PRELIMINARY OFFICIAL STATEMENT DATED AUGUST 4, 2026

NEW ISSUE
SERIAL BONDS

RATING: STANDARD & POOR'S: "AA-"
(See "RATING" herein)

In the opinion of Rogut McCarthy LLC, Bond Counsel to the Borough, assuming compliance by the Borough with its Tax Certificate described herein, under existing law, interest on the Bonds is excluded from gross income of the owners thereof for Federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). In addition, under existing law, interest on the Bonds is not treated as a preference item for purposes of the alternative minimum tax imposed under the Code with respect to individuals; however, interest on the Bonds that is included in the "adjusted financial statement income" of certain corporations is not excluded from the Federal corporate alternative minimum tax. In addition, Bond Counsel is further of the opinion that, under the New Jersey Gross Income Tax Act, as enacted and construed on the date hereof, interest on the Bonds and any gain from the sale of the Bonds are not includable in gross income of the holders thereof. See "TAX MATTERS" herein.

$13,550,000* GENERAL IMPROVEMENT BONDS OF THE BOROUGH OF FAIRVIEW IN THE COUNTY OF BERGEN, NEW JERSEY

(Book-Entry Only) (Callable)

Dated: August 15, 2026 **Due: August 15, as shown on the inside cover page**

The $13,550,000* General Improvement Bonds (the "Bonds") of the Borough of Fairview, in the County of Bergen, New Jersey (the "Borough"), will be issued as fully registered bonds registered in the name of Cede & Co., as nominee of The Depository Trust Company, Brooklyn, New York ("DTC"), as registered owner of the Bonds, with the Bonds immobilized in the custody of DTC. Owners of beneficial interests in the Bonds will not receive physical delivery of bond certificates, but are to receive statements or other evidence of such ownership of beneficial interests from sources from which such interests were purchased. Investors may purchase beneficial interests in the Bonds in book-entry form in the denomination of $5,000 or any integral multiple thereof. See "THE BONDS – Book-Entry Only System" herein. So long as DTC or its nominee, Cede & Co., is the registered owner of the Bonds, payments of principal of and interest on the Bonds will be made directly to DTC or its nominee, Cede & Co., which will remit such payments to the DTC Participants, which will, in turn, remit such payments to the owners of beneficial interests in the Bonds. Principal of the Bonds is payable on August 15 of each of the years set forth on the inside cover page, and interest on the Bonds is payable on each February 15 and August 15, commencing February 15, 2027 in each year until maturity or prior redemption. The Bonds are subject to optional redemption prior to their stated maturities. See "THE BONDS – Prior Redemption" herein.

The Bonds are general obligations of the Borough and are secured by a pledge of the full faith and credit of the Borough for the payment of the principal thereof and the interest thereon. The Borough is authorized and required by law to levy *ad valorem* taxes upon all the taxable real property within the Borough for the payment of the principal of and interest on the Bonds, without limitation as to rate or amount.

The Bonds are offered for sale upon the terms of the notice of sale and subject to the final approving opinion of Rogut McCarthy LLC, Cranford, New Jersey, Bond Counsel. It is anticipated that the Bonds in definitive form will be available for delivery to DTC in Brooklyn, New York, on or about August 20, 2026.

ELECTRONIC BIDS VIA PARITY AND SEALED PROPOSALS WILL BE RECEIVED UNTIL 11:00 O'CLOCK A.M. ON AUGUST 12, 2026 AT THE BOROUGH HALL, 59 ANDERSON AVENUE FAIRVIEW, NEW JERSEY 07022

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* Preliminary, subject to change.

MATURITY SCHEDULE, INTEREST RATES, YIELDS AND CUSIP NUMBERS**

Year	Principal*	Interest Rate	Yield	CUSIP No.**
2027	$650,000			305783____
2028	675,000			305783____
2029	700,000			305783____
2030	725,000			305783____
2031	750,000			305783____
2032	775,000			305783____
2033	800,000			305783____
2034	850,000			305783____
2035	900,000			305783____
2036	950,000			305783____
2037	1,025,000			305783____
2038	1,100,000			305783____
2039	1,150,000			305783____
2040	1,200,000			305783____
2041	1,300,000			305783____

(plus accrued interest from August 15, 2026)

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* Preliminary, subject to change.

** 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 Bondholders only at the time of issuance of the Bonds and the Borough 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 a specific maturity is subject to being changed after the issuance of the Bonds 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.

BOROUGH OF FAIRVIEW
BERGEN COUNTY, NEW JERSEY

MAYOR

Violetta Berisha

COUNCIL MEMBERS

Kenneth Schmitt, President
Florencia Asto
Stephen Burke
John Bussanich
Jhon Gomez
Russell Martin

BOROUGH ADMINISTRATOR/ CLERK

Diane T. Testa

CHIEF FINANCIAL OFFICER

Christopher Rutch

BOROUGH ATTORNEY

John L. Schettino, Esq.
Hackensack, New Jersey

BOROUGH AUDITOR

Wielkotz & Company, LLC
Pompton Lakes, New Jersey

BOND COUNSEL

Rogut McCarthy LLC
Cranford, New Jersey

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No broker, dealer, salesperson or other person has been authorized by the Borough or the Underwriter to give any information or to make any representations with respect to the Bonds 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 any of the foregoing. The information contained herein has been provided by the Borough and other sources deemed reliable; however, no representation or warranty is made as to its accuracy or completeness and such information is not to be construed as a representation of accuracy or completeness and such information is not to be construed as a representation or warranty by the Underwriter or, as to information from sources other than itself, by the Borough. 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, resolutions, agreements, reports and documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein, and copies of which may be inspected at the offices of the Borough during normal business hours.

The Underwriter has reviewed the information in this Official Statement pursuant to its responsibilities to investors under the federal securities laws, but the Underwriter does not guarantee the accuracy or completeness of such information.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds in any jurisdiction in which it is unlawful for any person to make such an offer, solicitation or sale. No dealer, broker, salesman or other person has been authorized to give any information or to make any representations other than as contained in this Official Statement. If given or made, such other information or representations must not be relied upon as having been authorized by the Borough or the Underwriter.

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OFFICIAL STATEMENT
OF THE BOROUGH OF FAIRVIEW
IN THE COUNTY OF BERGEN, NEW JERSEY
RELATING TO

$13,550,000* GENERAL IMPROVEMENT BONDS

INTRODUCTION

This Official Statement (the "Official Statement") which includes the cover page and the appendices attached hereto, has been prepared by the Borough of Fairview (the "Borough"), in the County of Bergen (the "County"), State of New Jersey (the "State") in connection with the sale and issuance of its $13,550,000* General Improvement Bonds (the "Bonds") dated August 15, 2026. This Official Statement has been executed by and on behalf of the Borough by the Chief Financial Officer and may be distributed in connection with the Bonds.

This Preliminary Official Statement is "deemed final", as of its date, within the meaning of Rule 15c2-12 of the Securities and Exchange Commission ("Rule 15c2-12"), but is subject to (a) completion with certain pricing and other information to be made available by the Underwriter and (b) amendment. This Preliminary Official Statement, as so revised, will constitute the "final official statement" within the meaning of Rule 15c2-12.

THE BONDS

General Description

The Bonds will be dated and bear interest from August 15, 2026 and will mature on August 15 in the years and in the principal amounts as set forth on the inside cover page. Interest on the Bonds is payable on each February 15 and August 15, commencing February 15, 2027 (each, an "Interest Payment Date"), in each year until maturity or prior redemption at the respective interest rates set forth on the inside cover page of this Official Statement. Principal of and interest on the Bonds will be paid to The Depository Trust Company, Brooklyn, New York ("DTC"), acting as securities depository, by the Chief Financial Officer, as "Bond Registrar/Paying Agent". Interest on the Bonds will be credited to the DTC Participants (as hereinafter defined) as listed on the records of DTC as of the last business day of the month preceding the month in which such Interest Payment Date occurs (the "Record Dates" for the payment of interest on the Bonds).

The Bonds are issuable as fully registered book-entry bonds in the form of one certificate for each maturity of the Bonds, in the aggregate principal amount of such maturity. The Bonds will be issued in book-entry form only. Purchases of the Bonds will be made in book-entry form, in the principal amount of $5,000 or any integral multiple thereof. Purchasers will not receive certificates representing their interest in Bonds purchased. So long as DTC or its nominee, Cede & Co. (or any successor or assign), is the registered owner of the Bonds, payments of the principal of and interest on the Bonds will be made by the Bond Registrar/Paying Agent directly to Cede & Co. (or any successor or assign), as nominee for DTC, which will remit such payments to the participants of DTC which will in turn remit such payments to the owners of beneficial interests in the Bonds. See "THE BONDS – Book-Entry Only System" herein.

* Preliminary, subject to change.

Book-Entry Only System

DTC will act as securities depository for the Bonds. The Bonds 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 year of maturity of the Bonds, in the aggregate principal amount of each maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks and 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 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds 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 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, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds 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 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; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds 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 shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of 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 unless authorized by a Direct Participant in accordance with DTC's MMI procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Borough as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the Record Date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and principal and interest payments on the Bonds 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 Borough or the 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 paying agent, if any, or the Borough, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Borough or the 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 at any time by giving reasonable notice to the Borough or the 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 Borough may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, bond 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 Borough believes to be reliable, but the Borough takes no responsibility for the accuracy thereof.

Prior Redemption

The Bonds maturing on or before August 15, 2033 are not subject to redemption prior to their stated maturities. The Bonds maturing on or after August 15, 2034 are subject to redemption at the option of the Borough prior to maturity, in whole on any date or in part on any Interest Payment Date, on or after August 15, 2033, upon notice as hereinafter set forth at the redemption price of 100% of the principal amount being redeemed, plus accrued interest to the date fixed for redemption.

If the Borough determines to optionally redeem a portion of the Bonds prior to maturity, such Bonds so redeemed shall be in such maturities as determined by the Borough, and within any maturity, by lot; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of $5,000 or some multiple thereof and that, in selecting Bonds for redemption, the Bond Registrar/Paying Agent shall treat each Bond as representing that number of Bonds that is obtained by dividing the principal amount of such Bond by $5,000.

Notice of redemption shall be given by first class mail in a sealed envelope with postage prepaid to the registered owners of the Bonds at their respective addresses as they last appear on the registration books kept for that purpose by the Bond Registrar/Paying Agent at least thirty (30) but not more than sixty (60) days before the date fixed for redemption. Such mailing is not a condition precedent to redemption and the failure to mail or to receive any redemption notice will not affect the validity of the redemption proceedings. If any Bond subject to redemption is part of a greater principal amount of the Bonds not to be redeemed, such entire amount shall be surrendered to the Bond Registrar/Paying Agent and, for that portion of the Bond not to be redeemed, a new Bond shall be issued in the name of the registered owner in an amount equal to the principal amount of the Bond surrendered less the amount to be redeemed.

SECURITY AND SOURCE OF PAYMENT

The Bonds are general obligations of the Borough, and the Borough has pledged its full faith and credit for the payment of the principal of and the interest on the Bonds. The Bonds are direct obligations of the Borough and, unless paid from other sources, the Borough is required by law to levy *ad valorem* taxes upon all the real property taxable within the Borough for the payment of the principal of and the interest on the Bonds without limitation as to rate or amount.

Enforcement of a claim for the payment of principal of or interest on bonds or notes of the Borough is subject to applicable provisions of Federal bankruptcy law and to the provisions of statutes, if any, hereafter enacted by the Congress of the United States or the Legislature of the State of New Jersey, providing extension with respect to the payment of principal of or interest on the Bonds or imposing other constraints upon enforcement of such contracts insofar as any such constraints may be constitutionally applied. Under State law, a county, municipality or other political subdivision may file a petition under Federal bankruptcy laws and a plan for readjustment of its debt, but only after first receiving the approval of the State Municipal Finance Commission, whose powers have been vested in the Local Finance Board in the Division of Local Government Services in the State of New Jersey Department of Community Affairs (the “Local Finance Board”).

AUTHORIZATION FOR THE BONDS

The Bonds are authorized and are to be issued pursuant to the Local Bond Law of the State of New Jersey, N.J.S.A. 40A:2-1 et seq., as amended (the “Local Bond Law”). The Bonds also are authorized by various bond ordinances adopted by the Borough Council and by virtue of resolutions adopted by the Borough Council on July 21, 2026.

The bond ordinances included in the sale of the Bonds were published in full or in summary form after adoption along with the statement required by the Local Bond Law that the twenty (20) day period of limitation within which a suit, action or proceeding questioning the validity of the authorizing bond ordinances can be commenced, began to run from the date of the first publication of such estoppel statement. The Local Bond Law provides that after issuance, all obligations shall be conclusively presumed to be fully authorized and issued by all laws of the State, and any person shall be estopped from questioning the sale or the execution or the delivery of the Bonds by the Borough.

PURPOSE OF THE BONDS

The proceeds of the Bonds will be used to (i) currently refund $13,216,390 of the Borough's $14,468,000 Bond Anticipation Notes maturing on August 21, 2026 and (ii) provide funding for unfunded capital projects in the amount of $333,610. The projects to be funded by the sale are listed below:

Ord. No.	Description	Amount
10-23, am. by 13-7, 16-11, 19-2, 20-6	Municipal Complex Project	$3,399,414
15-13	Various Equipment & Vehicles	48,246
17-11	Various Public Improvements	149,048
18-3	Police and DPW Radio Communications Upgrade Project	342,104
19-4	Various Public Improvements	610,905
20-16	Various Public Improvements	127,000
20-18	Acquisition of Property for use as a Park	71,226
20-21	Various Public Improvements	491,205
20-30	Supplemental Funding for Acquisition of Property for use as a Park	125,000
21-09	Various Public Improvements	1,176,190
22-07	Various Public Improvements	1,008,260
23-08	Various Public Improvements	706,408
23-10	Acquisition of Pumper Fire Engine & Rescue Pumper Fire Engine	1,666,000
23-16	Various Public Improvements	109,500
24-04	Various Public Improvements	2,186,000
24-07	Acquisition of Equipment	142,800
25-04	Various Public Improvements	1,190,694
		$13,550,000

NO DEFAULT

No principal or interest payments on Borough indebtedness are past due. The Borough has never defaulted in the payment of any bonds or notes.

MARKET PROTECTION – BOND AND NOTE FINANCING

The Borough does not anticipate issuing any additional bonds or any tax anticipation notes during the remainder of 2026. The Borough may issue additional bond anticipation notes for new money borrowing, as needed, during the remainder of 2026.

CERTAIN STATUTORY PROVISIONS FOR THE PROTECTION OF GENERAL OBLIGATION DEBT

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

The Local Bond Law governs the issuance of bonds and notes to finance certain general municipal and utility capital expenditures. Among its provisions are requirements that bonds must mature within the statutory period of usefulness of the projects bonded and that bonds be retired in serial installments. A 5%

cash down payment is generally required toward the financing of expenditures for municipal purposes. All bonds and notes issued by the Borough are general full faith and credit obligations.

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

This law regulates the non-budgetary financial activities of local governments. The Chief Financial Officer of every local unit must file annually, with the Director of the Division (the "Director"), a verified statement of the financial condition of the local unit and all constituent boards, agencies or commissions.

An independent examination of the Borough's accounts must be performed annually by a licensed registered municipal accountant. The audit, conforming to the Division of Local Government Services' "Requirements of Audit", includes recommendations for improvement of the local units' financial procedures and must be filed with the Director within eight months after the close of the fiscal year. A synopsis of the audit report, together with all recommendations made, must be published in a local newspaper within 30 days of its completion.

Debt Limits

The net authorized bonded indebtedness of the Borough is limited by statute, subject to the exceptions noted below, to an amount equal to 3.50% of its average equalized valuation basis. The average equalized valuation basis of the Borough is set by statute as the average for the last 3 years of the equalized value of all taxable real property and improvements and certain Class II railroad property within its boundaries, as annually determined by the State Board of Taxation. Certain categories of debt are permitted by statute to be deducted for purposes of computing the statutory debt limit.

The Borough has not exceeded its statutory debt limit. On December 31, 2025 the statutory net debt as a percentage of average equalized valuation was 1.153%. As noted above, the statutory limit is 3.50%.

	Gross Debt	Deductions	Net Debt
General Purposes	$25,561,025	$1,198,876	$24,362,149
Local School Purposes	25,000,000	25,000,000	-
	$50,561,025	$26,198,876	$24,362,149

Exceptions to Debt Limits - Extensions of Credit

The Borough may exceed its debt limit with the approval of the Local Finance Board. If all or any part of a proposed debt authorization would exceed its debt limit, the Borough 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 Borough or substantially reduce the ability of the Borough to meet its obligations or to provide essential public improvements and services, or make certain other statutory determinations, approval is granted. In addition, debt in excess of the statutory limit may be issued to fund certain notes, to provide for self-liquidating purposes, and, in each fiscal year, to provide for purposes in an amount not exceeding 2/3 of the amount budgeted in such fiscal year for the retirement of outstanding obligations (exclusive of utility and assessment obligations).

Overlapping Debt

The County debt, which overlaps the Borough, is not considered in the calculation of the debt limits of the Borough. It represents the debt outstanding at the County level for which the Borough will fund its portion of debt service through the normal payments of County taxes.

Short-Term Financing

The Borough may sell short-term "bond anticipation notes" to temporarily finance a capital improvement or project in anticipation of the issuance of bonds, if the bond ordinance or subsequent resolution so provides. Bond anticipation notes for capital improvements may be issued in an aggregate amount not exceeding the amount specified in the ordinance, as may be amended and supplemented, creating such capital expenditure. Bond anticipation notes may be issued for periods not greater than one year. Such notes shall mature and be paid not later than the first day of the fifth month following the close of the tenth fiscal year next following the date of the original notes. At the third and at each subsequent anniversary date from the original date of issuance, the amount of notes that may be issued must be decreased by the minimum amount required for the first year's principal payment for a bond issue.

