

PRELIMINARY OFFICIAL STATEMENT DATED MAY 6, 2025

**COUNTY OF BERGEN
STATE OF NEW JERSEY**

**\$19,546,000 GENERAL OBLIGATION BONDS, SERIES 2025
consisting of
\$12,060,000 GENERAL IMPROVEMENT BONDS, SERIES 2025A,
\$2,858,000 COUNTY VOCATIONAL/TECHNICAL SCHOOLS BONDS, SERIES 2025B,
\$842,000 COUNTY COLLEGE BONDS, SERIES 2025C,
\$1,893,000 COUNTY COLLEGE BONDS, SERIES 2025D, and
\$1,893,000 COUNTY COLLEGE BONDS, SERIES 2025E
(County College Bond Act, P.L. 1971, c.12)**

This Official Statement has been prepared by the County of Bergen, a body corporate and politic of the State of New Jersey (the "County") to provide information on its: \$19,546,000 General Obligation Bonds, Series 2025, consisting of: A) \$12,060,000 General Improvement Bonds, Series 2025A (the "Series 2025A Bonds"); B) \$2,858,000 County Vocational/Technical School Bonds; Series 2025B (the "Series 2025B Bonds"); C) \$842,000 County College Bonds, Series 2025C (the "Series 2025C Bonds"); D) \$1,893,000 County College Bonds, Series 2025D (the "Series 2025D Bonds"); and E) \$1,893,000 County College Bonds, Series 2025E (County College Bond Act, P.L. 1971, c.12) (the "Series 2025E Bonds", together with the Series 2025C Bonds and the Series 2025D Bonds, the "County College Bonds", and together with the Series 2025A Bonds, the Series 2025B Bonds, and the County College Bonds, the "Bonds"). Select information is presented on the cover page and the inside cover page of this Official Statement for the convenience of the user. To make an informed decision regarding the Bonds, a prospective investor should read this Official Statement in its entirety.

Credit Rating	Moody's: "Aaa" (See "Credit Rating" herein).
Federal Tax Exemption	Assuming continuing compliance by the County with certain covenants described herein, under current law, interest on the Bonds is exempt from federal income taxation. Interest on the Bonds is not included when calculating the federal alternative minimum tax on individuals. However, interest on the Bonds is taken into account in determining the annual adjusted financial statement income of certain corporations for purposes of calculating the federal alternative minimum tax imposed on such corporations.
State Tax Exemption	Interest on the Bonds, and any gain from the sale thereof, is not includable as gross income under the New Jersey Gross Income Tax Act.
Redemption	The Bonds are subject to redemption prior to their stated maturities as described herein.
Security	The Bonds will be valid and legally binding general obligations of the County and, unless paid from other sources, will be payable from <i>ad valorem</i> taxes to be levied upon all the taxable property within the County without limitation as to rate or amount, except to the extent that enforcement of such payment may be limited by bankruptcy, insolvency or other similar laws or equitable principles affecting the enforcement of creditors' rights generally.
Purpose	Proceeds from the sale and issuance of the Bonds will be used by the County as described herein.
Denominations	The Bonds may be purchased in increments of \$5,000 or any integral multiple of \$1,000 in excess thereof.
Maturity Dates	March 1, as shown on the inside cover.
Interest Payment Dates	September 1, 2025 and semiannually thereafter on March 1 and September 1 of each year until maturity.
Interest Rates	As shown on the inside cover.
Bond Counsel	Waters, McPherson, McNeill, P.C.
Closing	On or about May 22, 2025.
Book-Entry System	The Depository Trust Company, Brooklyn, New York.
Issuer Contact	Mr. Jon Rheinhardt, County Chief Financial Officer (201) 336-6560

**ELECTRONIC PROPOSALS SUBMITTED VIA THE PARITY ELECTRONIC BIDDING SYSTEM
WILL BE RECEIVED FOR THE BONDS UNTIL 11:00AM ON MAY 13, 2025
ALL PROPOSALS MUST BE IN ACCORDANCE WITH THE RESPECTIVE NOTICE OF SALE.**

**COUNTY OF BERGEN
STATE OF NEW JERSEY**

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(County College Bond Act, P.L. 1971, c.12)**

