City (commencing for the fiscal year ending December 31, 2025). Each Annual Report provided to the Dissemination Agent by the City shall comply with the requirements of Section 4 of this Disclosure Agreement 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 Commission.

(b) The Dissemination Agent, promptly (within fifteen (15) Business Days) after receiving the Annual Report from the City, shall submit each Annual Report received by it to the National Repository and thereafter shall file a written report with the City certifying that the Annual Report has been provided pursuant to this Disclosure Agreement to the National Repository and stating the date it was provided to the National Repository.

(c) If the City 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 City advising of such failure. Whether or not such notice is given or received, if the City thereafter fails to submit the Annual Report to the Dissemination Agent within fifteen (15) 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 City) to the National Repository in substantially the form attached as EXHIBIT "A" hereto.

SECTION 4. Contents of Annual Report. Annual Report shall mean: (i) the City's annual financial statements, substantially in the form set forth in Appendix B to the Official Statement, audited by an independent certified public accountant, provided that the annual audited financial statements of the City may be submitted separately from the balance of the Annual Report and later than the date required in Section 3(a) hereof for the filing of the Annual Report if the annual audited financial statements are not available by that date, but only if the unaudited financial statements of the City are included in the Annual Report; and (ii) certain financial information and operating data of the City consisting of City indebtedness, property valuation information, and tax rate, levy and collection data. Each annual audited financial statements will conform to generally accepted accounting principles applicable to governmental units or will be prepared in accordance

with the standards of the Governmental Accounting Standards Board and requirements of the Division of Local Government Services in the New Jersey Department of Community Affairs as such principles, standards and requirements exist at the time of the filing of the particular annual audited financial statements.

SECTION 5. Reporting of Significant Events.

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following listed events ("Listed Events"):

- (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 Bonds, or other material events affecting the tax status of the Bonds;
- (7) modifications to the rights of Bondholders, if material;
- (8) Bond calls (excluding mandatory sinking fund redemptions), if material, or tender offers;
- (9) defeasances;
- (10) release, substitution, or sale of property securing repayment of the Bonds, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the obligated person;
- (13) the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, 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 or the change of name of a trustee, if material;
- (15) incurrence of a financial obligation¹ of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; and
- (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

(b) The City shall within ten (10) Business Days of the occurrence of any of the Listed Events, notify the Dissemination Agent in writing to report the event pursuant to subsection (c) of this Section 5. In determining the materiality of a Listed Event specified clauses (2), (7), (8), (10),

¹ The term "financial obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with Rule 15c2-12.

(13), (14) or (15) of subsection (a) of this Section 5, the City may, but shall not be required to, rely conclusively on an Opinion of Counsel.

(c) If the Dissemination Agent has been instructed by the City to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with the National Repository within two (2) Business Days of the receipt of such instruction, with a copy of such notice provided by the Dissemination Agent to the City.

SECTION 6. Termination of Reporting Obligations. The reporting obligations of the City under this Disclosure Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds or when the City is no longer an Obligated Person (as defined in the Rule) with respect to the Bonds.

SECTION 7. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the City may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an Opinion of Counsel to the effect that such amendment or waiver will not, in and of itself, cause the undertakings herein to violate the Rule. No amendment to this Disclosure Agreement shall change or modify the rights or obligations of the Dissemination Agent without its written assent thereto. The City shall give notice of such amendment or waiver to this Disclosure Agreement to the Dissemination Agent and the Dissemination Agent shall file such notice with the National Repository.

SECTION 8. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement 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 Agreement. If the City 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 Agreement, it shall not have any obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 9. Default and Remedies. In the event of a failure of the City to comply with any provision of this Disclosure Agreement, the Dissemination Agent may (and, at the request of the Bondholders of at least twenty-five percent (25%) in aggregate principal amount of the outstanding Bonds and provision of indemnity and security for expenses satisfactory to it, shall), 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 City to comply with its obligations under this Disclosure Agreement. A failure of the City to comply with any provision of this Disclosure Agreement shall not be deemed to be a default under the Bonds. The sole remedy under this Disclosure Agreement in the event of any failure of the City to comply with this Disclosure Agreement shall be an action to compel performance.