School Debt (N.J.S.A. 18A:24-1 et seq.)

New Jersey's school districts operate under the same comprehensive review and regulation as do its municipalities. Certain exceptions and differences are provided, but the state supervision of school finance closely parallels that of local governments.

School district bonds and temporary notes are issued in conformity with the cited statute, which closely parallels the Local Bond Law. Although school districts are exempted from the 5% down payment provision applicable to municipalities, they are subject to debt limits (which vary depending on the grades the school system provides), and to state regulation of their borrowing.

The Local Finance Board and the Commissioner of Education must approve any proposed authorization of debt which exceeds the statutory debt limit of a Type II district. A Type II school district has an elected board of education; a Type I school district has an appointed board and issues debt without a referendum. All authorizations of debt in a Type II school district require an approving referendum of the voters in the school district. The Borough's school district is a Type II district.

All authorizations of debt must be reported to the Division of Local Government Services by means of a Supplemental Debt Statement prior to final approval to ensure that the proposed authorization is within all applicable debt limitations.

The School Bond Reserve Act, Chapter 72 of the Laws of 1980 of the State, as amended, devotes a portion of the Fund for the Support of Free Public Schools as security for payment of school bonds.

The Municipal Finance Commission (N.J.S. 52:27-1 et seq.)

The Municipal Finance Commission was created in 1931 to assist in the financial rehabilitation of municipalities which had defaulted in their obligations. The powers of such Commission are exercised today by the Local Finance Board. Several 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 statutory provisions 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 Superior Court of New Jersey. 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 may place the municipality under the jurisdiction of the Municipal Finance Commission.

The Municipal Finance Commission exercises direct supervision over the finances and accounts of any local unit under its jurisdiction. Such 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.

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.

Investment of Municipal Funds

Investment of funds by New Jersey municipalities is governed by State statute. Pursuant to N.J.S.A. 40A:5-15.1, municipalities are limited to purchasing the following securities: (1) direct obligations of, or obligations guaranteed by, the United States of America ("U.S. Government Securities"); (2) government money market mutual funds invested in U.S. Government Securities or obligations of New Jersey school districts, municipalities, counties and entities subject to State regulation ("local obligations"); (3) obligations of Federal Government agencies or instrumentalities having a maturity of 397 days or less, provided such obligations bear a fixed rate of interest not dependent on any index or external factor; (4) bonds or other obligations of the particular municipality or a school district encompassing the geographic area of the particular municipality; (5) bonds or other obligations having a maturity of 397 days or less (a) constituting local obligations or (b) approved by the Division of Local Government Services of the State Department of Community Affairs; (6) local government investment pools, rated in the highest rating category, investing in U.S. government securities, local obligations and repurchase agreements fully collateralized by securities set forth in (1), (3) and (5) above; (7) deposits with the New Jersey Cash Management Fund (created pursuant to N.J.S.A. 52:18A-90.4; the "Cash Management Fund"); and (8) repurchase agreements with a maximum 30 day maturity fully collateralized by securities set forth in (1) and (3) above, or local obligations. Municipalities are required to deposit their funds in interest-bearing bank accounts in banks satisfying certain security requirements set forth in N.J.S.A. 17:9-41 et seq., or invest in permitted investments to the extent practicable, and may invest in bank certificates of deposit.

The Cash Management Fund is governed by regulations of the State Investment Council, a non-partisan oversight body, and is not permitted to invest in derivatives. The Cash Management Fund is permitted to invest in U.S. Government Securities, Federal Government Agency obligations, certain short-term investment-grade corporate obligations, commercial paper rated "prime", certificates of deposit, repurchase agreements involving U.S. Government Securities and Federal Government Agency obligations and certain other types of instruments. The average maturity of the securities in the Cash Management Fund must be one year or less, and only a quarter of the securities are permitted to mature in as much as two years.

The Borough has no investments in derivatives.

MUNICIPAL BUDGET

Pursuant to the Local Budget Law (N.J.S.A. 40A:4-1 et seq.) the Borough is required to have a balanced budget in which debt service is included in full for each fiscal year.

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

The foundation of the New Jersey local finance system is the annual cash basis budget. Every local unit must adopt a budget in the form required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Items of revenue and appropriation are regulated by law and must be certified by the Director of the Division prior to final adoption of the budget. The Local Budget Law requires each local unit to appropriate sufficient funds for payment of current debt service, and the Director is required to review the adequacy of such appropriations, among others, for certification.

The Director has no authority over individual operating appropriations, unless a specific amount is required by law, but the review functions focusing on anticipated revenues serve to protect the solvency of all local units. Tax anticipation notes are limited in amount by law and must be paid in full within 120 days of the close of the fiscal year. The cash basis budgets of local units must be in balance, i.e., the total of anticipated revenues must equal the total of appropriations (N.J.S.A. 40A:4-22). If in any year a local unit's expenditures exceed its realized revenues for that year, then such excess must be raised in the succeeding year's budget.

Limitations on Municipal Appropriations and Tax Levy

A statute passed in 1976, as amended and supplemented (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. While the Cap Law restricts the ability of a municipality to increase its overall appropriations, the payment of debt service is an exception from this limitation. The Cap formula is somewhat complex, but basically, it permits a municipality to increase its overall appropriations by the lesser of 2.5% or the Cost-of-Living Adjustment ("COLA"). Increases up to 3.5% are allowed by adoption of an ordinance whenever the COLA is less than 2.5%. If the COLA is greater than 2.5%, an increase in any amount above 2.5% will be permitted by adoption of an ordinance to 3.5% and beyond 3.5% upon passage of a referendum. The COLA 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 U.S. Department of Commerce. Exceptions to the limitations imposed by the Cap Law also exist for other items including capital expenditures; extraordinary expenses approved by the Local Finance Board for implementation of an interlocal services agreement; expenditures mandated as a result of certain emergencies; and certain expenditures for services mandated by law. The Cap Law does not limit the obligation of the Borough to levy *ad valorem* taxes upon all taxable real property within the Borough to pay debt service.

Chapter 62 of the Pamphlet Laws of 2007 imposed restrictions upon the allowable annual increase in the tax levy. In general, starting with the 2008 budgets for calendar year municipalities and 2009 budgets for fiscal year municipalities, municipalities have their tax levies limited to a four percent (4%) increase. The cap calculation is subject to various adjustments, such as the value of increased assessments, and allows for an increase in the adjusted tax levy for various items, including amounts required to be added to the adjusted tax levy for increases in debt service, amounts required to replace reductions in State formula aid, certain increased pension contributions, increases greater than four percent (4%) in the reserve for uncollected taxes, and increases in health care costs in excess of four percent (4%) (but not in excess of the percentage increase in the State Health Benefits Program). The law also allows the Local Finance Board to grant waivers for extraordinary circumstances (some of which are defined in the Law) and authorizes a municipality to submit a public question to the voters for approval (by an affirmative vote of at least sixty percent (60%)) to increase the amount to be raised by taxation by more than the allowable adjusted tax levy.

For municipalities, the levy cap is in addition to the existing appropriation cap; both cap laws must be met. Neither cap law limits the obligation of the Borough to levy *ad valorem* taxes upon all taxable real property within the Borough to pay debt service.

On July 13, 2010, P.L. 2010, c. 44 was approved, effective for budget years following enactment (the 2011 budget for the Borough) reducing the tax levy cap to 2% and limiting the exclusions to amounts required to be raised by taxation for debt service as defined by law, certain pension contributions and health care costs in excess of 2% and extraordinary costs directly related to a declared emergency. Voter approval may be requested to increase the amount to be raised by taxation by more than the allowable adjusted tax levy. Chapter 44 eliminated the process for obtaining waivers for additional spending under the tax levy limitation.

The Borough's appropriation and tax levy increases for 2011 to 2026, inclusive, were within the limits allowed under the CAP Law, taking into account applicable adjustments and available "CAP" banks and without conducting a referendum to exceed the cap limits.

Miscellaneous Revenues

The Local Budget Law (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."

No budget or amendment thereof shall be adopted unless the Director shall have previously certified his approval of such anticipated revenues except that categorical grants-in-aid contracts may be included for their face amount with an offsetting appropriation of like amount. The fiscal years for such grants rarely coincide with the municipality's fiscal year. However, grant revenue is generally not realized until received in cash.

Real Estate Taxes

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

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 the preceding fiscal year."

This provision and N.J.S.A. 40A:4-40 require that an additional amount (the "reserve for uncollected taxes") be added to the tax levy required to balance the budget so that when the percentage of the prior year's tax collection is applied to the combined total, the product will at least be equal to the tax levy required to balance the budget.

The reserve requirement is calculated as follows:

$$\frac{\text{Levy required to balance budget}}{\text{Prior Year's Percentage of Current Tax Collection (or lesser \%)}} = \text{Total Taxes to be Levied}$$

Chapter 28 of the Pamphlet Laws of 1997 of New Jersey amended Section 41 of the Local Budget Law to allow municipalities to reduce the reserve for uncollected taxes by taking into account prior year tax reductions resulting from tax appeal judgments awarded to property owners. Another statute, Chapter 99 of the Pamphlet Laws of 1997 of New Jersey, allows a municipality to (1) reduce the reserve for uncollected taxes by deducting receipts anticipated during the fiscal year from the sale of unpaid taxes or municipal liens when such sale is concluded in the final month of the fiscal year or (2) not budget for the reserve for uncollected taxes if it sells its total property tax levy pursuant to such statute. See "Assessment And Collection of Taxes – Tax Collection Procedure" herein for a brief discussion of Chapter 99.

Deferral of Current Expenses

Emergency appropriations (those made after the adoption of the budget and the determination of the tax rate) may be authorized by the governing body of the municipality. However, with minor exceptions, such appropriations must be included in full in the following year's budget.

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

Budget Transfers

Budget transfers provide a degree of flexibility and afford a control mechanism. Transfers between appropriation accounts may be made only during the last two months of the year. Appropriation reserves may be transferred during the first three months of the year to the previous years' budget. Both types of transfers require a 2/3 vote of the full membership of the governing body, however, transfers cannot be made from either the down payment account or the capital improvement fund. Transfers may be made between sub-account line items within the same account at any time during the year, subject to approval by the governing body.

Operation of Utilities

Municipal public utilities are supported by the revenues generated by the respective operations of the utilities in addition to the general taxing power upon real property.

For each utility, there is established a separate budget. The anticipated revenues and appropriations for each utility are set forth in the separate budget. The budget is required to be balanced and to provide fully for debt service. The regulations regarding anticipation of revenues and deferral of charges apply equally to the budgets of the utilities.

Deficits or anticipated deficits in utility operations which cannot be provided for from utility surplus, if any, are required to be raised in the "Current" or operating budget.

Fiscal Year

The Borough's fiscal year is the calendar year. Chapter 75 of the Pamphlet Laws of 1991 of the State (codified as N.J.S.A. 40A:4-3.1) required municipalities with populations in excess of 35,000 or that received Municipal Revitalization Aid from the State in 1990 or 1991 to change their fiscal year from the calendar year to the State fiscal year (July 1 to June 30), unless an exemption was granted. Municipalities not meeting the criteria for a mandatory change had the option to choose to change to the State fiscal year. N.J.S.A. 40A:4-3.1 was amended by P.L. 2000, c. 126, to eliminate the criteria for mandatory change of the fiscal year, but to continue to grant all municipalities the option to change to the State fiscal year. In addition, P.L. 2008, c. 92, further amended N.J.S.A. 40A:4-3.1 to allow municipalities operating on a fiscal year basis to revert to a calendar year. The Borough did not meet the criteria to change to the State fiscal year and does not presently intend to optionally make such change in the future.

Budget Process

Primary responsibility for the Borough's budget process lies with the Borough Council. As prescribed by the Local Budget Law, adoption should occur by the end of March, however, extensions may be granted by the Division to any local governmental unit. In the first quarter in which the budget formulation is taking place, the Borough operates under a temporary budget which may not exceed 35% of the previous fiscal year's adopted budget. In addition to the temporary budget, the Borough may approve emergency temporary appropriations for any purpose for which appropriations may lawfully be made.

Capital Budget

In accordance with the Local Budget Law, the Borough must adopt and may from time to time amend rules and regulations for capital budgets, which rules and regulations must require a statement of capital undertakings underway or projected for a period of the next ensuing six years as a general improvement program. The capital budget, when adopted, does not constitute the approval or appropriation of funds, but sets forth a plan of the possible capital expenditures which the local unit may contemplate over the next six years. Expenditures for capital purposes may be made either by ordinances adopted by the governing body setting forth the items and the method of financing or from the annual operating budget if the items were detailed.

ASSESSMENT AND COLLECTION OF TAXES

Tax Collection Procedure

Real property taxes are assessed locally, based upon an assessment at true value. The tax bill includes a levy for Borough, County and School purposes. Tax bills are mailed annually in June. Taxes are payable in four quarterly installments on February 1, May 1, August 1 and November 1. If unpaid on these dates, the amount due becomes delinquent and subject to interest at 8% per annum, or 18% on any delinquency amount in excess of $1,500. The school levy is turned over to the Board of Education as expenditures are incurred, and the balance, if any, is transferred as of June 30 of each fiscal year. County taxes are paid quarterly on February 15, May 15, August 15 and November 15 to the County by the Borough. Annually, all properties with unpaid taxes for the previous year are placed in a tax sale in accordance with the New Jersey Statutes. Annual interim tax foreclosure proceedings are instituted to enforce the tax collection or acquisition of title to the property by the Borough.

Chapter 99 of the Pamphlet Laws of 1997 of New Jersey allows a municipality to sell its total property tax levy to the highest bidder either by public sale with sealed bids or by public auction. The purchaser shall pay the total property tax levy bid amount in quarterly installments or in one annual installment. Property taxes will continue to be collected by the municipal tax collector and the purchaser will receive as a credit against his payment obligation, the amount of taxes paid to the tax collector. The purchaser is required to secure his payment obligation to the municipality by an irrevocable letter of credit or a surety bond. The purchaser is entitled to receive delinquent taxes and other municipal charges collected by the tax collector. The statute sets forth bidding procedures and minimum bidding terms and requires the review and approval of the sale by the Division of Local Government Services.

Tax Appeals

New Jersey statutes provide a taxpayer with remedial procedures for appealing an assessment deemed excessive. The taxpayer has a right to petition the Bergen County Tax Board on or before the first day of April of the current tax year for review. The Bergen County Tax Board has the authority after a hearing to decrease or reject the appeal petition. These adjustments are usually concluded within the current tax year and reductions are shown as canceled or remitted taxes for that year. If the taxpayer feels his petition was unsatisfactorily reviewed by the Bergen County Tax Board, appeal may be made to the Tax Court of New Jersey, for a further hearing. Further, an assessment in excess of $1,000,000 can be appealed directly to the Tax Court of New Jersey. State tax appeals tend to take several years prior to settlement, and any losses in tax collections from prior years are charged directly to operations or with the permission of the Local Finance Board may be financed, generally, over a three to five year period. In addition, pursuant to Assembly Bill No. 2004, signed into law on August 9, 2019, commercial tax appeal refunds exceeding $100,000 may be paid to the property owner, with interest, in substantially equal payments within a three year period - rather than within sixty days of the final judgment (the standard period for refunds). Further, pursuant to Assembly Bill No. 862, signed into law on January 18, 2022, residential tax appeal refunds, or commercial tax appeal refunds exceeding $100,000, may be paid to the property owner, with interest, as a credit against the balance of property taxes that become due within a three year period, with any excess after three years being paid immediately.

TAX MATTERS

Federal Income Taxes

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be and remain excluded from gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Code. Such requirements include requirements relating to the use and investment of proceeds of the Bonds and other amounts and rebate of certain arbitrage earnings to the United States. Noncompliance by the Borough with such requirements may cause interest on the Bonds to be included in gross income of the owners thereof retroactive to the date of issuance of the Bonds, regardless of when such noncompliance occurs.

The Borough has covenanted, to the extent permitted by the Constitution and the laws of the State, to do and perform all acts and things permitted by law and necessary to assure that interest paid on the Bonds be and remain excluded from gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Code. The Borough's Tax Certificate (the "Tax Certificate"), which will be delivered concurrently with the delivery of the Bonds, will contain provisions and procedures regarding compliance with the requirements of the Code. The Borough, in executing the Tax Certificate, will certify to the effect that the Borough expects and intends to comply with the provisions and procedures contained therein.

In rendering the opinion described below with respect to the Bonds, Bond Counsel has relied upon the covenant and has assumed the material accuracy of the representations, statements of intention and reasonable expectations, and certifications of fact contained in the Tax Certificate.

Tax Opinions

In the opinion of Rogut McCarthy LLC, Bond Counsel to the Borough, assuming compliance by the Borough with the Tax Certificate, under existing law, interest on the Bonds is excluded from gross income of the owners thereof for Federal income tax purposes pursuant to Section 103 of the Code. In addition, under existing law, interest on the Bonds is not treated as a preference item for purposes of the alternative minimum tax imposed under the Code with respect to individuals; however, interest on the Bonds that is included in the "adjusted financial statement income" of certain corporations is not excluded from the Federal corporate alternative minimum tax. For other Federal tax information, see "TAX MATTERS – Additional Federal Income Tax Consequences" herein.

In the opinion of Bond Counsel, under the New Jersey Gross Income Tax Act, as enacted and construed on the date hereof, interest on the Bonds and any gain from the sale of the Bonds are not includable in gross income of the holders thereof.

Additional Federal Income Tax Consequences

Prospective purchasers of the Bonds should be aware that ownership of governmental obligations, such as the Bonds, may have collateral Federal income tax consequences for certain taxpayers, including financial institutions, property and casualty insurance companies, S Corporations, certain foreign corporations, individual recipients of Social Security or Railroad Retirement benefits, taxpayers otherwise eligible for the earned income credit and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry such obligations. Prospective purchasers should consult their tax advisors as to any possible collateral consequences from the ownership of the Bonds. Bond Counsel expresses no opinion regarding any such collateral Federal income tax consequences.