<u>Maturity (March 1)</u>	<u>Combined Maturity Schedule</u>	<u>General Improvement Bonds, Series 2025A</u>	<u>County Vocational/ Technical Schools Bonds, Series 2025B</u>	<u>County College Bonds, Series 2025C</u>	<u>County College Bonds, Series 2025D</u>	<u>County College Bonds, Series 2025E</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP No.*</u>
2026	\$1,600,000	\$965,000	\$210,000	\$125,000	\$150,000	\$150,000	%	%	
2027	1,680,000	1,015,000	225,000	130,000	155,000	155,000			
2028	1,760,000	1,065,000	240,000	135,000	160,000	160,000			
2029	1,845,000	1,115,000	255,000	145,000	165,000	165,000			
2030	1,935,000	1,165,000	270,000	150,000	175,000	175,000			
2031	2,027,000	1,215,000	285,000	157,000	185,000	185,000			
2032	1,985,000	1,265,000	300,000		210,000	210,000			
2033	2,075,000	1,315,000	320,000		220,000	220,000			
2034	2,215,000	1,415,000	340,000		230,000	230,000			
2035	2,424,000	1,525,000	413,000		243,000	243,000			

*A registered trademark of the American Bankers Association. The CUSIP numbers referenced herein are provided by CUSIP Global Services, which is managed on behalf of the American Bankers Association by FactSet Research Systems, Inc. The CUSIP numbers listed above are being provided solely for the convenience of holders of the Bonds only at the time of issuance of the Bonds and the County and the Underwriters / Purchasers thereof do not make any representations 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.

**COUNTY OF BERGEN
STATE OF NEW JERSEY**

COUNTY EXECUTIVE

James J. Tedesco, III

THE BOARD OF COUNTY COMMISSIONERS

Mary J. Amoroso, Commissioner Chairwoman
Steven A. Tanelli, Commissioner Vice Chairman
Dr. Joan M. Voss, Commissioner Chair Pro Tempore
Germaine M. Ortiz
Rafael Marte
Thomas J. Sullivan
Tracy Silna Zur

COUNTY OFFICIALS

Thomas J. Duch, Esq., County Administrator
Jon Rheinhardt, County Chief Financial Officer
Melissa Howard, County Treasurer
Lara Pollitt, Clerk of the Board of County Commissioners

COUNTY COUNSEL / COUNTY ADMINISTRATOR

Thomas J. Duch, Esq.

COUNTY AUDITOR

Wielkott & Company, LLC
Pompton Lakes, New Jersey

BOND COUNSEL

Waters, McPherson, McNeill, P.C.
Secaucus, New Jersey

MUNICIPAL ADVISOR

NW Financial Group, LLC
Bloomfield, New Jersey

No broker, dealer, salesperson or other person has been authorized by the County 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 the foregoing. The information contained herein has been provided by the County and other sources deemed reliable; however, no representation or warranty is made as to its accuracy or completeness and such information is not to be construed as a representation or warranty by the Underwriters of the Bonds or, as to information from sources other than itself, by the County. 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 County during normal business hours.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale 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 County or the Underwriter.

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**OFFICIAL STATEMENT
RELATING TO**

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INTRODUCTION

This Official Statement has been prepared by the County of Bergen, a body corporate and politic of the State of New Jersey (the "County") to provide information on its: \$19,546,000 General Obligation Bonds, Series 2025, consisting of: A) \$12,060,000 General Improvement Bonds, Series 2025A (the "Series 2025A Bonds"); B) \$2,858,000 County Vocational/Technical School Bonds; Series 2025B (the "Series 2025B Bonds"); C) \$842,000 County College Bonds, Series 2025C (the "Series 2025C Bonds"); D) \$1,893,000 County College Bonds, Series 2025D (the "Series 2025D Bonds"); and E) \$1,893,000 County College Bonds, Series 2025E (County College Bond Act, P.L. 1971, c.12) (the "Series 2025E Bonds", together with the Series 2025C Bonds and the Series 2025D Bonds, the "County College Bonds", and together with the Series 2025A Bonds, the Series 2025B Bonds, and the County College Bonds, the "Bonds"). Select information is presented on the cover page and the inside cover page of this Official Statement for the convenience of the user. To make an informed decision regarding the Bonds, a prospective investor should read this Official Statement in its entirety. This Official Statement has been executed by the County Chief Financial Officer.

DESCRIPTION OF THE BONDS

The following is a summary of certain provisions of the Bonds. Reference is made to the Bonds themselves for the complete text thereof, and the discussion herein is qualified in its entirety by such reference.