SECTION 10. Notices. All notices and other communications required or permitted under this Disclosure Agreement shall be in writing and shall be deemed to have been duly given, made and received only when delivered (personally, by recognized national or regional courier service, or by other messenger, for delivery to the intended addressee) or when deposited in the United States mail, registered or certified mail, postage prepaid, return receipt requested, addressed as set forth below:

(i) If to the City:

City of Burlington
525 High St.
Burlington, NJ 08016
Attention: Chief Financial Officer

(ii) If to the Dissemination Agent:

Phoenix Advisors,
a Division of First Security Municipal Advisors, Inc.
2000 Waterview Dr.
Suite 101
Hamilton, NJ 08691
Attention: Bryan Morris, Managing Director

Any party may alter the address to which communications are to be sent by giving notice of such change of address in conformity with the provision of this Section 10 for the giving of notice.

SECTION 11. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the City, the Dissemination Agent and the Bondholders and nothing herein contained shall confer any right upon any other person.

SECTION 12. Submission of Information to MSRB. Any Continuing Disclosure Information filed with the MSRB in accordance with this Disclosure Agreement shall be in electronic format as shall be prescribed by the MSRB or such other format as the Rule may require or permit, and shall be accompanied by such identifying information as shall be prescribed by the MSRB or as may otherwise be required by the Rule.

SECTION 13. Compensation. The City shall pay the Dissemination Agent from time to time reasonable compensation for all services rendered under this Disclosure Agreement, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents and employees, incurred in and about the performance of its powers and duties under this Disclosure Agreement.

SECTION 14. Successors and Assigns. All of the covenants, promises and agreements contained in this Disclosure Agreement by or on behalf of the City or by or on behalf of the Dissemination Agent shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

SECTION 15. Headings for Convenience Only. The descriptive headings in this Disclosure Agreement are inserted for convenience of reference only and shall not control or affect the meaning or construction of any of the provisions hereof.

SECTION 16. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 17. Severability. If any provision of this Disclosure Agreement, or the application of any such provision in any jurisdiction or to any person or circumstance, shall be held invalid or unenforceable, the remaining provisions of this Disclosure Agreement, or the application of such provision as is held invalid or unenforceable in jurisdictions or to persons or circumstances other than those in or as to which it is held invalid or unenforceable, shall not be affected thereby.

SECTION 18. Governing Law. This Disclosure Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have executed this Disclosure Agreement as of the date first above written.

CITY OF BURLINGTON, NEW JERSEY

By: _____
TARA KRUEGER, Chief Financial Officer

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

By: _____
BRYAN MORRIS, Managing Director

EXHIBIT A

NOTICE TO NATIONAL REPOSITORY OF FAILURE TO FILE AN ANNUAL REPORT

Name of Issuer: City of Burlington, County of Burlington, New Jersey

Name of Bond Issues Affected: General Obligation Bonds, Series 2026

Date of Issuance of the Affected
Bond Issue: June , 2026

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above named Bond issue as required by Section 3 of the Continuing Disclosure Agreement, dated June __, 2026, between the City and the Dissemination Agent. [TO BE INCLUDED ONLY IF THE DISSEMINATION AGENT HAS BEEN ADVISED OF THE EXPECTED FILING DATE - The Issuer anticipates that such Annual Report will be filed by _____.]

Dated: _____

Phoenix Advisors, a Division of First
Security Municipal Advisors, Inc.
as Dissemination Agent

cc: City of Burlington, New Jersey

INFORMATION REPORTING UNDERTAKING AGREEMENT

ISSUER: City of Burlington, County of Burlington, New Jersey ("Issuer")

ISSUE: \$6,573,000 Bond Anticipation Notes of 2026, Series A
(Non-Callable) ("Notes")

DATED: June __, 2026

CUSIP: 121565__

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

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

- i. Principal and interest payment delinquencies;
- ii. Non-payment related defaults, if material
- iii. Unscheduled draws on debt service reserves reflecting financial difficulties;
- iv. Unscheduled draws on credit enhancements reflecting financial difficulties;
- v. Substitution of credit or liquidity providers, or their failure to perform;
- vi. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Notes, or other material events affecting the tax status of the Notes;

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

- vii. Modifications to the rights of Noteholders, if material;
- viii. Note calls (excluding mandatory sinking fund redemptions), if material, or tender offers;
- ix. Defeasances;
- x. Release, substitution, or sale of property securing repayment of the Notes, if material;
- xi. Rating changes;
- xii. Bankruptcy, insolvency, receivership or similar event of the Issuer;
- xiii. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- xiv. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- XV.** Incurrence of a financial obligation² of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; and
- xvi. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

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

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

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

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

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

IN WITNESS WHEREOF, the Issuer has executed and delivered this Agreement as of this __ day of June, 2026.

ISSUER:

**CITY OF BURLINGTON, COUNTY OF
BURLINGTON, NEW JERSEY**

By: _____
TARA KRUEGER,
Chief Financial Officer