Proposals for Tax Changes

From time to time, there are Presidential proposals, proposals of various federal committees, and legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to herein or adversely affect the marketability or market value of the Bonds or otherwise prevent holders of the Bonds from realizing the full benefit of the tax exemption of interest on the Bonds. Further, such proposals may impact the marketability or market value of the Bonds simply by being proposed. It cannot be predicted whether or in what form any such proposal 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, marketability or tax status of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds would be impacted thereby.

Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The disclosures and opinions expressed herein 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 no opinion is expressed as of any date subsequent thereto or with respect to any proposed or pending legislation, regulatory initiatives or litigation.

ALL POTENTIAL PURCHASERS OF THE BONDS SHOULD CONSULT WITH THEIR TAX ADVISORS IN ORDER TO UNDERSTAND THE IMPLICATIONS OF THE CODE.

STATEMENT OF LITIGATION

There is no litigation pending or threatened restraining or enjoining the issuance or the delivery of the Bonds or the levy or the collection of taxes to pay the Bonds or in any manner questioning the authority or the proceedings for the issuance of the Bonds or for the levy or the collection of taxes. There is at present no single action pending or threatened against the Borough which would impose an undue financial burden on the Borough. In New Jersey's courts of general jurisdiction, unliquidated money damages are pleaded generally without specifying a dollar amount. The Borough is a party-defendant in certain lawsuits, none of a kind unusual for a municipality of its size, and none of which, in the opinion of the Borough Attorney, would adversely impair the Borough's ability to pay its bondholders. All of the Borough's tort actions are being defended by municipal joint insurance funds (which provide pooled private insurance coverage and self-insurance coverage to its members). The Borough is also insured for liability in excess of the limits provided by the municipal joint insurance funds. Pending municipal real estate tax appeals are limited in number and, based upon the Borough's prior experience in tax appeals, and assuming that such tax appeals are resolved adversely to the interest of the Borough, such resolution would not materially or adversely impair the Borough's ability to pay its bondholders.

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, moneys or other funds belonging to them or within their control in any obligations of the Borough, including the Bonds, and such Bonds are authorized security for any and all public deposits.

FINANCIAL STATEMENTS

Appendix "B" to this Official Statement contains the audited financial statements of the Borough for the years ended December 31, 2025 and 2024. The audited financial data was provided by Wielkotz &

Company, LLC, Fair Lawn, New Jersey (the "Auditor"), and is included herein in reliance upon the authority of such firm. The Auditor has consented to the inclusion of their report in this Official Statement. Copies of the complete Reports of Audit may be obtained upon request to the office of the Chief Financial Officer of the Borough.

RATING

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

The rating reflects only the view of the Rating Agency and an explanation of the significance of the rating may only be obtained from the Rating Agency at the following address: 55 Water Street, New York, New York 10041. The Borough forwarded to the Rating Agency certain information and materials concerning the Bonds and the Borough. There can be no assurance that the rating will be maintained for any given period of time or that the rating will not be raised, lowered or withdrawn entirely if, in the Rating Agency's judgment, circumstances so warrant. Any downward change in, or withdrawal of, the rating may have an adverse effect on the marketability or market price of the Bonds.

UNDERWRITING

The Bonds have been purchased at a public sale from the Borough for resale by _______________ (the "Underwriter").

INFECTIOUS DISEASE OUTBREAK – COVID-19

In early March of 2020, the World Health Organization declared a pandemic following the global outbreak of COVID-19, a respiratory disease caused by a newly discovered strain of coronavirus. On March 13, 2020, the President of the United States declared a national public health emergency to unlock federal funds and assistance to help states and local governments fight the pandemic. The Governor of the State declared a state of emergency and a public health emergency on March 9, 2020. In response to the COVID-19 pandemic, federal and State legislation and executive orders were implemented to, among other things, provide relief to state and local governments, including the American Rescue Plan Act of 2021 (the "Plan"). The pandemic and certain mitigation measures, which altered the behavior of businesses and people, have had and may continue to have negative impacts on regional, State and local economies. The national public health emergency and the State public health emergency have since ended, while the state of emergency declared by the State and several executive orders signed by the Governor remain to manage COVID-19 on an endemic level.

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

The Plan, signed into law on March 11, 2021, provided $1.9 trillion in relief designed to provide funding to address the COVID-19 pandemic and alleviate the economic and health effects of the COVID-19 pandemic. For municipalities with populations less than 50,000, such as the Borough, the relief funds were distributed by the State. The relief funds were received from the State in two equal payments, one within 30 days of receipt of the funding by the State and the balance no earlier than 12 months from the initial payment. The deadline to obligate the funds was December 31, 2024, and to spend them is December 31, 2026. The Borough received the full amount of its relief funds in the amount of $1,485,142 and has utilized all of its relief funds to replace lost public sector revenues.

DOCUMENTS ACCOMPANYING DELIVERY OF THE BONDS

Absence of Litigation

Upon delivery of the Bonds, the Borough shall furnish a certificate of the Borough Attorney, dated the date of delivery of the Bonds, to the effect that there is no litigation of any nature pending or threatened to restrain or enjoin the issuance, sale, execution or delivery of the Bonds, or in any way contesting or affecting the validity of the Bonds or any of the proceedings taken with respect to the issuance and sale thereof or the application of moneys to the payment of the Bonds. In addition, such certificate shall state that there is no litigation of any nature now pending or threatened by or against the Borough wherein an adverse judgment or ruling could have a material adverse impact on the financial condition of the Borough, or adversely affect the power of the Borough to enforce the collection of taxes or other revenues for the payment of its bonds and notes, which has not been disclosed in this Official Statement.

Legal Matters

The legality of the Bonds will be subject to the approving opinion of Rogut McCarthy LLC, Cranford, New Jersey, Bond Counsel. Such opinion will be to the effect that:

1. The Bonds have been duly authorized, executed and delivered and constitute valid and legally binding obligations of the Borough, enforceable in accordance with their terms, except as enforcement of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium, liquidation or other laws relating to or affecting the enforcement of creditors' rights generally now or hereafter in effect to the extent constitutionally applicable, and enforcement may also be subject to the exercise of judicial discretion in certain cases.

2. The Borough has pledged its full faith and credit for the payment of the principal of and interest on the Bonds, and unless paid from other sources, the Borough is authorized and required by law to levy on all real property taxable by the Borough such *ad valorem* taxes as may be necessary to pay the Bonds and the interest thereon, without limitation as to rate or amount.

Rogut McCarthy LLC has not verified the accuracy, completeness or fairness of the statements contained in this Official Statement and will not express, and has not been requested to express, an opinion as to the accuracy, completeness or fairness of such statements. See "Appendix C – Proposed Form of Bond Counsel Opinion" herein.

Certificates of Borough Officials

The original purchasers of the Bonds shall also receive a certificate, dated as of the date of delivery of the Bonds and signed by the Chief Financial Officer that (a) as of the date of the Official Statement furnished by the Borough in relation to the Bonds, said Official Statement did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading, subject to the condition that while information in said Official Statement obtained from sources other than the Borough is not guaranteed as to accuracy, completeness or fairness, such officer has no reason to believe and does not believe that such information is materially inaccurate or misleading, and (b) to the knowledge of such officer, since the date of said Official Statement and since the date of the sale of the Bonds, there has been no material transactions not in the ordinary course of affairs entered into by the Borough and no material adverse change in the general affairs of the Borough or in its financial condition as shown in said Official Statement, other than as disclosed in or contemplated by said Official Statement, provided such certificate shall not include consideration of information supplied by, or that should have been supplied by, the successful bidders for the Bonds. In addition, the original purchasers of the Bonds shall also receive certificates in form satisfactory to Rogut McCarthy LLC, Bond Counsel, evidencing the proper execution and delivery of the Bonds and receipt of payment therefor and a certificate, dated as of the date of delivery of the Bonds and signed by the officers who signed the Bonds, stating that no litigation is then pending or, to the knowledge of such officers, threatened to restrain or enjoin the issuance or delivery of the Bonds or the levy or collection of taxes to pay the Bonds or the interest thereon, or questioning the validity of the statutes or the proceedings under which the Bonds are issued, and that neither the corporate existence or boundaries of the Borough, nor the title of the said officers to their office, is being contested.

SECONDARY MARKET DISCLOSURE

The Borough has agreed, pursuant to a resolution adopted on July 21, 2026, to undertake for the benefit of the Bondholders and the beneficial owners of the Bonds to provide certain secondary market disclosure information pursuant to Rule 15c2-12 to the Municipal Securities Rulemaking Board (the "MSRB") in an electronic format, as prescribed by the MSRB. Specifically, the Borough will do the following for the benefit of the holders of the Bonds and the beneficial owners thereof:

(A) Not later than seven months after the end of the Borough's fiscal year (presently December 31), commencing with the report for the fiscal year ending December 31, 2026, provide or cause to be provided, annual financial information with respect to the Borough consisting of (i) audited financial statements (or unaudited financial statements if audited financial statements are not then available by the date of filing, which audited financial statements will be delivered when and if available) of the Borough and (ii) certain financial information and operating data consisting of information concerning the Borough's debt, overlapping indebtedness, tax rate, levy and collection data, property valuation and fund balance of the type contained in Appendix "A" hereof. The audited financial statements will be prepared in accordance with mandated State statutory accounting principles, as in effect from time to time. Audited financial statements if not available by the filing date will be submitted separately when available.

(B) Provide or cause to be provided in a timely manner not in excess of ten business days after the occurrence of the event, notice of the occurrence of any of the following events with respect to the Bonds or financial obligations of the Borough:

(1) Principal or 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, if material, and tender offers;
(9) Defeasances;
(10) Release, substitution or sale of property which secures the repayment of the Bonds, if material;
(11) Rating changes;
(12) Bankruptcy, insolvency, receivership or similar event of the Borough (the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Borough in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Borough, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or

governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Borough);

(13) The consummation of a merger, consolidation, or acquisition involving the Borough or the sale of all or substantially all of the assets of the Borough, 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 obligation of the Borough, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Borough, any of which affect Bondholders, if material; and

(16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Borough, any of which reflect financial difficulties.

The Borough intends the words used in paragraphs (15) and (16) and the definition of "financial obligation" to have the meanings ascribed to them in SEC Release No. 34-83885 (August 20, 2018).

(C) Provide or cause to be provided, in a timely manner, notice of a failure of the Borough to provide required annual financial information on or before the date specified above.

All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

If the Borough fails to comply with the above-described undertaking, any Bondholder or beneficial owner of the Bonds may pursue an action for specific performance to enforce the rights of all Bondholders and beneficial owners with respect to such undertaking; *provided*, *however*, that failure to comply with such undertaking shall not be an event of default and shall not result in any acceleration of payment of the Bonds or any liability by the Borough for monetary damages. All actions shall be instituted, had and maintained in the manner provided in this paragraph for the benefit of all Bondholders and beneficial owners of the Bonds.

The Borough reserves the right to terminate its obligation to provide annual financial information and notice of material events, as set forth above, if and when the Borough no longer remains an "obligated person" with respect to the Bonds within the meaning of Rule 15c2-12.

The undertaking may be amended by the Borough from time to time, without the consent of the Bondholders or the beneficial owners of the Bonds, in order to make modifications required in connection with a change in legal requirements, a change in law or a change in identity, nature, type of operation or status of the Borough, which in the opinion of nationally recognized bond counsel complies with Rule 15c2-12 and does not, in such bond counsel's opinion, materially impair the interests of the Bondholders and the beneficial owners of the Bonds.

The Borough previously failed to file, in accordance with Rule 15c2-12, in a timely manner, under previous filing requirements its annual audited financial statements for the fiscal years ending December 31, 2021, 2022 and 2023. Additionally, the Borough acknowledges that it previously failed to file, in a timely manner, late filing notices in connection with its late filings of such annual financial information. Such financial information and notices of late filings have been filed with the MSRB's Electronic Municipal Market Access Dataport ("EMMA") as of the date of this Official Statement. The Borough has appointed Wielkotz & Company, LLC, Pompton Lakes, New Jersey, to serve as continuing disclosure agent/dissemination agent to assist in the filing of certain information with EMMA as required under its obligations.

PREPARATION OF OFFICIAL STATEMENT

The firm of Wielkotz & Company, LLC, Pompton Lakes, New Jersey, Certified Public Accountants, takes responsibility for the financial statements to the extent specified in the Independent Auditor's Report.

The firm of Wielkotz & Company, LLC, assisted in the preparation of information contained in this Official Statement and information has been obtained from sources which Wielkotz & Company, LLC, considers to be reliable but they make no warranty, guarantee or other representation with respect to the accuracy and completeness of such information.

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

APPROVAL OF OFFICIAL STATEMENT

Prior to the delivery of the Bonds, the Borough Council will have adopted a resolution approving this Official Statement, deeming it a "final official statement" for purposes of Rule 15c2-12 and directing the Chief Financial Officer to deliver a reasonable number of copies thereof in final form to the Underwriter for its use in the sale, resale or distribution of the Bonds.

ADDITIONAL INFORMATION

Inquiries regarding this Official Statement, including requests for information additional to that contained herein, may be directed to the Borough of Fairview, 59 Anderson Avenue, Fairview, New Jersey, 07022, Christopher Rutch, Chief Financial Officer, (201) 943-3300.

MISCELLANEOUS

This Official Statement is not to be construed as a contract or agreement between the Borough and the purchasers or holders of any of the Bonds. Any statements made in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended merely as opinions and not as representations of fact. The information and expressions of opinion contained herein are subject to change without notice and neither the delivery of this Official Statement nor any sale of Bonds made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Borough, the State or any of their agencies or authorities, since the date hereof. The information contained in this Official Statement is not guaranteed as to accuracy or completeness.

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

BOROUGH OF FAIRVIEW, IN THE COUNTY OF BERGEN, NEW JERSEY

By: /s/_________________________

Christopher Rutch
Chief Financial Officer

Dated: August __, 2026

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APPENDIX A

**DESCRIPTION OF
THE BOROUGH OF FAIRVIEW
TOGETHER WITH
CERTAIN ECONOMIC AND DEBT INFORMATION**

APPENDIX A

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BOROUGH OF FAIRVIEW

Size and Geographical Location

The Borough of Fairview is located in southeast Bergen County, New Jersey, and is situated between Cliffside Park, Ridgefield, Edgewater and North Bergen. The area of the Borough is 0.9 square miles.

The Borough is predominantly a residential community with residences being owner occupied, single family dwellings and a significant number of multiple family dwellings. Because of its close proximity to New York City, many residents are employed in the City of New York and commute through access to mass transportation and major highways. The Borough has a small industrial park as well as a local business area.

Population

1960 Census	9,399
1970 Census	10,698
1980 Census	10,519
1990 Census	10,733
2000 Census	13,255
2010 Census	13,835
2020 Census	15,025

Form of Government

The Borough was formed in 1894 under the borough form of government. There is a Mayor and a Council composed of six members. The Mayor is elected to serve a four-year term and may succeed that term by re-election. He is empowered, amongst his legal powers as head of the municipal government, to: (i) provide for the proper execution of local and State laws; (ii) recommend to the Borough Council measures he deems in the best interest of the Borough; (iii) nominate and, with the advice and consent of the Borough Council, appoint most subordinate officers of the Borough; and (iv) maintain peace and order. Although he presides over meetings of the Borough Council, the Mayor votes only in case of a tie. State law requires that he be a member of the Planning Board and the Board of Trustees of the municipal Public Library.

The six Council members are elected at-large, two each year, for terms of three years. The Council exercises general legislative powers conferred upon it by State law to protect and promote the general welfare of the Borough. Among these are the right to enact ordinances, approve resolutions, approve mayoral appointments, adopt the annual budget and determine the tax levy. The Council, acting in committees, oversees the various departments and functions of the Borough Government.

Educational Facilities

The Borough's school district, coterminous with the Borough, is a type II school district, an independent legal entity administered by a nine member Board of Education elected by the voters of the school district. The school district serves students in Kindergarten to eighth grade. The school district is authorized by law to issue debt for school purposes upon vote of the electorate.

The Board is a policy making body and has the general responsibility for providing an education program, the power to establish policies and supervise the public schools in the District, responsibility to draw up the annual budget and the power to appoint the Superintendent of Schools (the "Superintendent").

The administrative structure of the Board gives final responsibility for both the educative process and the business operation to the Superintendent. The Superintendent is the chief executive officer of the Board in charge of carrying out Board policies. The Board Secretary is the chief financial officer and must submit monthly financial reports to the Board and annual reports to the State Department of Education. State law requires a Treasurer of School Monies to hold in trust all school monies and to make a monthly report to the Board.

Personnel

Classification	Number
Instructional	150
Teacher Aides	48
Administrative	10
Clerical	12
Custodial/Maintenance	10
Part-time Van Drivers	3

Health Care Facilities

The Borough has a contract with Holy Name Hospital in Teaneck for Ambulance Services.

Emergency and acute medical care facilities are available at Englewood Hospital, Holy Name Hospital, the Hackensack University Medical Center in Hackensack and Riverside Medical Center in North Bergen.

Municipal Services

Police Department

The Police Department consists of a Chief of Police, Deputy Chief of Police, 1 Captain, 3 Lieutenants, 6 Sergeants, 17 Uniformed Officers and 16 School Guards.

Fire Department

The Fire Department is composed of 50 volunteer firemen. Fire apparatus consists of three engine trucks, one ladder truck, one heavy rescue truck, and two utility vehicles.

Public Works Department

The Department of Public Works (the "DPW") has 14 employees. The DPW is responsible for maintenance of roads and municipal facilities.

Utilities

Gas and electricity is supplied by Public Service Gas and Electric. Water is provided by Veolia Water New Jersey, Inc. Wastewater treatment is provided by the Bergen County Utilities Authority. Solid waste pickup is done by Cali Carting, Inc. The annual charges for wastewater treatment and collection of solid waste are included in the tax rate.