Terms and Interest Payment Dates

The Bonds will be dated the date of delivery thereof. The Bonds will mature on March 1 of each year until maturity, in the principal amounts as set forth on the inside cover page hereof. The Bonds will bear interest at the interest rates per annum as set forth therein, payable on September 1, 2025 and semiannually thereafter on March 1 and September 1 of each year until maturity (each, an "Interest Payment Date").

Denominations and Place of Payment

The Bonds shall be issued in fully registered form to The Depository Trust Company, New York, New York ("DTC"), and registered in the name of DTC's nominee, Cede & Co. One bond certificate shall be issued for each year of maturity of the Bonds, numbered GI-1 to GI-10 in order of maturity for the Series 2025A Bonds; VTS-1 to VTS-10 in order of maturity for the Series 2025B Bonds; CCC-1 to CCC-6 in order of maturity for each of the Series 2025C Bonds; CCD-1 to CCD-10 in order of maturity for Series 2025D Bonds; and CCE-1 to CCE-10 in order of maturity for the Series 2025E Bonds. DTC will hold the Bonds and not physically distribute bond certificates to the DTC participants or beneficial owners of the Bonds.

Principal of and interest on the Bonds will be paid by TD Bank, N.A., Cherry Hill, New Jersey, in its capacity as paying agent (the "Paying Agent"), to DTC as of each February 15 and August 15 (whether or not a business day) immediately preceding the respective Interest Payment Date (each, a "Record Date"). DTC will in turn remit the principal and interest payments received from the County to the DTC participants, which will remit such payments to the beneficial owners of the Bonds.

The Bonds may be purchased in increments of \$5,000, plus integral multiples of \$1,000 in excess thereof. Purchasers of the Bonds will not receive bond certificates representing their beneficial ownership interest in the amount of Bonds purchased.

So long as Cede & Co. is the registered owner of the Bonds, references herein (except under the captions "Tax Matters" and "Secondary Market Disclosure") to the registered owner(s) shall mean Cede & Co. and shall not mean the beneficial owners of the Bonds. See "Book-Entry System" herein.

Redemption

The Bonds maturing on or after March 1, 2033 will be redeemable at the option of the County in whole or in part on any date on or after March 1, 2032 at a redemption price equal to the principal amount thereof, plus accrued in time to the date fixed for redemption.

The Paying Agent shall, at least thirty (30) days and not more than forty-five (45) days prior to the date fixed for redemption, mail by first class mail, postage prepaid, to the registered owners of the Bonds to be redeemed (provided that such notice period may be waived by the Bond Holders) at their addresses as the same shall appear, if at all, upon the registry books of the Paying Agent, a notice to the effect that the Agency has elected to redeem all the Bonds or a part thereof, as the case may be, on a date therein designated, specifying, in the case of the redemption of less than all of the outstanding Bonds, the principal amount of the Bonds to be redeemed and the portion, if less than all, of any Bond is to be redeemed, and in every case stating that on said date there will become due and payable upon each bond so to be redeemed, at the designated office of the Paying Agent, the principal thereof, together with the accrued interest to such date, with such premium, if any, as is due and payable on such bond upon such redemption, and that from and after such date interest thereon will cease to accrue. At any time the Bonds are held by OTC, the Paying Agent shall send any notice of redemption to DTC at such address as may be given by OTC in writing to the Paying Agent. The foregoing notice may be sent by legible facsimile or by other secure method which enables the Paying Agent to verify the submission of such notice.

If at the time of mailing of any notice of redemption there shall not have been deposited with the Paying Agent moneys sufficient to redeem all the Bonds called for redemption, such notice shall state that it is subject to the deposit of the redemption moneys with the Paying Agent not later than the opening of business on the redemption date and shall be of no effect unless such are so deposited.

Security and Source of Payment

The Bonds are valid and legally binding general obligations of the County and, unless paid from other sources, are payable from *ad valorem* taxes levied upon all the taxable real property within the County for the payment of the Bonds and the interest thereon without limitation as to rate or amount.

Additional Security for the Series 2025B Bonds Only (School Bond Reserve Act)

All school bonds, including the Series 2025B Bonds, are secured by the School Bond Reserve established in the Fund for the Support of Free Public Schools of the State of New Jersey (the "Fund") in accordance with the New Jersey School Bond Reserve Act, N.J.S.A. 18A:56-17 et seq. (P.L. 1980, c. 72, approved July 16, 1980, as amended by P.L. 2003, c. 118, approved July 1, 2003 (the "Act")). The recent amendments to the School Bond Reserve Act provide that the Fund will be divided into two School Bond Reserve accounts. All bonds issued prior to July 1, 2003 shall be benefited by a School Bond Reserve account funded in an amount equal to 1-1/2% of the aggregate issued and outstanding bonded indebtedness of counties, municipalities or school districts for school purposes issued prior to July 1, 2003 (the "Old School Bond Reserve Account") and all bonds, including the Vocational-Technical Schools Bonds, issued on or after July 1, 2003 shall be benefited by a School Bond Reserve account equal to 1% of the aggregate issued and outstanding bonded indebtedness of counties, municipalities or school districts for school purposes issued on or after July 1, 2003 (the "New School Bond Reserve Account"), provided such amounts do not exceed the moneys available in the Fund. If a municipality, county or school district is unable to make payment of principal of or interest on any of its bonds issued for school purposes, the trustees of the Fund will purchase such bonds at par value and will pay to the bondholders the interest due or to become due within the limits of funds available in the applicable School Bond Reserve account in accordance with the provisions of the Act.

The Act provides that the School Bond Reserve shall be composed entirely of direct obligations of the United States government or obligations guaranteed by the full faith and credit of the United States government. Securities representing at least one-third of the minimal market value to be held in the School Bond Reserve shall be due to mature within one year of issuance or purchase. Beginning with the fiscal year ending on June 30, 2003 and continuing on each June 30 thereafter, the State Treasurer shall calculate the amount necessary to fully fund the Old School Bond Reserve Account and the New School Bond Reserve Account as required pursuant to the Act. To the extent moneys are insufficient to maintain each account in the School Bond Reserve at the required levels, the State agrees that the State Treasurer shall, no later than September 15 of the fiscal year following the June 30 calculation date, pay to the trustees for deposit in the School Bond Reserve such amounts as may be necessary to maintain the Old School Bond Reserve Account and the New School Bond Reserve Account at the levels required by the Act. No moneys may be borrowed from the Fund to provide liquidity to the State unless the Old School Bond Reserve Account and New School Bond Reserve Account each are at the levels certified as full funding on the most recent June 30 calculation date. The amount of the School Bond Reserve in each account is pledged as security for the prompt payment to holders of bonds benefited by such account of the principal of and the interest on such bonds in the event of the inability of the issuer to make such payments. In the event the amounts in either the Old School Bond Reserve Account or the New School Bond Reserve Account fall below the amount required to make payments on bonds, the amounts in both accounts are available to make payments for bonds secured by the reserve.

The Act further provides that the amount of any payment of interest or purchase price of school bonds paid pursuant to the Act shall be deducted from the appropriation or apportionment of State aid, other than certain State aid which may be otherwise

restricted pursuant to law, payable to the district, county or municipality and shall not obligate the State to make, nor entitle the district, county or municipality to receive any additional appropriation or apportionment. Any amount so deducted shall be applied by the State Treasurer to satisfy the obligation of the district, county or municipality arising as a result of the payment of interest or purchase price of bonds pursuant to the Act.

Additional Security for the Series 2025E Bonds Only (County College Bond Act)

Within the limits of funds appropriated by the State Legislature for such purposes, the boards of trustees of the county colleges may apply to the State Treasurer and receive State support for (i) capital projects in an amount not to exceed 50% of the cost of said capital projects and (ii) operational costs in an amount not to exceed 50% of the educational and general costs of the county colleges in the base year.

Whenever funds appropriated by the State Legislature are insufficient to satisfy the State's share of capital projects for county colleges, as described in the preceding paragraph, additional State support for such projects shall, pursuant to the County College Bond Act of 1971 (N.J.S.A. 18A:64A-22.1, et seq.) (the "County College Bond Act"), be made available to counties in which county colleges are located for the payment of principal of and interest on bonds entitled to the benefits of the County College Bond Act and interest on bonds issued in anticipation thereof, provided that the total principal amount of such bonds shall not exceed \$265,000,000.

Since the adoption of the County College Bond Act, the State has made annual appropriations sufficient to provide for the debt service when due on all bonds and notes entitled to the benefits of the County College Bond Act. However, the State is not legally bound to make such appropriations.

The amount of bonds entitled to the benefits of the County College Bond Act is determined by the State Treasurer. Whenever the State Treasurer shall determine that it is unable to provide State support for a capital project of a county college within the limit of available State appropriations, the State Treasurer shall determine the necessity or advisability of making available additional State support for such capital project.