Transportation Facilities

The New Jersey Department of Transportation - Bus Operations provides local service to surrounding communities from some of which there is available rail and bus interstate services. The George Washington Bridge in Fort Lee provides access to Manhattan.

RETIREMENT SYSTEMS

The Borough is enrolled in three retirement systems established by acts of the State Legislature. Benefits, contributions, means of funding and administration of the retirement systems are set by the State. The Division of Pensions within the Treasury Department of the State is the administrator of the systems with benefit and contribution levels set by the State. All full-time permanent or qualified employees who began employment after 1944 must enroll in one of two retirement systems, depending upon their employment status. Borough employees, employed or retired, are enrolled in either the Public Employees' Retirement System ("PERS"), or the Police and Firemen's Retirement System ("PFRS"), or if retired in the Consolidated Police and Firemen's Pension Fund ("CPFPF"). Employee rates for contribution are normally determined by the Division of Pensions. The Borough is current in its payments to the retirement systems as well as the Federal Social Security System ("OASI").

COLLECTIVE BARGAINING REPRESENTATION

Certain Borough employees are a part of collective bargaining agreements whose termination dates of current contracts are shown below.

Unit	Date
Police	December 31, 2026
Department of Public Works	December 31, 2026
Clerical/Administrative	December 31, 2026

Source: The Borough.

TREND OF NEW CONSTRUCTION

Number of Permits

Year	New Construction	Additions/ Alterations	Total
2025	6	233	239
2024	1	225	226
2023	6	237	243
2022	4	247	251
2021	5	280	285

Estimated Construction Costs

Year	Total
2025	$5,008,947
2024	2,496,800
2023	16,233,750
2022	4,352,100
2021	9,217,560

Source: Borough of Fairview Building Department.

MAJOR REAL PROPERTY TAXPAYERS

Taxpayer	2026 Assessed Valuation
Fairview Bergen Associates LLC	$33,591,100
LP Fairview Spe LLC	33,384,700
Cliff Investments	33,259,300
Fairview Industrial Pk. Controller	24,287,100
Ronald Realty Co., L.L.C.	23,392,100
Store Space QR Fairview LP	21,614,800
Hlf Passaic, C/O Ryan LLC	19,672,700
RLF IV East LLC	15,078,800
Gabrielli Fairview LLC	11,051,500
Waste Management	10,082,800

Source: The Borough's Assessor and the Borough's tax duplicates for 2026.

NET ASSESSED AND EQUALIZED PROPERTY VALUATIONS

Real Property Net Assessed Valuation by Classification

Classification	2026	2025	2024	2023	2022
Apartment	$260,451,000	$245,736,800	$235,005,800	$227,108,400	$223,133,300
Residential	1,203,379,900	1,111,417,200	1,056,962,300	1,019,294,400	951,811,800
Commercial	267,778,600	247,490,400	232,409,900	256,686,700	246,842,000
Industrial	182,372,400	169,140,700	163,058,800	128,643,000	116,781,700
Vacant Land	10,973,200	10,627,300	11,582,700	10,548,200	10,336,900
Total	1,924,955,100	1,784,412,400	1,699,019,500	1,642,280,700	1,548,905,700
Exempt Property	224,139,000	222,933,100	222,865,300	222,556,500	229,023,600
Public Utilities	-	1,577,218	1,574,245	1,576,928	1,554,645
Total	$2,149,094,100	$2,008,922,718	$1,923,459,045	$1,866,414,128	$1,779,483,945

Net Assessed and Equalized Property Valuations

Classification	2026	2025	2024	2023	2022
Net Assessed Valuation:					
Real Property	$1,924,955,100	$1,784,412,400	$1,699,019,500	$1,642,280,700	$1,548,905,700
Personal Tangible Property	-	1,577,218	1,574,245	1,576,928	1,554,645
Valuation	$1,924,955,100	$1,785,989,618	$1,700,593,745	$1,643,857,628	$1,550,460,345

Source: County of Bergen Abstract of Ratables for years shown, and Borough's Tax Duplicates for years shown.

LEVY AND COLLECTION OF TAXES

The levy and collection of taxes are based upon a calendar year. The Borough is the political entity responsible for the levying and collection of taxes on all taxable real property within its borders, including the tax levies for the County and the Local School District.

Property taxes are based on an assessor's valuation of real property. The taxes for Municipal, Local School District, Regional School District and County purposes are combined into one tax levy which is apportioned on the tax bill by rate and amount for taxpayer information only. Taxes levied for the purpose of the Local School District and the Regional School District cover the current calendar year. Turnover of tax monies by the Borough to a school district is based on school needs and are generally made on a periodic basis throughout the year. The Borough remits 100% of the County taxes, payable quarterly on the 15th days of February, May, August and November.

Tax bills for the second half of the current year's tax levy, and an estimate based on 50% of the levy for the first half of the following year, are mailed annually in June and are due in quarterly installments on the first days of August, November, February and May. Delinquent payments are subject to an interest penalty of 8% on the first $1,500 of delinquency and 18% on amounts exceeding $1,500. Unpaid taxes are subject to tax sale as of July 1 following the year of levy, in accordance with statutes of the State of New Jersey. Tax liens are subsequently subject to foreclosure proceedings in order to enforce tax collections or acquire title to property.

The last all-inclusive tax sale of unpaid delinquent taxes and assessments was held by the Borough on December 19, 2024.

Chapter 99 of the Pamphlet Laws of 1997 of New Jersey allows a municipality to sell its total property tax levy to the highest bidder either by public sale with sealed bids or by public auction. The purchaser shall pay the total property tax levy bid amount in quarterly installments or in one annual installment. Property taxes will continue to be collected by the municipal tax collector and the purchaser will receive as a credit against his payment obligation, the amount of taxes paid to the tax collector. The purchaser is required to secure his payment obligation to the municipality by an irrevocable letter of credit or a surety bond. The purchaser is entitled to receive delinquent taxes and other municipal charges collected by the tax collector. The statute sets forth bidding procedures and minimum bidding terms and requires the review and approval of the sale by the Division of Local Government Services.

New Jersey Statutes provide a taxpayer with remedial procedures for appealing an assessment deemed excessive. The taxpayer has a right to petition the Bergen County Tax Board on or before the first day of April of the current tax year for review. The Bergen County Tax Board has the authority after a hearing to decrease or reject the appeal petition. These adjustments are usually concluded within the current tax year and reductions are shown as canceled or remitted taxes for that year. If the taxpayer feels his petition was unsatisfactorily reviewed by the Bergen County Tax Board, appeal may be made to the State Department of Taxation, Division of Tax Appeal, for a further hearing. State tax appeals tend to take several years prior to settlement and any losses in tax collections from prior years are charged directly to operations or with the permission of the Local Finance Board may be financed, generally, over a three to five year period.

Tax Rate Apportionment
(Per $100 of Assessed Valuation)

Year	Municipal	Library	County	Local School	Tax Rate
2025 (1)	1.072	.039	.256	.908	2.275
2024 (1)	1.065	.039	.255	.954	2.313
2023 (1)	.993	.035	.247	.986	2.261
2022 (1)	1.002	.033	.244	1.046	2.325
2021 (1)	1.075	.033	.252	1.119	2.479

(1) Reassessed

Tax Levy Apportionment

Year	Municipal	County (1)	Local School (1)	Tax Levy
2025	$19,855,369	$4,561,511	$16,213,902	$40,630,782
2024	18,792,000	4,319,821	16,213,902	39,325,723
2023	16,905,029	4,041,965	16,213,902	37,160,896
2022	16,063,792	3,762,894	16,213,902	36,040,588
2021	16,062,813	3,633,517	16,213,902	35,910,232

(1) The Borough is required, under State statutes, to remit to the County and the School Districts 100% of the respective tax levies.

Tax Collection Experience

		Current Tax Levy Collected	
Year	Tax Levy	Amount	Percent
2025	$40,670,777	$40,127,223	98.66%
2024	39,532,757	38,749,357	98.02
2023	37,220,937	36,665,716	98.51
2022	36,107,056	35,524,775	98.39
2021	35,970,218	35,378,893	98.36

(1) Includes added and omitted taxes.

Tax Title Liens and Delinquent Taxes

Year	Tax Title Liens	Delinquent Taxes	Total Delinquent	Percent of Tax Levy
2025	$ -	$495,014	$495,014	1.22%
2024	-	765,549	765,549	1.94
2023	-	529,422	529,422	1.42
2022	-	545,031	545,031	1.51
2021	48,754	525,224	573,978	1.60

Foreclosed Property

Year	Balance December 31
2025	$92,400
2024	92,400
2023	92,400
2022	92,400
2021	92,400

CURRENT FUND BALANCES
AND
AMOUNTS UTILIZED IN SUCCEEDING YEAR'S BUDGET

Year	Balance December	Utilized in Succeeding Year's Budget Amount
2025	$6,095,824	$3,115,000
2024	5,761,533	2,950,000
2023	6,207,637	2,950,000
2022	6,269,167	2,650,000
2021	6,358,577	2,493,000

STATE AID

Year	Energy Receipts Tax Received	Consolidated Municipal Property Tax Relief	Other Aid Received	Total
2025	$1,042,564	$ -	$ -	$1,042,564
2024	1,042,564	-	107,464	1,150,028
2023	1,037,400	-	53,743	1,091,143
2022	1,021,761	8,517	-	1,030,278
2021	1,011,326	18,952	-	1,030,278

DEBT INFORMATION

General Information

The State has enacted certain laws and statutes regulating the authorization and issuance of debt by tax levying local governmental units of the State. The statutory gross debt must include all debt authorized plus all debt issued which remains outstanding. Debt which has been refunded, and payment for which is made from escrowed U.S. Treasury securities or other permitted investments, is considered outstanding under State statutes until such outstanding debt has matured or has been called for redemption. However, any debt which is self-supporting or which is payable from other sources or debt issued for refunding purposes may be deducted from the statutory gross debt to arrive at the amount of statutory net debt. The statutory net debt figure is the amount used to determine if a local governmental unit is within the limit of its statutory borrowing power. The debt incurring capacity is limited by statute to 3.50% of a local governmental unit's statutory equalized valuation. The Borough's statutory net debt as of December 31, 2025 was 1.153%.

STATUTORY DEBT INFORMATION
AS OF DECEMBER 31, 2025

School Purpose:	
Authorized/Unissued Debt	$25,000,000
Deduction	25,000,000
Net Debt for School Purpose	-
Municipal Purpose:	
Bonds Issued	9,932,000
Notes Issued	14,468,000
Authorized/Unissued Debt	1,161,025
Total Gross Debt	25,561,025
Deduction	1,198,876
Net Debt for Municipal Purpose	$24,362,149
Total Gross Statutory Debt	50,561,025
Total Statutory Deductions	26,198,876
Total Net Statutory Debt	$24,362,149

STATUTORY BORROWING POWER
AS OF DECEMBER 31, 2025

Statutory Equalized Valuation (1)	$2,112,192,987
Statutory Borrowing Power (2)	73,926,755
Statutory Net Debt	24,362,149
Remaining Statutory Borrowing Power	$49,564,606
Net Debt to Statutory Equalized Valuation	1.153%

(1) Average of the immediately preceding three years (2025, 2024 and 2023) as calculated by the State.
(2) 3 1/2% of the State's equalized valuation.
Source: The Borough.

TREND OF STATUTORY REMAINING BORROWING POWER
FOR YEARS ENDING DECEMBER 31, 2025 - 2021

Year	Statutory Equalized Valuation(1)	Borrowing Capacity(2)	Bonds and Notes Outstanding	Less Deductions	Net Debt Outstanding	Authorized Unissued Debt	Remaining Borrowing Power
2025	$2,112,192,987	$73,926,755	$24,400,000	$1,198,876	$23,201,124	$1,161,025	$49,564,606
2024	1,939,273,402	67,874,569	21,067,000	890,295	20,176,705	5,075,816	42,622,048
2023	1,768,076,214	61,882,667	22,427,000	893,034	21,533,966	3,061,219	37,287,482
2022	1,577,709,415	55,219,829	23,295,000	1,108,713	22,186,287	1,151,563	31,881,979
2021	1,467,490,215	51,362,158	23,972,000	1,197,650	22,774,350	1,276,769	27,311,039

(1) Average of the immediately preceding three years as calculated by the State.
(2) 3 1/2% of the statutory equalized valuation.
Source: The Borough's audited financial statements for years shown.

PERMANENT DEBT ISSUED AND OUTSTANDING
AS OF DECEMBER 31, 2025

Purpose	Interest Rate	Issue Date	Final Maturity Date	Amount Outstanding
General Improvements - Refunding	Various	April 1, 2020	Feb. 15, 2026	$590,000
General Improvements	Various	Feb. 15, 2014	Feb.15, 2030	2,187,000
General Improvements	Various	Feb. 1, 2019	Feb. 1, 2037	7,155,000
				$9,932,000

Source: The Borough.

COMBINED ANNUAL DEBT SERVICE SCHEDULE
FOR
GENERAL BONDS OF 2014, 2019 AND 2020
AS OF DECEMBER 31, 2025

Year	Principal	Interest	Total
2026	$1,490,000	$288,810	$1,778,810
2027	910,000	246,910	1,156,910
2028	932,000	219,280	1,151,280
2029	955,000	190,975	1,145,975
2030	1,050,000	159,775	1,209,775
2031-2035	3,245,000	474,425	3,719,425
2036-2037	1,350,000	46,225	1,396,225
	$9,932,000	$1,626,400	$11,558,400

DIRECT AND OVERLAPPING DEBT
ISSUED AND OUTSTANDING
AS OF DECEMBER 31, 2025

	Direct Debt	Overlapping Debt
Direct Debt:		
Bonds	$9,932,000	
Notes	14,468,000	
Overlapping Debt:		
Bergen County (including Utilities Authority)		$12,029,071
School Purpose		25,000,000
Total Direct Debt:		
Gross	24,400,000	
Deductions	1,198,876	
Net	$23,201,124	
Total Overlapping Debt:		
Gross		37,029,071
Deductions		25,000,000
Net		$12,029,071

Source: The political entities shown.

DEBT RATIOS

	Direct Debt		Overlapping Debt	
	Gross	**Net**	**Gross**	**Net**
Per Capita(1)	$1,624	$1,544	$2,464	$801
Equalized Valuation	1.155%	1.098%	1.753%	.570%

(1) 2020 Census 15,025.

<u>APPENDIX B</u>

BOROUGH OF FAIRVIEW
SUMMARY OF
2026 ADOPTED BUDGET

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BOROUGH OF FAIRVIEW
SUMMARY OF
2026 ADOPTED BUDGET

Summary of General Revenues Anticipated:	
Surplus	$3,115,000
Miscellaneous Revenues:	
Local Revenues	650,939
State Aid Without Offsetting Appropriations	1,042,564
Dedicated Uniform Construction Code Fees	
Offset With Appropriations	120,000
Special Items of General Revenue Anticipated	
With Prior Consent of Director of	
Local Government Services:	
Shared Services	230,000
Public and Private Revenues	149,279
Other Special Items	430,158
Total Miscellaneous Revenues	2,622,940
Delinquent Taxes Receipts	495,000
Sub-total General Revenues	6,232,940
Amount to be Raised for Support of Municipal	
Budget, Including Reserve for Uncollected Taxes	21,149,193
Total General Revenue	$27,382,133
Summary of General Appropriations:	
Within "CAPS":	
Operations:	
Salaries and Wages	9,058,671
Other Expenses	8,494,691
Sub-total	17,553,362
Deferred Charges, Statutory Expenditures and Judgments	2,401,579
Total Operations Within "CAPS"	19,954,941
Excluded From "CAPS":	
Operations:	
Salaries and Wages	255,349
Other Expenses	3,415,056
Sub-total	3,670,405
Capital Improvements	200,000
Municipal Debt Service	2,746,787
Deferred Charges Municipal	-
Total General Appropriations Excluded From "CAPS"	6,617,192
Sub-total General Appropriations	26,572,133
Reserve for Uncollected Taxes	810,000
Total General Appropriations	$27,382,133

Source: The Borough's 2026 Adopted Budget.

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APPENDIX C

INDEPENDENT AUDITOR’S REPORT AND FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
AND SELECTED FINANCIAL INFORMATION
FOR THE YEARS ENDED DECEMBER 31, 2025-2021

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WIELKOTZ & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Members of the Borough Council
Borough of Fairview
Fairview, NJ 07022

Report on the Financial Statements

Adverse Opinion on U.S. Generally Accepted Accounting Principles

We have audited the accompanying balance sheets – regulatory basis of the various funds and account group of the Borough of Fairview, as of December 31, 2025 and 2024, the related statement of operations and changes in fund balance – regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and the statement of expenditures – regulatory basis of the various funds for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements as listed in the table of contents.

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the accompanying financial statements referred to above do not present fairly the financial position of each fund of the Borough of Fairview as of December 31, 2025 and 2024, or changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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

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

As described in Note 1 of the financial statements, the financial statements are prepared by the Borough of Fairview on the basis of the financial reporting provisions prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of New Jersey.

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

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above, present fairly, in all material respects, the regulatory basis balance sheets and account group as of December 31, 2025 and 2024, the regulatory basis statements of operations and changes in fund balance for the years then ended and the regulatory basis statements of revenues and expenditures for the year ended December 31, 2025 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Borough'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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough of Fairview's basic financial statements. The supplementary information listed in the table of contents and the letter of comments and recommendations section are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and are not a required part of the basic financial statements.

W&CO

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information listed in the table of contents and the schedule of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 29, 2026 on our consideration of the Borough of Fairview's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of Fairview's internal control over financial reporting and compliance.

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

Wielkotz & Company, LLC

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

May 29, 2026

W&CO

Exhibit A

BOROUGH OF FAIRVIEW, N.J.

Comparative Balance Sheet-Regulatory Basis

Current Fund

December 31, 2025 and 2024

	Ref.		2025	2024
Assets				
Current Fund:				
Cash	A-4	$	10,701,222	9,858,577
Due to State of New Jersey: Ch. 73, P.L.				
Senior Citizens and Veterans Deduction	A-5		32,826	31,815
			10,734,048	9,890,392
Receivables and Other Assets with Full Reserves:				
Delinquent Taxes Receivable	A-6		495,014	765,549
Property Acquired for Taxes -				
Assessed Valuation	A-7		92,400	92,400
Prepaid Payroll Advanced	A-1			165,537
Revenue Accounts Receivable	A-8		70,370	51,734
Interfund Receivables	A-9		460,472	398,556
			1,118,256	1,473,776
Total Current Fund			11,852,304	11,364,168
Federal and State Grant Fund:				
Due from Current Fund	A-9		853,696	849,262
Federal and State Grants Receivable	A-17		122,267	104,591
Total Federal and State Grant Fund			975,963	953,853
		$	12,828,267	12,318,021

Exhibit A

BOROUGH OF FAIRVIEW, N.J.

Comparative Balance Sheet-Regulatory Basis

Current Fund

December 31, 2025 and 2024

	Ref.		2025	2024
Liabilities, Reserves and Fund Balance				
Current Fund:				
Appropriation Reserves	A-3/A-10	$	2,327,501	1,676,920
Interfunds Payables	A-9		856,551	1,001,353
Encumbrances Payable	A-11		201,730	307,965
Prepaid Taxes	A-12		130,524	137,117
Due to County - Added/Omitted Taxes	A-14		4,440	21,822
Tax Overpayments	A-15		8,096	50,079
Reserve for:				
Revaluation	A-16		23,179	23,179
Disability	A-16		18,684	18,684
Tax Map	A-16		7,344	7,344
Due to Library	A-16		1,050,001	875,001
DMV Inspection Fines	A-16		3,402	3,402
Reassessment	A-16		3,500	3,500
Due to State of New Jersey:				
DCA Fees Payable	A-16		1,972	1,093
Marriage/Domestic Partnerships	A-16		1,300	1,400
			4,638,224	4,128,859
Reserve for Receivables	Contra		1,118,256	1,473,776
Fund Balance	A-1		6,095,824	5,761,533
Total Current Fund			11,852,304	11,364,168
Federal and State Grant Fund:				
Reserve for:				
Appropriated Grants	A-18		911,665	810,529
Unappropriated Grants	A-19		64,298	143,324
Total Federal and State Grant Fund			975,963	953,853
		$	12,828,267	12,318,021

See accompanying notes to financial statements.

Exhibit A-1

BOROUGH OF FAIRVIEW, N.J.

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

Current Fund

For the Years Ended December 31, 2025 and 2024

		2025	2024
Revenues and Other Income:			
Fund Balance Utilized	$	2,950,000	2,950,000
Miscellaneous Revenue Anticipated		3,032,749	3,184,886
Receipts from Delinquent Taxes		757,747	544,017
Receipts from Current Taxes		40,127,223	38,749,357
Non-Budget Revenue		980,345	917,651
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		1,100,940	1,441,770
Liabilities Cancelled		21,815	
Appropriated Grant Reserves - Cancelled		5,342	7,005
Interfunds Returned		383,383	30,905
Total Revenues and Other Income		49,359,544	47,825,591
Expenditures:			
Budget and Emergency Appropriations:			
Operations:			
Salaries and Wages		9,065,541	8,949,337
Other Expenses		11,105,856	10,451,177
Capital Improvement Fund		200,000	200,000
Municipal Debt Service		2,503,798	2,479,600
Deferred Charges and Statutory Expenditures - Municipal		2,410,400	2,470,911
Local District School Tax		16,213,902	16,213,902
County Taxes including Added Taxes		4,565,951	4,341,642
Prepaid Payroll Advanced			165,537
Revenue Refunds		4,463	
Tax Appeal and Overpayment Refunds			42,584
Grants Receivable - Cancelled		5,342	7,005
Total Expenditures		46,075,253	45,321,695
Excess/(Deficit)		3,284,291	2,503,896

Exhibit A-1

BOROUGH OF FAIRVIEW, N.J.

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

Current Fund

For the Years Ended December 31, 2025 and 2024

		2025	2024
Statutory Excess to Fund Balance		3,284,291	2,503,896
Fund Balance, January 1,		5,761,533	6,207,637
		9,045,824	8,711,533
Decreased by:			
Fund Balance Utilized as Budget Revenue		2,950,000	2,950,000
Fund Balance, December 31,	$	6,095,824	5,761,533

See accompanying notes to financial statements.

Exhibit A-2

BOROUGH OF FAIRVIEW, N.J.

Statement of Revenues-Regulatory Basis

Current Fund

Year Ended December 31, 2025

	Budget	Realized	Excess or (Deficit)
Fund Balance Anticipated	$ 2,950,000	2,950,000	
Miscellaneous Revenues:			
Licenses:			
Alcoholic Beverages	40,000	54,364	14,364
Other	31,000	43,527	12,527
Fees and Permits	64,000	73,160	9,160
Fines and Costs:			
Municipal Court	310,000	412,919	102,919
Interest and Costs on Taxes	106,000	153,977	47,977
Annual Service Charge in Lieu of Property Taxation - Senior Citizens' Housing Project - Eastview Tower	49,939	49,939	
Energy Receipts Taxes	1,042,564	1,042,564	
Uniform Construction Code Fees	115,500	179,197	63,697
Parking Meters	38,000	31,019	(6,981)
Payments in Lieu of Taxes on State Exempt Property	30,158	30,158	
Commercial Sewer User Fees	174,000	195,552	21,552
Police Administrative/Outside Duty	125,000	333,318	208,318
Capital Fund Balance	6,985	6,985	
Prepaid Payroll	165,537	165,537	
Public and Private Revenues:			
COPS Hiring Grant	58,688	58,688	
Clean Communities Program	25,605	25,605	
Alcohol Education and Rehabilitation Fund	6,129	6,129	
Bulletproof Vest Partnership Program	3,133	3,133	
Bulletproof Vest Partnership Program	3,331	3,331	
NJ Healthcare Quality Institute	10,800	10,800	
Municipal Alliance	4,507	4,507	
Opioid Settlement	36,590	36,590	
Distracted Driving	12,250	12,250	
Drive Sober or Get Pulled Over	14,000	14,000	
Click it or Ticket	10,500	10,500	
Recreation Grant	75,000	75,000	
Total Miscellaneous Revenues	2,559,216	3,032,749	473,533

Exhibit A-2

BOROUGH OF FAIRVIEW, N.J.

Statement of Revenues-Regulatory Basis

Current Fund

Year Ended December 31, 2025

		Budget	Realized	Excess or (Deficit)
Receipts from Delinquent Taxes		750,000	757,747	7,747
Subtotal General Revenues		6,259,216	6,740,496	481,280
Amount to be Raised by Taxes for Support of Municipal Budget - Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes		19,855,369	20,157,370	302,001
Budget Totals		26,114,585	26,897,866	783,281
Non-Budget Revenue			980,345	980,345
	$	26,114,585	27,878,211	1,763,626
Adopted Budget		26,090,085		
Appropriated by N.J.S.A. 40A:4-87		24,500		
	$	26,114,585		

Allocation of Current Year Tax Collections:

Revenue from Collections			$	40,127,223
Allocated to:				
School Taxes	$	16,213,902		
County Taxes		4,565,951		
				20,779,853
Balance for Support of Municipal Budget Appropriations				19,347,370
Add: Appropriation - Reserve for Uncollected Taxes				810,000
Amount for Support of Municipal Budget Appropriations			$	20,157,370
Receipts from Delinquent Taxes:				
Delinquent Taxes			$	757,747

BOROUGH OF FAIRVIEW, N.J.

Statement of Revenues-Regulatory Basis

Current Fund

Year Ended December 31, 2025

Analysis of Non-budget Revenues

Miscellaneous Revenues Not Anticipated:		
Interest on Investments	$ 352,251	
Assessor Lists	220	
Police Dept. Misc	350	
BCUA Sewer Connection	705	
Cable TV	75,359	
PILOT-Bergen Blvd	519,162	
Duplicate Bills	65	
Administrative Fee - Marriage	840	
Administrative Fee - Senior and Veteran Deductions	445	
Bad Check Fees	580	
Bus Shelter	2,182	
Rental of Polling Places	5,120	
Crude Oil Refunds	13,821	
Fire Dept.	3,308	
Misc.	5,937	
		$ 980,345
	Cash Receipts	$ 980,345

See accompanying notes to financial statements.

Exhibit A-3

BOROUGH OF FAIRVIEW, N.J.

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2024

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
General Government:					
Administrative and Executive:					
Salaries and Wages	466,770	466,770	415,391	51,379	
Other Expenses	208,000	208,000	183,625	24,375	
Financial Administration:					
Salaries and Wages	175,000	179,666	178,531	1,135	
Other Expenses:					
Miscellaneous Other Expenses	137,000	137,000	128,766	8,234	
Single Audit Act of 1984	2,000	2,000		2,000	
Collection of Taxes:					
Salaries and Wages	85,000	85,000	85,000		
Other Expenses	21,000	21,000	16,538	4,462	
Assessment of Taxes:					
Salaries and Wages	25,000	25,000	16,558	8,442	
Other Expenses	76,000	76,000	50,272	25,728	
Legal Services and Costs:					
Salaries and Wages	255,000	255,000	255,000		
Other Expenses	70,000	70,000	43,299	26,701	
Engineering Services and Costs:					
Other Expenses	15,000	15,000	5,800	9,200	
Municipal Land Use Law (N.J.S.A. 40:55D-1):					
Planning Board:					
Salaries and Wages	19,000	19,000	18,102	898	
Other Expenses	200	200		200	
Zoning Board of Adjustment:					
Salaries and Wages	17,000	17,000	13,197	3,803	
Other Expenses	200	200		200	

Exhibit A-3

BOROUGH OF FAIRVIEW, N.J.

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2024

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
Rent Leveling Board:					
Salaries and Wages	10,857	10,857		10,857	
Other Expenses	200	200		200	
Insurance:					
Other Insurance Premiums	831,399	831,399	828,822	2,577	
Group Insurance for Employees	3,410,975	3,410,975	3,257,265	153,710	
Public Safety:					
Police:					
Salaries and Wages	5,032,800	5,032,800	5,025,099	7,701	
Other Expenses	346,500	346,500	334,060	12,440	
Special Police:					
Salaries and Wages	147,000	147,000	77,868	69,132	
Other Expenses	18,500	18,500	7,037	11,463	
911 Communication	7,500	7,500		7,500	
Alliance to Prevent Alcoholism and Drug Abuse:					
Other Expenses	10,000	10,000	3,626	6,374	
Emergency Management Services					
Salaries and Wages	14,000	14,000	9,646	4,354	
Other Expenses	10,700	10,700	8,134	2,566	
Fire:					
Stipends	288,000	288,000	222,400	65,600	
Miscellaneous Other Expenses	130,660	130,660	123,607	7,053	
Fire Hydrant Service	90,000	90,000	83,704	6,296	
Uniform Fire Safety Act:					
Salaries and Wages	125,000	125,000	56,541	68,459	
Other Expenses	33,500	33,500	33,209	291	

Exhibit A-3

BOROUGH OF FAIRVIEW, N.J.

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2024

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
Municipal Prosecutor:					
Salaries and Wages	15,000	15,000	12,574	2,426	
Other Expenses	500	500		500	
Streets and Roads:					
Road Repairs and Maintenance:					
Salaries and Wages	1,402,453	1,402,453	1,090,543	311,910	
Other Expenses	105,500	105,500	92,352	13,148	
Fleet Maintenance	120,000	120,000	120,000		
Recycling:					
Other Expenses	200,000	200,000	175,569	24,431	
Sanitation:					
Garbage and Trash Removal:					
Other Expenses	326,025	326,025	286,944	39,081	
Sanitary Landfill:					
Contractual - Bergen County	30,000	30,000		30,000	
Public Buildings and Grounds:					
Other Expenses	112,500	112,500	112,382	118	
Sewer System:					
Other Expenses	25,000	25,000	2,361	22,639	
Wastewater Supervision					
Salaries and Wages	8,647	8,647		8,647	
Health and Welfare:					
Board of Health:					
Salaries and Wages	130,000	130,000	125,824	4,176	
Other Expenses	107,313	107,313	99,572	7,741	
Redevelopment:					
Other Expenses	25,000	25,000		25,000	

Exhibit A-3

BOROUGH OF FAIRVIEW, N.J.

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2024

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
Recreation and Education:					
Parks and Playgrounds:					
Other Expenses	25,000	25,000	22,612	2,388	
Parking Meters:					
Salaries and Wages	65,500	74,603	74,603		
Other Expenses	17,000	17,000	2,343	14,657	
Recreation:					
Salaries and Wages	201,000	201,000	167,823	33,177	
Other Expenses	51,900	51,900	48,169	3,731	
Senior Citizen:					
Other Expenses	20,000	20,000	13,550	6,450	
Municipal Court:					
Salaries and Wages	271,000	275,279	275,279		
Other Expenses	47,900	47,900	27,498	20,402	
Public Defender (P.L., C. 256)					
Salaries and Wages	15,000	15,718	15,718		
Other Expenses	500	500		500	
Occupational Safety and Health Act (N.J.S.A. 40A:40-45.3):					
Other Expenses	23,200	23,200	22,895	305	
Hepatitis B	3,750	3,750		3,750	
Construction Code Official:					
Salaries and Wages	239,000	180,532	160,609	19,923	
Other Expenses	16,525	17,800	17,800		

Exhibit A-3

BOROUGH OF FAIRVIEW, N.J.

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2024

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
Code Enforcement:					
Salaries and Wages	30,000	30,000		30,000	
Other Expenses	5,000	5,000	1,489	3,511	
UNCLASSIFIED:					
Salary and Wage Adjustment Program	25,000	25,000		25,000	
Celebration of Public Events:					
Other Expenses	40,000	40,000	39,786	214	
Utilities:					
Street Lighting	132,000	155,637	155,637		
Telephone	190,000	190,000	166,250	23,750	
Water	57,000	57,000	43,386	13,614	
Natural Gas & Electricity	190,000	204,790	204,790		
Fuel Oil	20,000	20,000	6,037	13,963	
Heating Oil	2,000	2,000		2,000	
Gasoline	85,000	85,000	53,995	31,005	
Third Party Ambulance	760,000	760,000		760,000	
Total Operations within "CAPS"	17,220,974	17,220,974	15,119,487	2,101,487	
B. Contingent					
Total Operations Including Contingent-within "CAPS"	17,220,974	17,220,974	15,119,487	2,101,487	
Detail:					
Salaries & Wages	9,063,027	9,023,325	8,296,306	727,019	
Other Expenses (Including Contingent)	8,157,947	8,197,649	6,823,181	1,374,468	
	17,220,974	17,220,974	15,119,487	2,101,487	
(E) Deferred Charges and Statutory Expenditures-Municipal within "CAPS"					
DEFERRED CHARGES:					
Deficit in Reserve for Police Outside Services	7,687	7,687	7,687		

Exhibit A-3

BOROUGH OF FAIRVIEW, N.J.

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2024

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
STATUTORY EXPENDITURES:					
Contribution to:					
Public Employees' Retirement System	414,121	414,121	414,121		
Police and Firemen's Retirement System	1,563,592	1,563,592	1,563,592		
Social Security System (O.A.S.I.)	360,000	360,000	360,000		
Unemployment Compensation Insurance	40,000	40,000	31,576	8,424	
DCRP	25,000	25,000	19,727	5,273	
Total Deferred Charged and Statutory Expenditures-Municipal within "CAPS"	2,410,400	2,410,400	2,396,703	13,697	
Total General Appropriations for Municipal Purposes within "CAPS"	19,631,374	19,631,374	17,516,190	2,115,184	
Operations - Excluded from "CAPS"					
Maintenance of Free Public Library (Ch. 82 & 541, P.L. 1985)					
Other Expenses	694,738	694,738	482,422	212,316	
Bergen County Utility Authority Sewer					
Sewer service charges - contractual	1,639,025	1,639,025	1,639,024	1	
2025 CAP Exceptions:					
Health Benefits	281,025	281,025	281,025		
Garbage and Trash	73,975	73,975	73,975		
Total Other Operations - Excluded from "CAPS"	2,688,763	2,688,763	2,476,446	212,317	

Exhibit A-3

BOROUGH OF FAIRVIEW, N.J.

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2024

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
Public and Private Programs Offset by Revenues:					
Clean Communities Program:	25,605	25,605	25,605		
Alcohol Education and Rehabilitation Fund	6,129	6,129	6,129		
Opioid Settlement	36,590	36,590	36,590		
Distracted Driving	12,250	12,250	12,250		
Drive Sober	14,000	14,000	14,000		
Click it or Ticket	10,500	10,500	10,500		
Recreation Grant	75,000	75,000	75,000		
NJ Healthcare Quality Institute	10,800	10,800	10,800		
Municipal Alliance	5,634	5,634	5,634		
COPS Hiring Grant					
Salaries & Wages	42,216	42,216	42,216		
Other Expenses	16,472	16,472	16,472		
Bullet Proof Vest	3,133	3,133	3,133		
Bullet Proof Vest	3,331	3,331	3,331		
Total Public and Private Programs Offset by Revenues	261,660	261,660	261,660		
Total Operations-Excluded from "CAPS"	2,950,423	2,950,423	2,738,106	212,317	
Detail:					
Salaries and Wages	42,216	42,216	42,216		
Other Expenses	2,908,207	2,908,207	2,695,890	212,317	
	2,950,423	2,950,423	2,738,106	212,317	

Exhibit A-3

BOROUGH OF FAIRVIEW, N.J.

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2024

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
Capital Improvements - Excluded from "CAPS"					
Capital Improvement Fund	200,000	200,000	200,000		
Total Capital Improvements Excluded from "CAPS"	200,000	200,000	200,000		
Municipal Debt Service - Excluded from "CAPS"					
Payment of Bond Principal	1,435,000	1,435,000	1,435,000		
Payment of Bond Anticipation Notes & Capital Notes	337,788	337,788	337,788	-	
Interest on Bonds	350,000	350,000	344,085		5,915
Interest on Notes	400,000	400,000	386,925		13,075
Total Municipal Debt Service-Excluded from "CAPS"	2,522,788	2,522,788	2,503,798		18,990
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	5,673,211	5,673,211	5,441,904	212,317	18,990

Exhibit A-3

BOROUGH OF FAIRVIEW, N.J.

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2024

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
Subtotal General Appropriations	25,304,585	25,304,585	22,958,094	2,327,501	18,990
Reserve for Uncollected Taxes	810,000	810,000	810,000		
Total General Appropriations	$ 26,114,585	26,114,585	23,768,094	2,327,501	18,990

Adopted Budget	26,090,085
Amended by N.J.S.A. 40A:4-87	24,500
	$ 26,114,585

Reserve for Uncollected Taxes	810,000
Reserve for Encumbrances	201,730
Prior Year Prepaid Payroll Charged	165,537
Deferred Charges - Cash Disbursed	7,687
Federal and State Grant Fund	261,660
Cash	22,321,480
	$ 23,768,094

Exhibit B

BOROUGH OF FAIRVIEW, N.J.

Comparative Balance Sheet-Regulatory Basis

Trust Funds

December 31, 2025 and 2024

Assets	Ref.	2025	2024
Animal License Fund:			
Cash	B-1	$ 2,356	2,512
Other Trust Funds:			
Cash - Other Trust	B-1	4,465,341	2,532,781
Cash - Library Trust Fund	B-1	331,371	320,854
Accounts Receivable	B-4		65,280
		4,796,712	2,918,915
Unemployment Insurance Compensation Trust Fund:			
Cash	B-1	980	412
Community Development Trust Fund:			
Cash - Community Development	B-1	2	2
Total Assets		$ 4,800,050	2,921,841

Liabilities, Reserves & Fund Balance	Ref.	2025	2024
Animal License Fund:			
Reserve for Expenditures	B-2	$ 1,459	1,608
Prepaid Licenses	B-1		101
Due to State of New Jersey	B-3		17
Interfund - Current Fund	B-5	897	786
		2,356	2,512
Other Trust Fund:			
Due to Current Fund	B-5	12,245	15,173
Reserve for:			
Various Trust Reserves	B-6	4,453,096	2,582,888
Library Expenditures	B-7	331,371	320,854
		4,796,712	2,918,915
Unemployment Insurance Compensation Trust Fund:			
Reserve for Expenditures	B-8	980	412
Community Development Trust Fund:			
Reserve for Community Development	B-9	2	2
Total Liabilities, Reserves & Fund Balance		$ 4,800,050	2,921,841

See accompanying notes to financial statements.

Exhibit C

BOROUGH OF FAIRVIEW, N.J.

Comparative Balance Sheet-Regulatory Basis

General Capital Fund

December 31, 2025 and 2024

	Ref.		2025	2024
Assets				
Cash	C-2/C-3	$	3,252,420	1,403,238
Grants Receivable	C-4		5,080,558	5,086,481
Deferred Charges to Future Taxation:				
Funded	C-5		9,932,000	11,367,000
Unfunded	C-6		15,629,025	14,775,816
Interfund Receivable - Current Fund	C-11			152,091
		$	33,894,003	32,784,626
Liabilities, Reserves and Fund Balance				
General Serial Bonds	C-7	$	9,932,000	11,367,000
Bond Anticipation Notes	C-8		14,468,000	9,700,000
Improvement Authorizations:				
Funded	C-9		1,109,521	1,133,184
Unfunded	C-9		5,813,588	5,802,450
Capital Improvement Fund	C-10		224,940	84,863
Interfund Payable	C-11		482	
Encumbrances Payable	C-12		489,759	3,095,637
Reserve for:				
Park Improvements	C-13		31,000	31,000
Payment of Debt	C-14		1,198,876	643,295
Payment of Notes	C-15			247,000
Grants Receivable	C-16		423,212	673,212
Fund Balance	C-1		202,625	6,985
		$	33,894,003	32,784,626

There were bonds and notes authorized but not issued on December 31, 2025 and December 31, 2024 of $1,161,025 and $5,075,816. (Exhibit C-17).

See accompanying notes to financial statements.

Exhibit C-1

BOROUGH OF FAIRVIEW, N.J.

Comparative Statement of Changes in Fund Balance-Regulatory Basis

General Capital Fund

Years Ended December 31, 2025 and 2024

		2025	2024
Balance - January 1,	$	6,985	29,946
Increased by:			
Premium on Sale of Notes/Bonds		202,625	6,984
		209,610	36,930
Decreased by:			
Utilized as Budget Revenue		6,985	29,945
Balance - December 31,	$	202,625	6,985

See accompanying notes to financial statements.

Exhibit E

BOROUGH OF FAIRVIEW, N.J.

Balance Sheet-Regulatory Basis

Public Assistance Trust Fund

December 31, 2025 and 2024

	Ref.		2025	2024
Assets				
Cash - Public Assistance Trust Fund I	E-1	$	1,448	1,448
Liabilities				
Reserve for Public Assistance	E-4	$	1,448	1,448

See accompanying notes to the financial statements.

Exhibit F

BOROUGH OF FAIRVIEW, N.J.

Comparative Balance Sheets - Regulatory Basis

Payroll Account

December 31, 2025 and 2024

		2025	2024
Assets			
Cash	$	453,457	496,326
Liabilities			
Due to Current Fund	$	443,993	382,597
Reserve for:			
Payroll Deductions and Withholdings		6,888	9,044
Net Payroll		2,576	104,685
	$	453,457	496,326

See accompanying notes to the financial statements.

Exhibit G

BOROUGH OF FAIRVIEW, N.J.

Comparative Statement of General Fixed Assets-Regulatory Basis

December 31, 2025 and 2024

		2025	2024
General Fixed Assets:			
Land and Land Improvements	$	4,289,572	4,276,712
Buildings and Building Improvements		15,066,378	15,041,929
Machinery and Equipment		9,568,458	7,489,939
	$	28,924,408	26,808,580
Investment in Fixed Assets	$	28,924,408	26,808,580

See accompanying notes to financial statements.

BOROUGH OF FAIRVIEW
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2025 AND 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

A. Reporting Entity

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

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

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

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

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

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

The Borough has the following funds and account group:

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

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

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

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

Library Trust Fund – This fund is used to account for Library state aid received from the State of New Jersey.

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

Public Assistance Fund - This fund is used to account for the receipt and disbursement of funds that provide assistance to certain residents of the Borough that do not meet the requirements to be eligible for General Assistance pursuant to Title 44 of New Jersey statutes. Administration of public assistance was transferred to the County of Bergen effective October 1, 2023.

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

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

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

Basis of Accounting

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

Property Tax Revenues - Real property taxes are assessed locally, based upon the assessed value of the property. The tax bill includes a levy for Municipal, County, and School purposes. The bills are mailed annually in June for that calendar years levy. Taxes are payable in four quarterly installments on February 1, May 1, August 1, and November 1. The amounts of the first and second installments are determined as one quarter of the total tax levied against the property for the preceding year. The installment due for the third and fourth quarters is determined by taking the current year levy less the amount previously charged for the first and second installments, with the remainder being divided equally. If unpaid on these dates, the amount due becomes delinquent and subject to interest at 8% per annum, or 18% on any delinquency amount in excess of $1,500. The school levy is turned over to the Board of Education as expenditures are incurred, and the balance, if any, must be transferred as of June 30, of each fiscal year. County taxes are paid quarterly on February 15, May 15, August 15 and November 15, to the County by the Borough. When unpaid taxes or any municipal lien, or part thereof, on real property, remain in arrears on the 11th day of the 11th month in the current year taxes are levied, the collector in the municipality shall subject to the provisions of the New Jersey Statutes enforce the lien by placing the property on a tax sale. Annual in rem tax foreclosure proceedings are instituted to enforce the tax collection or acquisition of title to the property by the Borough. In accordance with the accounting principles prescribed by the State of New Jersey, current and delinquent taxes are realized as revenue when collected. Since delinquent taxes and liens are fully reserved, no provision has been made to estimate that portion of the tax's receivable and tax title liens that are uncollectible. GAAP requires property tax revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

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

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

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

Basis of Accounting, (continued)

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

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

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

General Capital Fund
Trust Fund
Public Assistance Fund

The governing body shall introduce and approve the annual budget not later than March 31, of the fiscal year. The budget shall be adopted not later than April 30, and prior to adoption must be certified by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The Director of the Division of Local Government Services, with the approval of the Local Finance Board, may extend the introduction and approval and adoption dates of the municipal budget. The budget is prepared by fund, function, activity and line item (salary or other expense) and includes information on the previous year. The legal level of control for appropriations is exercised at the individual line-item level for all operating budgets adopted. Emergency appropriations, those made after the adoption of the budget and determination of the tax rate, may be authorized by the governing body of the municipality. During the last two months of the fiscal year, the governing body may, by a 2/3 vote, amend the budget through line-item transfers. Management has no authority to amend the budget without the approval of the Governing Body. Expenditures may not legally exceed budgeted appropriations at the line-item level. During the years ended December 31, 2025, and 2024, the Governing body approved additional revenues and appropriations of $24,500 and $50,379, respectively, in accordance with N.J.S.A. 40A:4-87. In addition, several budget transfers were approved by the governing body in 2025 and 2024.

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

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

Basis of Accounting, (continued)

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

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

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

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

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

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

Inventories - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various balance sheets.

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

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

Basis of Accounting, (continued)

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

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

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

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

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

No depreciation has been provided for in the financial statements.

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

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

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

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

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

Basis of Accounting, (continued)

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

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

Recently Issued Accounting Pronouncements

The following GASB statement became effective for the fiscal year ended December 31, 2025:

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

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

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

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

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

Recently Issued Accounting Pronouncements, (continued)

In September 2024, the Government Accounting Standards Board issued GASB Statement No. 104, *Disclosure of Certain Capital Assets*. This Statement will provide users of financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. The requirements of this Statement are effective for periods beginning after June 15, 2025. Management is currently reviewing the provisions of this Statement and its effect on the financial statements of the Borough.

In December 2025, the Government Accounting Standards Board issued GASB Statement No. 105, *Subsequent Events*. The primary objective of this Statement is to improve the financial reporting requirements for subsequent events, thereby enhancing consistency in their application and better meeting the information needs of financial statement users. This Statement defines subsequent events as transactions or other events that occur after the date of the financial statements but before the date the financial statements are available to be issued. This Statement describes the date the financial statements are available to be issued as the date at which (1) the financial statements are complete in a form and format that complies with generally accepted accounting principles and (2) approvals necessary for issuance have been obtained. That definition modifies the subsequent events time frame throughout the GASB literature. This Statement also requires the date through which subsequent events have been evaluated to be disclosed. This Statement clarifies the subsequent events that constitute recognized and nonrecognized events and establishes specific note disclosure requirements for nonrecognized events. The requirements of this Statement are effective for fiscal years beginning after June 15, 2026, and all reporting periods thereafter. The Borough is determining what effects, if any, this pronouncement will have on future financial statements.

C. Basic Financial Statements

The GASB Codification also defines the financial statements of a governmental unit to be presented in the general-purpose financial statements to be in accordance with GAAP. The Borough 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.

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Borough's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A:5-15.1(a) that are treated as cash equivalents. As of December 31, 2025, $-0- of the Borough's bank balance of $19,633,292 was exposed to custodial credit risk and as of December 31, 2024, $-0- of the Borough's bank balance of $15,440,727 was exposed to custodial credit risk.

Investments

Investment Rate Risk

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

Credit Risk

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

Concentration of Credit Risk

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

NOTE 3. MUNICIPAL DEBT

Long-term debt as of December 31, 2025, and 2024 consisted of the following:

	Balance Dec. 31, 2024	Additions		Reductions	Balance Dec. 31, 2025	Amounts Due within One Year
Bonds Payable:						
General Obligation Debt	$ 11,367,000	$ -		$ 1,435,000	$ 9,932,000	$ 1,490,000
Other Liabilities:						
Deferred PERS/PFRS Pension Obligation	61,357	65,404	(*)	61,357	65,404	65,404
Compensated Absences Payable	1,059,600	354,900		190,059	1,224,441	-
	$ 12,487,957	$ 420,304		$ 1,686,416	$11,221,845	$ 1,555,404

(*) - Adjustment was made to agree the ending balance with the billings for the subsequent year. Additional adjustments may be needed in the future for additional amounts owed which are unknown at this time.

	Balance Dec. 31, 2023	Additions		Reductions	Balance Dec. 31, 2024	Amounts Due within One Year
Bonds Payable:						
General Obligation Debt	$ 12,737,000			$ 1,370,000	$11,367,000	$ 1,435,000
Other Liabilities:						
Deferred PERS/PFRS Pension Obligation	56,931	61,357	(*)	56,931	61,357	61,357
Compensated Absences Payable	1,146,734	153,971		241,105	1,059,600	-
	$ 13,940,665	$ 215,328		$ 1,668,036	$12,487,957	$ 1,496,357

(*) - Adjustment was made to agree the ending balance with the billings for the subsequent year. Additional adjustments may be needed in the future for additional amounts owed which are unknown at this time.

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

NOTE 3. MUNICIPAL DEBT, (continued)

The Borough's debt is summarized as follows:

Summary of Municipal Debt (Excluding Current Operating Debt)

	December 31, 2025	December 31, 2024	December 31, 2023
Issued:			
General - Bonds, Notes and Loans	$ 24,400,000	$ 21,067,000	$ 22,427,000
Less:			
Funds Temporarily Held to Pay Bonds and Notes	1,198,876	890,295	893,034
Net Debt Issued	23,201,124	21,533,966	22,186,287
Authorized But Not Issued			
General - Bonds, Notes and Loans	1,161,025	5,075,816	3,061,219
Net Bonds and Notes Issued and Authorized But Not Issued	$ 24,362,149	$ 24,595,185	$ 23,337,850

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 1.153% for 2025:

	Gross Debt	Deductions	Net Debt
School District Debt	$ 25,000,000	$ 25,000,000	$ -
General Debt	25,561,025	1,198,876	24,362,149
	$ 50,561,025	$ 26,198,876	$ 24,362,149

Net debt of $24,362,149 divided by equalized valuation basis per N.J.S.A. 40A:2-2, as amended, of $2,112,192,987 equals 1.153%.

NOTE 3. MUNICIPAL DEBT, (continued)

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 1.302% for 2024:

	Gross Debt	Deductions	Net Debt
School District Debt	$ 25,000,000	$ 25,000,000	$ -
General Debt	26,142,816	890,295	25,252,521
	$ 51,142,816	$ 25,890,295	$ 25,252,521

Net debt of $25,252,521 divided by equalized valuation basis per N.J.S.A. 40A:2-2, as amended, of $1,939,273,402 equals 1.302%.

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

	2025	**2024**
3 1/2% of Equalized Valuation Basis (Municipal)	$ 73,926,755	$ 67,874,569
Net Debt	24,362,149	25,252,521
Remaining Borrowing Power	$ 49,564,606	$ 37,287,482

The Borough's long-term debt consisted of the following at December 31, 2025:

Paid by Current Fund:

General Serial Bonds:	2025	2024
$5,607,000 General Serial Bonds with variable interest rates, issued August 15, 2014, due through February 15, 2030	$ 2,187,000	$ 2,621,000
$9,675,000 General Improvement Bonds with variable interest rates, issued February 1, 2019, due through February 1, 2037	7,155,000	7,615,000
$2,985,000 General Improvement Refunding Bonds with variable interest rates, issued April 1, 2020, due through February 15, 2026	590,000	1,140,000
Total General Serial Bonds	$ 9,932,000	$ 11,376,000

NOTE 3. MUNICIPAL DEBT, (continued)

Aggregate debt service requirements are as follows:

	General Capital		
Year	Principal	Interest	Total
2026	1,490,000	288,810	$ 1,778,810
2027	910,000	246,910	1,156,910
2028	932,000	219,280	1,151,280
2029	955,000	190,975	1,145,975
2030	1,050,000	159,775	1,209,775
2031-2035	3,245,000	474,425	3,719,425
2036-2037	1,350,000	46,225	1,396,225
	$ 9,932,000	$ 1,626,400	$ 11,558,400

General capital serial bonds are direct obligations of the Borough for which its full faith and credit are pledged and are payable from taxes levied on all taxable property located within the Borough.

At December 31, 2025 and 2024, the Borough had authorized but not issued debt of $1,161,025 and $5,075,816, respectively.

NOTE 4. BOND ANTICIPATION NOTES

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

On December 31, 2025 and 2024, the Borough had $14,468,000 and $9,700,000, respectively, in outstanding General Capital Bond anticipation notes.

NOTE 4. BOND ANTICIPATION NOTES

The following activity related to bond anticipation notes occurred during the periods ended December 31, 2025 and 2024:

	Balance Dec. 31, 2024	Additions	Reductions	Balance Dec. 31, 2025
General Capital Notes Payable:				
Janney Montgomery Scott LLC	$ -	$ 14,468,000	$ -	$ 14,468,000
Piper Sandler & Co	9,700,000	-	9,700,000	-
	$ 9,690,000	$ 14,468,000	$ 9,700,000	$ 14,468,000

	Balance Dec. 31, 2023	Additions	Reductions	Balance Dec. 31, 2024
General Capital Notes Payable:				
Piper Sandler & Co	$ 9,690,000	$ 9,700,000	$ 9,690,000	$ 9,700,000
	$ 9,690,000	$ 9,700,000	$ 9,690,000	$ 9,700,000

NOTE 5. FUND BALANCE APPROPRIATED

The Current Fund balance at December 31, 2025 and 2024 which has been appropriated as revenue in the 2026 and 2025 budgets are as follows:

	2026	2025
Current Fund	$3,115,000	$2,950,000

NOTE 6. ACCRUED SICK AND VACATION BENEFITS

The Borough permits employees to accrue (with certain restrictions) unused vacation and sick pay, which may be taken as time off or paid at a later date at an agreed upon rate. This amount is not reported either as an expenditure or liability.

The estimated accumulated unpaid compensation as of December 31, 2025, and 2024 was $1,224,441 and $1,059,600, respectively.

NOTE 7. PENSION PLANS

Description of Plans:

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

Public Employees' Retirement System (PERS)

Plan Description

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

Benefits Provided

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

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

NOTE 7. PENSION PLANS, (continued)

Benefits Provided, (continued)

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

Police and Firemens' Retirement System (PFRS)

Plan Description

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

Benefits Provided

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

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

NOTE 7. PENSION PLANS, (continued)

Police and Firemens' Retirement System (PFRS), (continued)

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

Defined Contribution Retirement Program

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

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

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

NOTE 7. PENSION PLANS, (continued)

Significant Legislation

On March 17, 2009, the legislative of the State of New Jersey enacted Public Laws 2009, c.19(S-21) the "Pension Deferral Program". This law allows the Division of Pensions and Benefits to provide non-state government pension system employers the option of paying their full amount, or an amount that reflects a 50 percent reduction of the normal and accrued liability component of the Public Employees' Retirement System and/or the Police and Firemen's Retirement System obligation for payment due to the State Fiscal Year ending June 30, 2009. The amount deferred will be repaid starting in April 2012 over a 15-year period at 8¼ percent. The amount will fluctuate based on pension system investment earnings on the deferred amount. The local employer is allowed to payoff the obligation at any time prior to April 2012.

The Borough of Fairview opted for this deferral in the amount of $445,673. The outstanding balance at December 31, 2025 was $65,404.

Contribution Requirements

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

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

Year	PERS	PFRS	DCRP
2025	$397,103	$1,510,325	$19,727
2024	447,609	1,515,725	21,938
2023	433,167	1,415,369	21,476

NOTE 7. PENSION PLANS, (continued)

Contribution Requirements, (continued)

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

The following pension information is as of June 30, 2024, which is the latest information available. This information is eighteen months prior to December 31, 2025. GASB Statement No. 68 requires that the information be no more than twelve months prior to the employer's fiscal year end. No modification of the Independent Auditor's Report is being made since the Division of Local Government Services, Department of Community Affairs, State of New Jersey, is permitting the regulatory basis statements of Municipal, County and Library's to be issued with unmodified opinion's until such time current pension information is available.

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

Public Employees Retirement System (PERS)

At June 30, 2024, the Borough had a liability of $3,965,439 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2024, the Borough's proportion was .0291832899% percent, which was a decrease of .0043071606% percent from its proportion measured as of June 30, 2023.

NOTE 7. PENSION PLANS, (continued)

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

Public Employees Retirement System (PERS), (continued)

For the year ended December 31, 2025, the Borough recognized pension expense of $397,103.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 79,435	$ 10,557
Changes of assumptions	4,926	45,118
Net difference between projected and actual earnings on pension plan investments		183,867
Changes in proportion and differences between the Borough's contributions and proportionate share of contributions	73,354	725,624
	$ 157,715	$ 965,166

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

Year ended June 30:	
2025	$ (168,363)
2026	130,274
2027	(74,950)
2028	(43,268)
2029	1,126

NOTE 7. PENSION PLANS, (continued)

Public Employees Retirement System (PERS), (continued)

Changes in Proportion

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

Additional Information

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

	June 30, 2024	June 30, 2023
Collective deferred outflows of resources	$ 1,079,580,780	$ 1,080,204,730
Collective deferred inflows of resources	1,611,322,898	1,780,216,457
Collective net pension liability	13,588,045,796	14,606,489,066
Borough's Proportion	0.0291832899%	0.0334904505%

Actuarial Assumptions

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

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

NOTE 7. PENSION PLANS, (continued)

Public Employees Retirement System (PERS), (continued)

Mortality Rates

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

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

Long-Term Rate of Return

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

NOTE 7. PENSION PLANS, (continued)

Public Employees Retirement System (PERS), (continued)

Long-Term Rate of Return, (continued)

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

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

NOTE 7. PENSION PLANS, (continued)

Public Employees Retirement System (PERS), (continued)

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

The following presents the collective net pension liability of the participating employers as of June 30, 2024, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 - percentage point lower or 1- percentage-point higher than the current rate:

	June 30, 2024		
	1% Decrease 6.00%	At Current Discount Rate 7.00%	1% Increase 8.00%
Borough's proportionate share of the pension liability	$ 5,280,067	$ 3,965,439	$ 2,846,698

Pension Plan Fiduciary Net Position

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

The following PFRS pension information is as of June 30, 2024, which is the latest information available. This information is eighteen months prior to December 31, 2025. GASB Statement No. 68 requires that the information be no more than twelve months prior to the employer's fiscal year end. No modification of the Independent Auditor's Report is being made since the Division of Local Government Services, Department of Community Affairs, State of New Jersey, is permitting the regulatory basis statements of Municipal, County and Library's to be issued with unmodified opinion's until such time current pension information is available.

Police and Firemen's Retirement System (PFRS)

At June 30, 2024, the Borough had a liability of $11,275,359 for its proportionate share of the PFRS net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2024, the Borough's proportion was .1091875300 percent, which was a decrease of .004673930 percent from its proportion measured as of June 30, 2023.

NOTE 7. PENSION PLANS, (continued)

Police and Firemen's Retirement System, (continued)

For the year ended December 31, 2025, the Borough recognized pension expense of $1,510,325.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 710,339	$ 386,005
Changes of assumptions	17,824	331,139
Net difference between projected and actual earnings on pension plan investments		88,250
Changes in proportion and differences between the Borough's contributions and proportionate share of contributions	833,197	733,568
	$ 1,561,360	$ 1,538,962

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

Year ended June 30:	
2025	$ (546,153)
2026	629,296
2027	(157,946)
2028	(73,346)
2029	65,250
Thereafter	5,668

NOTE 7. PENSION PLANS, (continued)

Police and Firemen's Retirement System, (continued)

Changes in Proportion

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

Additional Information

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

	June 30, 2024	June 30, 2023
Collective deferred outflows of resources	$ 1,350,388,724	$ 1,753,080,638
Collective deferred inflows of resources	1,421,121,200	1,966,439,601
Collective net pension liability	10,326,599,453	11,048,782,843
Borough's Proportion	0.1091875300%	0.1138614600%

Actuarial Assumptions

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

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

NOTE 7. PENSION PLANS, (continued)

Police and Firemen's Retirement System, (continued)

Mortality Rates

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

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

Long-Term Rate of Return

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

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NOTE 7. PENSION PLANS, (continued)

Police and Firemen's Retirement System, (continued)

Long-Term Rate of Return, (continued)

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

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

NOTE 7. PENSION PLANS, (continued)

Police and Firemen's Retirement System, (continued)

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

The following presents the collective net pension liability of the participating employers as of June 30, 2024, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 - percentage point lower or 1- percentage-point higher than the current rate:

	June 30, 2024		
	1% Decrease 6.00%	At Current Discount Rate 7.00%	1% Increase 8.00%
Borough's proportionate share of the pension liability	$ 17,030,358	$ 11,275,359	$ 6,455,427

Special Funding Situation - PFRS

Under N.J.S.A. 43:16A-15, the Borough is responsible for their own PFRS contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State to make contributions if certain circumstances occurred. The legislation which legally obligates the State is as follows: Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed on behalf of the Borough by the State under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Accordingly, the Borough's proportionate share percentage of the net pension liability, deferred outflows and inflows determined under GASB Statement No. 68 is zero percent and the State's proportionate share is 100% for PFRS under this legislation.

At June 30, 2024 and 2023, the State proportionate share of the net pension liability attributable to the Borough for the PFRS special funding situation is $2,222,913 and $2,318,068, respectively. For the years ended June 30, 2024 and 2023, the pension system has determined the State's proportionate share of the pension expense attributable to the Borough for the PFRS special funding situation is $255,728 and $263,675, respectively, which is equal to and or less than the actual contributions the State made on behalf of the Borough of $255,728 and $265,098, respectively. The State's proportionate share attributable to the Borough was developed based on actual contributions made to PFRS allocated to employers based upon covered payroll. These on-behalf contributions have not been reported on the Borough's financial statements.

NOTE 7. PENSION PLANS, (continued)

Police and Firemen's Retirement System, (continued)

Pension Plan Fiduciary Net Position

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

NOTE 8. FIXED ASSETS

The following is a summary of changes in the General Fixed Assets Account Group as of December 31, 2025:

	Balance Dec. 31, 2024	Additions	Deletions	Balance Dec. 31, 2025
Land and Land Improvements	$ 4,276,712	$ 12,860	$ -	$ 4,289,572
Buildings and Building Improvements	15,041,929	24,449	-	15,066,378
Machinery and Equipment	7,489,939	2,078,519	-	9,568,458
	$ 26,808,580	$ 2,115,828	$ -	$ 28,924,408

	Balance Dec. 31, 2023	Additions	Deletions	Balance Dec. 31, 2024
Land and Land Improvements	$ 4,250,634	$ 26,078		$ 4,276,712
Buildings and Building Improvements	15,013,314	28,615		15,041,929
Machinery and Equipment	8,858,162	755,866	2,124,089	7,489,939
	$ 28,122,110	$ 810,559	$ 2,124,089	$ 26,808,580

NOTE 9. INTERFUND BALANCES AND ACTIVITY

Balances due to/from other funds at December 31, 2025 consist of the following:

$ 897	Due to the Current Fund from the Animal License Trust Fund for the statutory excess calculation.
482	Due to the Current Fund from the General Capital Fund for the balance of interest earned on investments.
15,100	Due to the Current Fund from the Other Trust Fund for forfeited lien premiums less deposit errors.
2,855	Due to the Affordable Housing Trust from the Current Fund to correct deposit errors.
443,993	Due to the Current Fund from the Payroll Agency for the current year balance of employee health benefit deductions.
853,696	Due to the Federal and State Grant Fund from the current fund for grants received less reimbursement of expenses paid.
$ 1,317,023	

It is anticipated that all interfunds will be liquidated during the fiscal year.

NOTE 10. DEFERRED CHARGES

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2025 the following deferred charges are shown on the balance sheet of the various funds:

	Balance December 31, 2025	Subsequent Year Budget Appropriation	Balance to Succeeding Years' Budget
Trust Fund:			
Deficit in Reserve for Police Outside Duty	$ 29,920	$ 29,920	$ -
Total Deferred Charges	$ 29,920	$ 29,920	$ -

NOTE 10. DEFERRED CHARGES, (continued)

	Balance December 31, 2024	2025 Budget Appropriation	Balance to Succeeding Years' Budget
Trust Fund:			
Deficit in Reserve for Police Outside Duty	$ 7,687	$ 7,687	$ -
Total Deferred Charges	$ 7,687	$ 7,687	$ -

NOTE 11. RISK MANAGEMENT

The Borough is exposed to various risks of loss related to general liability, automobile coverage, damage and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Borough has obtained insurance coverage to guard against these events which will provide minimum exposure to the Borough should they occur. During the 2025 calendar year, the Borough did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

The Borough of Fairview is a member of the South Bergen Joint Insurance Fund (SBJIF) and Municipal Excess Liability Joint Insurance Fund (MEL). The joint insurance funds are both an insured and self-administered group of municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and worker's compensation. The SBJIF and MEL coverage amounts are on file with the Borough.

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

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

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

NOTE 12. TAXES COLLECTED IN ADVANCE

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

	Balance Dec 31, 2025	Balance Dec 31, 2024
Prepaid Taxes	$130,524	$137,117
Cash Liability for Taxes Collected in Advance	$130,524	$137,117

NOTE 13. LITIGATION

The Borough is a defendant in various legal proceedings. These cases, if decided against the Borough, would either be funded by insurance or raised by future taxation. The Borough expects such amounts, if any, to be immaterial.

NOTE 14. OTHER POST EMPLOYMENT BENEFITS (OPEB)

In addition to the pension described in Note 8, the Borough provides post-employment health care benefits as part of the State Health Benefits Local Government Retired Employments Plan.

General Information about the OPEB Plan

The State Health Benefit Local Government Retired Employees Plan (the Plan) is a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. The plan meets the definition of an equivalent arrangement as defined in paragraph 4 of GAB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions* (GASB Statement No. 75); therefore, assets are accumulated to pay associated benefits. For additional information about the Plan, please refer to the State of New Jersey (the State), Division of Pensions and Benefits' (the Division) Annual Comprehensive Financial Report (ACFR), which can be found at https://www.state.nj.us/treasury/pensions/financial-reports.shtml.

NOTE 14. OTHER POST EMPLOYMENT BENEFITS (OPEB), (continued)

General Information about the OPEB Plan, (continued)

The Plan provides medical and prescription drug to retirees and their covered dependents of the participating employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide post-retirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees. Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective 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 postretirement medical coverage. Local employers were required to file a resolution with the Division in order for their employees to qualify for State-paid retiree health benefits coverage under Chapter 330. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L. 1989.

Pursuant to Chapter 78, P.L. 2011, future retirees eligible for 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 provides 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.

NOTE 14. OTHER POST EMPLOYMENT BENEFITS (OPEB), (continued)

Total OPEB Liability

The following other post-employment benefit information is as of June 30, 2024, which is the latest information available. This information is eighteen months prior to December 31, 2025. GASB Statement No. 75 requires that the information be no more than twelve months prior to the employer's fiscal year end. No modification of the Independent Auditor's Report is being made since the Division of Local Government Services, Department of Community Affairs, State of New Jersey, is permitting the regulatory basis financial statements of Municipal, County and Library's to be issued with unmodified opinions until such time current other post-employment benefit information is available.

At June 30, 2024, the Borough had a liability of $23,365,353 proportionate share of the non-special funding net OPEB liability. The total OPEB liability as of June 30, 2024 was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. The Borough's proportion of the net OPEB liability was based on a projection of the Borough's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers a in the plan. At June 30, 2024 the Borough's proportion was .1304930 percent.

For the year ended December 31, 2025, the Borough recognized OPEB benefit of $(194,561).

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

	Outflows of Resources	Inflows of Resources
Difference between expected and actual experience	$ 1,183,290	$ 3,958,894
Changes of assumptions	3,906,245	3,878,501
Net difference between projected and actual earnings on pension plan investments		10,577
Changes in proportion and differences between the Borough's contributions and proportionate share of contributions	4,182,340	2,814,161
	$ 9,271,875	$ 10,662,133

NOTE 14. OTHER POST EMPLOYMENT BENEFITS (OPEB), (continued)

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

Year ended June 30:	
2025	$ (1,466,710)
2026	(631,460)
2027	(108,513)
2028	(578,521)
2029	(368,575)
Thereafter	395,342

Changes in Proportion

The previous amounts do not include employer and nonemployer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 7.89, 7.89, 7.82, 7.82, 7.87, 8.05, 8.14 and 8.04 years for 2024, 2023, 2022, 2021, 2020, 2019, 2018 and 2017 amounts, respectively.

Actual Assumptions and Other Inputs

The total OPEB liability for the June 30, 2024, measurement date was determined by an actuarial valuation as of July 1, 2023, which rolled forward to June 30, 2024. 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.

NOTE 14. OTHER POST EMPLOYMENT BENEFITS (OPEB), (continued)

Actual Assumptions and Other Inputs, (continued)

Salary increases*:	
Public Employees' Retirement System (PERS)	
Rate for all future years	2.75% to 6.55% based on years of service
Police and Firemen's Retirement System (PFRS)	
Rate for all future years	3.25% to 16.25% based on years of service

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

Pre-retirement healthy mortality

Pre-retirement mortality rates for PERS were based on the PUB-2010 General classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Pre-retirement mortality rates for PFRS were based on the PUB-2010 Safety classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

Post-retirement healthy mortality

Post-retirement mortality rates for Chapter 330 retirees were based on the PUB-2010 Safety classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using scale MP-2021. Post-retirement mortality rates for other retirees is based on the PUB-2010 General classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

Disabled retiree mortality

Disabled retiree mortality rates for PERS future disabled retirees were based on the PUB-2010 General classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Disables retiree mortality rates for PFRS future disabled retirees were based on the PUB-2010 Safety classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

NOTE 14. OTHER POST EMPLOYMENT BENEFITS (OPEB), (continued)

Actual Assumptions and Other Inputs, (continued)

Disabled retiree mortality rates for Chapter 330 current retirees were based on the Pub-2010 Safety classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Disabled retiree mortality rates for the other current retirees were based o the PUB-2010 General classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

Actuarial assumptions used in the July 1, 2023 valuation were based on the results of the PFRS and PERS experience studies prepared for July 1, 2018 to June 30, 2021.

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

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 7.50% and decreases to a 4.50% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 22.62% in fiscal year 2027 and decreases to 4.50% in fiscal year 2034. For HMO, the trend is increasing to 23.58% in fiscal year 2027 and decreases to 4.50% in fiscal year 2034. For prescription drug benefits, the initial trend rate is 12.75% and decreases to a 4.50% long-term trend rate after nine years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Discount Rate

The discount rate for June 30, 2024 was 3.93%. 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.

NOTE 15. OTHER POST EMPLOYMENT BENEFITS (OPEB), (continued)

Sensitivity of Net OPEB Liability to Changes in the Discount Rate

The following presents the Borough's proportionate share of the net OPEB liability as of June 30, 2024, as well as what the Borough's proportionate share of the 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:

	June 30, 2024		
	1% Decrease 2.93%	At Current Discount Rate 3.93%	1% Increase 4.93%
Borough's proportionate share of Net OPEB liability	$27,218,118	$23,365,353	$20,279,631

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

The following presents the Borough's proportionate share of the net OPEB liability as of June 30, 2024, as well as what the Borough's proportionate share of 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:

	June 30, 2024		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Borough's proportionate share of Net OPEB liability	$19,762,319	$23,365,353	$27,997,842

NOTE 16. COMMITMENTS AND CONTINGENCIES

There are numerous tax appeal litigations pending at December 31, 2025. The Borough's tax appeal attorney is rigorously defending the Borough's interest in those appeals. Any successful appeals would be raised through future taxation.

NOTE 17. TAX ABATEMENTS

As of December 31, 2025, the Borough provides various tax abatements to a property undergoing redevelopment pursuant to the authority contained in the Redevelopment and Housing Law (NJSA 40A:12A-1) and Five-Year Exemption and Abatement Law (NJSA 40A:21 et.seq.)

The Five-Year Exemption and Abatement Law generally concerns rehabilitation of particular buildings and structures, with an abatement period that lasts no more than five years. These "short-term" property tax abatements can be structured as reduced property tax bills that exclude all or part of improvement value or as payments in lieu of taxes (PILOTS). Procedurally, a municipality must first adopt an ordinance invoking its five-year abatement authority and setting forth application procedures. This ordinance, referred to as the general ordinance, defines the eligibility criteria, which may include types of structures, types of permissible improvements, as well as qualifying geographic zones or similar designations. An applicant must satisfy all the criteria stipulated in the statue and general ordinance to be entitled to approval. Applications for individual short-term abatements are presented to the local governing body and must include a general description of the project, plans demonstrating the structure of the project, a statement of reasons for seeking the abatement, claimed benefits to be realized by the applicant and a statement of taxes currently being assessed and taxes to be paid during the period of abatement. The application is approved by an ordinance authorizing execution of a tax agreement. If, during any tax year prior to the termination of the tax agreement, the property owner ceases to operate or disposes of the property, or fails to meet the conditions for qualifying, then the property tax which would have otherwise been payable for each year shall become due and payable from the property owner as if no exemption and abatement had been granted.

The Township recognized revenue in the amount of $558,273 from this payment in lieu of taxes which is recorded as miscellaneous revenue in the Current Fund.

In accordance with N.J.S.A. 40A:20-12, the Borough is required to remit five percent (5%) of the annual service charge revenues to the County of Bergen. During the year ended December 31, 2025, total PILOT revenues due to the Borough amounted to $782,215 of which $39,111 was remitted to the County on 12/30/2025, representing the statutory 5% obligation.

NOTE 18. SUBSEQUENT EVENTS

The Borough has evaluated subsequent events through May 29, 2026, the date which the financial statements were available to be issued and noted no items for disclosure.

BOROUGH OF FAIRVIEW

COMPARATIVE ASSETS, LIABILITIES, RESERVES AND FUND BALANCE

Assets	2025	2024	2023	2022	2021
Current Fund					
Cash	10,701,222	9,858,577	10,209,434	10,332,986	10,310,200
Cash - Change Fund					
Due from State of New Jersey	32,826	31,815	30,315	27,815	26,565
	10,734,048	9,890,392	10,239,749	10,360,801	10,336,765
Receivables and Other Assets with Full Reserves:					
Delinquent Property Taxes Receivable	495,014	765,549	529,422	545,031	525,224
Foreclosed Property - Property Acquired for Taxes					
Assessed Valuation	92,400	92,400	92,400	92,400	92,400
Revenue Accounts Receivable	70,370	51,734	31,856	35,729	77,808
Tax Title Liens Receivable					48,754
Interfunds Receivable	460,472	398,556	30,905	361,614	406,417
Due From Fairview Board of Education					75,493
Prepaid Payroll		165,537			
	1,118,256	1,473,776	684,583	1,034,774	1,226,096
Deferred Charges:					
Overexpenditure of Appropriations			8,860		
Overexpenditure of Apprpriation Reserves				163,428	
Special Emergency Authorization			30,000	60,000	90,000
	0	0	38,860	223,428	90,000
Total Assets	11,852,304	11,364,168	10,963,192	11,619,003	11,652,861

BOROUGH OF FAIRVIEW

COMPARATIVE ASSETS, LIABILITIES, RESERVES AND FUND BALANCE
CURRENT FUND

Liabilities, Reserves and Fund Balance	2025	2024	2023	2022	2021
Appropriation Reserves	2,327,501	1,676,920	1,532,702	1,358,263	1,232,358
Reserve for Encumbrances	201,730	307,965	280,497	168,488	274,197
School Taxes Payable					12,088
Prepaid Taxes	130,524	137,117	135,508	162,792	202,035
Tax Overpayments	8,096	50,079	55,538	8,347	26,995
Accounts Payable					130,112
County Taxes Payable	4,440	21,822	5,805	6,171	5,382
Inspection Fees Payable	3,272	2,493	2,227	2,219	6,519
Reserve for:					
Disability	18,684	18,684	18,684	18,684	18,684
Tax Maps	7,344	7,344	7,344	7,344	7,344
Revaluation	23,179	23,179	23,179	23,179	23,179
DMV Inspection Fines	3,402	3,402	3,402	3,402	3,402
Reassessment	3,500	3,500	3,500	3,500	3,500
Municipal Relief Aid			107,464	53,743	
Due to Library	1,050,001	875,001	761,249	617,892	465,297
Interfunds Payable	856,551	1,001,353	1,133,873	1,881,038	1,657,096
	4,638,224	4,128,859	4,070,972	4,315,062	4,068,188
Reserve for Receivables and Other Assets	1,118,256	1,473,776	684,583	1,034,774	1,226,096
Fund Balance	6,095,824	5,761,533	6,207,637	6,269,167	6,358,577
Total Liabilities, Reserves and Fund Balance	11,852,304	11,364,168	10,963,192	11,619,003	11,652,861

BOROUGH OF FAIRVIEW

COMPARATIVE OPERATIONS AND CHANGES IN FUND BALANCE
CURRENT FUND

	2025	2024	2023	2022	2021
Revenue and Other Income Realized:					
Fund Balance Utilized	2,950,000	2,950,000	2,650,000	2,493,000	2,375,000
Miscellaneous Revenue	3,032,749	3,184,886	3,633,272	3,473,828	3,173,337
Receipts from Delinquent Taxes	757,747	544,017	538,275	556,484	484,040
Receipts from Current Taxes	40,127,223	38,749,357	36,665,716	35,524,775	35,378,893
Non-Budget Revenue	980,345	917,651	1,162,203	445,004	286,485
Other Credits to Income:					
Unexpended Balance of Appropriation Reserves	1,100,940	1,441,770	1,194,592	984,807	1,359,571
Liabilities Canceled	27,157	7,005	3,485	136,355	102,349
Interfund Loans Returned	383,383	30,905	361,614	433,124	618,434
	49,359,544	47,825,591	46,209,157	44,047,377	43,778,109
Expenditures - Budget Appropriations:					
Appropriations:					
Salaries and Wages	9,065,541	8,949,337	8,465,224	8,357,626	7,996,092
Other Expenses	11,105,856	10,451,177	9,863,543	8,940,715	8,735,196
Deferred Charges and Statutory Expenditures	2,410,400	2,470,911	2,424,029	2,203,785	2,092,318
Capital Improvements	200,000	200,000	62,542	50,000	50,000
Municipal Debt Service	2,503,798	2,479,600	2,189,025	1,985,226	1,900,825
County Taxes	4,565,951	4,341,642	4,047,770	3,769,065	3,638,899
Local District School Tax	16,213,902	16,213,902	16,213,902	16,213,902	16,213,902
Refunds	4,463	42,584	350,868	21,684	4,689
Interfund Advances		165,537		101,784	146,992
Overexpenditures			8,860	163,428	
Receivables canceled	5,342	7,005	3,784		
	46,075,253	45,321,695	43,629,547	41,807,215	40,778,913
Excess/(Deficit) in Revenue	3,284,291	2,503,896	2,579,610	2,240,162	2,999,196
Adjustment to Income Before Fund Balance:					
Expenditures Included Above Which are by Statute					
Deferred Charges to Budget of Succeeding Years			8,860	163,428	
Statutory Excess to Fund Balance	3,284,291	2,503,896	2,588,470	2,403,590	2,999,196
Fund Balance, January 1,	5,761,533	6,207,637	6,269,167	6,358,577	5,734,381
	9,045,824	8,711,533	8,857,637	8,762,167	8,733,577
Decreased by Utilization as Anticipated Revenue	2,950,000	2,950,000	2,650,000	2,493,000	2,375,000
Fund Balance, December 31,	6,095,824	5,761,533	6,207,637	6,269,167	6,358,577

BOROUGH OF FAIRVIEW

COMPARATIVE ASSETS, LIABILITIES, RESERVES AND FUND BALANCE
GENERAL CAPITAL FUND

Assets	2025	2024	2023	2022	2021
Cash	3,252,420	1,403,238	1,940,973	2,604,915	2,098,841
Grants Receivable	5,080,558	5,086,481	5,064,907	3,530,706	2,388,248
Interfunds Receivable		152,091		81,842	581,265
Overexpenditure of Ordinance					8,088
Deferred Charges to Future Taxation:					
Funded	9,932,000	11,367,000	12,737,000	14,040,000	15,287,000
Unfunded	15,629,025	14,775,816	12,751,219	10,434,563	10,016,769
	33,894,003	32,784,626	32,494,099	30,692,026	30,380,211
Liabilities, Reserves and Fund Balance					
General Serial Bonds Payable	9,932,000	11,367,000	12,737,000	14,012,000	15,232,000
Reserve for Improvements	31,000	31,000	31,000	31,000	31,000
Bond Anticipation Notes	14,468,000	9,700,000	9,690,000	9,283,000	8,740,000
Improvement Authorizations:					
Funded	1,109,521	1,133,184	1,625,961	1,570,875	332,050
Unfunded	5,813,588	5,802,450	4,213,548	3,743,458	3,352,002
Capital Improvement Fund	224,940	84,863	2,352	65,750	78,292
Capital Lease Payable				28,000	55,000
Contracts Payable	489,759	3,095,637	2,534,369	176,015	146,614
Reserve for:					
Payment of Bonds	1,198,876	643,295	646,034	861,713	950,650
Payment of Notes		247,000	247,000	247,000	247,000
Pistol Range Repairs			58,235		
Grants Receivable	423,212	673,212	673,212	673,212	1,153,212
Interfunds Payable	482		5,442		
Fund Balance	202,625	6,985	29,946	3	62,391
	33,894,003	32,784,626	32,494,099	30,692,026	30,380,211

BOROUGH OF FAIRVIEW

COMPARATIVE SCHEDULE OF FUND BALANCE
GENERAL CAPITAL FUND

	2025	2024	2023	2022	2021
Fund Balance, January 1	6,985	29,946	3	62,391	47,331
Increased by:					
Premium on Sale of Debt	202,625	6,984	29,943	2	62,390
	209,610	36,930	29,946	62,393	109,721
Decreased by:					
Appropriated as Budget Revenue	6,985	29,945	0	62,390	47,330
Fund Balance, December 31	202,625	6,985	29,946	3	62,391

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APPENDIX D

PROPOSED FORM OF BOND COUNSEL OPINION

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APPENDIX D

[Proposed Form of Bond Counsel Opinion]

August __, 2026

Borough Council
Borough of Fairview
County of Bergen, New Jersey

Dear Council Members:

We have acted as bond counsel in connection with the issuance of $13,550,000 aggregate principal amount of General Improvement Bonds (the "Bonds") by the Borough of Fairview, in the County of Bergen, a municipal corporation of the State of New Jersey (the "Borough"). The Bonds are dated August 15, 2026 and comprise an issue of registered bonds. The Bonds bear interest from their date, payable on each February 15 and August 15, commencing February 15, 2027 (each, an "Interest Payment Date"), in each year until maturity or prior redemption.

The Bonds are payable in annual installments on August 15 in each year, and bear interest at the rates per annum, as follows:

Year	Principal Amount	Interest Rate	Year	Principal Amount	Interest Rate
2027	$ 650,000	%	2035	$ 900,000	%
2028	675,000		2036	950,000	
2029	700,000		2037	1,025,000	
2030	725,000		2038	1,100,000	
2031	750,000		2039	1,150,000	
2032	775,000		2040	1,200,000	
2033	800,000		2041	1,300,000	
2034	850,000				

The Bonds maturing on or before August 15, 2033 are not subject to redemption prior to their stated maturities. The Bonds maturing on or after August 15, 2034 are subject to redemption at the option of the Borough prior to maturity, in whole on any date or in part on any Interest Payment Date, on or after August 15, 2033, upon notice as set forth in the resolutions referred to below at the redemption price of 100% of the principal amount being redeemed, plus accrued interest to the date fixed for redemption.

If the Borough determines to optionally redeem a portion of the Bonds prior to maturity, such Bonds so redeemed shall be in such maturities as determined by the Borough, and within any maturity, by lot.

The Bonds are issued pursuant to the Local Bond Law (Chapter 2 of Title 40A of the New Jersey Statutes, as amended) and pursuant to seventeen bond ordinances adopted by the Borough Council of the Borough on October 5, 2010 (Ord. No. 10-23, as amended by the following four ordinances: Ord. No. 13-7 adopted on April 1, 2013; Ord. No. 16-11 adopted on May 10, 2016; Ord. No. 19-2 adopted on March 4, 2019; and Ord. No. 20-6 adopted on February 18, 2020), September 15, 2015 (Ord. No. 15-13), September 7, 2017 (Ord. No. 17-11), May 7, 2018 (Ord. No. 18-3), March 19, 2019 (Ord. No. 19-4), May 19, 2020 (Ord. No. 20-16), August 18, 2020 (two ordinances: Ord. Nos. 20-18 and 20-21), December 15, 2020 (Ord. No. 20-30), May 18, 2021 (Ord. No. 21-09), June 21, 2022 (Ord. No. 22-07), May 16, 2023 (Ord. No. 23-08), July 18, 2023 (Ord. No. 23-10), November 21, 2023 (Ord. No. 23-16), March 19, 2024 (Ord. No. 24-04), June 18, 2024 (Ord. No. 24-07) and April 15, 2025 (Ord. No. 25-04) and resolutions adopted by the Borough Council of the Borough on July 21, 2026.

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be and remain excluded from gross income of the owners thereof for Federal income tax purposes pursuant to Section 103 of the Code. Such requirements include requirements relating to the use and investment of proceeds of the Bonds and other amounts and to the rebate of certain arbitrage earnings to the United States. Noncompliance by the Borough with such requirements may cause interest on the Bonds to be included in gross income of the owners thereof retroactive to the date of issuance of the Bonds, regardless of when such noncompliance occurs.

The Borough has covenanted, to the extent permitted by the Constitution and the laws of the State of New Jersey, to do and perform all acts and things permitted by law and necessary to assure that interest paid on the Bonds be and remain excluded from gross income of the owners thereof for Federal income tax purposes pursuant to Section 103 of the Code. The Borough's Tax Certificate (the "Tax Certificate"), which will be delivered concurrently with the delivery of the Bonds, will contain provisions and procedures regarding compliance with the requirements of the Code. The Borough, in executing the Tax Certificate, will certify to the effect that the Borough expects and intends to comply with the provisions and procedures contained therein.

As bond counsel, we have examined certified copies of the bond ordinances and resolutions referred to above and related proceedings in connection with the issuance of the Bonds. We have also examined originals (or copies certified or otherwise identified to our satisfaction) of such other instruments, certificates and documents as we have deemed necessary or appropriate for the purpose of the opinion rendered below, including the Tax Certificate executed by the Chief Financial Officer of the Borough of even date herewith. We have assumed the accuracy of the factual information and the truthfulness of the expectations set forth in the Tax Certificate and the exhibits thereto. We have also examined the executed and authenticated first numbered Bond and have assumed that all of the other Bonds have been similarly executed and authenticated. In such examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity to the original documents of all documents submitted to us as copies. As to any facts material to our opinion we have, when relevant facts were not independently established, relied upon the aforesaid instruments, certificates and documents.

We have not prepared nor have we verified the accuracy, completeness or fairness of (i) the information set forth in the Official Statement prepared by the Borough in connection with the sale and issuance of the Bonds, or (ii) other documents of the Borough delivered to the purchasers of the Bonds, and we take no responsibility therefor.

Based on the foregoing, we are of the opinion that:

1. The Bonds have been duly authorized, executed and delivered and constitute valid and legally binding obligations of the Borough enforceable in accordance with their terms, except as enforcement of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium, liquidation or other laws relating to or affecting the enforcement of creditors' rights generally now or hereafter in effect to the extent constitutionally applicable, and enforcement may also be subject to the exercise of judicial discretion in certain cases.

2. The Borough has pledged its full faith and credit for the payment of the principal of and interest on the Bonds, and unless paid from other sources, the Borough is authorized and required by law to levy on all real property taxable by the Borough such ad valorem taxes as may be necessary to pay the Bonds and the interest thereon, without limitation as to rate or amount.

3. Assuming compliance by the Borough with its Tax Certificate, under existing law, interest on the Bonds is excluded from gross income of the owners thereof for Federal income tax purposes pursuant to Section 103 of the Code. In addition, under existing law, interest on the Bonds is not treated as a preference item for purposes of the alternative minimum tax imposed under the Code with respect to individuals; however, interest on the Bonds that is included in the "adjusted financial statement income" of certain corporations is not excluded from the Federal corporate alternative minimum tax. In addition, under the New Jersey Gross Income Tax Act, as enacted and construed on the date hereof, interest on the Bonds and any gain from the sale of the Bonds are not includable in gross income of the holders thereof.

Very truly yours,

Rogut McCarthy LLC