To the extent the State Treasurer determines that additional support is necessary or desirable for such capital projects, the State Treasurer shall certify to the governing body of the county in which such capital project is located the amount of bonds that shall be entitled to the benefits of the County College Bond Act for such capital project. The State Treasurer has certified to the County that the State will provide debt service support for ½ of the debt service on the Series 2025E Bonds.

At any time within 1 year of the aforementioned certification, such county is authorized to issue bonds, in anticipation thereof, in an aggregate amount not exceeding the amount set forth in such certification of the State Treasurer. Such bonds shall be in addition to the sums authorized to be borrowed by the county pursuant to N.J.S.A. 18A:64A-19 for the purpose of funding the county share of such capital project.

Under the provisions of the County College Bond Act, the State shall annually appropriate and pay on behalf of the County an amount equal to ½ of the principal of an interest on the Series 2025E Bonds. The amounts paid by the State pursuant to the County College Bond Act are paid directly to the Paying Agent, and must be used for the payment of the principal of and interest on the Series 2025E Bonds. Any obligations issued by the County that are entitled to the benefits of the County College Bond Act are not debts or liabilities of the State or a pledge of the faith and credit of the State, but are dependent for repayment upon appropriations provided by law from time to time.

AUTHORIZATION AND PURPOSE OF THE BONDS

The Bonds 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.) (the "Local Bond Law"). The Bonds are authorized by Resolution No. 488-25 of the County adopted on April 16, 2025 and the bond ordinances referenced therein, each all respects duly approved and published as required by law, Bond Ordinance No. 25-10 of the County finally adopted on April 2, 2025, and in all respects duly approved and published as required by law, and Resolution No. 485-25 of the County adopted on April 16, 2025.

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

The proceeds of the Series 2025A, Series 2025B and Series 2025C Bonds will be used to permanently finance \$15,760,000 of a \$69,890,000 Borrower Bond Anticipation Note, of the County dated May 29, 2024 and which was sold to the Bergen County Improvement Authority (the "BCIA") on such date, and which matures on May 28, 2025 (the "Series 2024 County Note"). The remainder of the Series 2024 County Note will be refinanced and/or paid down by the County in connection with its participation in

the Authority's Spring 2025 BCIA Pooled Notes Program (as hereinafter defined). The proceeds of the Series 2025D Bonds and Series 2025E Bonds will be used to obtain \$3,786,000 new money to permanently finance various capital improvements for the Bergen Community College.

The projects to be funded in the sale of the Series 2025A Bonds are as follows:

<u>Bond Ordinance Number</u>	<u>Improvements Authorized</u>	<u>Principal Amount of Bonds to be Sold</u>
13-13	DPW Improvements	\$10,900
14-38	DPW – Zabriskie Street	633,500
15-17	Law Enforcement	122,200
15-29	Planning & Engineering	1,560,000
16-06	Planning & Engineering	173,200
16-16	Human Service	22,100
16-18	Public Safety	45,500
16-19	Sheriff's Department	16,100
16-20	Planning & Engineering	286,500
16-26	Parks & Golf Division	48,100
17-08	Law Enforcement	465,000
17-10	Admin. & Finance	93,900
17-11	Parks & Golf	408,600
17-16	Planning & Engineering	1,312,000
17-17	Public Safety	26,400
18-07	Sheriff/ Jail/ BCI	1,584,600
18-09	Admin. & Finance	122,800
18-10	Parks & Golf	137,400
18-17	Public Safety	602,800
18-20	Health	219,700
18-27	Planning & Engineering	213,500
18-29	Parks	91,900
18-36	Prosecutor	24,800
19-03	Planning & Engineering	19,700
19-12	IT/Health/Human Services/Public Safety	293,800
19-13	Parks & Golf	529,400
19-18	Prosecutor/Sheriff	902,400
19-20	Public Safety - Operations	178,500
19-31	Supt. of Election/County Clerk	166,300
20-04	Health Department	33,600
20-06	Parks & Golf	85,500
20-17	Parks & Golf	652,600
20-19	Public Safety	614,000
20-21	IT	238,500
20-23	Sheriff	113,100
21-14	IT	11,100
		<u>\$12,060,000</u>

The projects to be funded in the sale of the Series 2025B Bonds are as follows:

<u>Bond Ordinance Number</u>	<u>Improvements Authorized</u>	<u>Principal Amount of Bonds to be Sold</u>
06-21	Special Services School Improvements	\$5,550
08-41	Vocational School Improvements	13,400
17-23	Special Services Schools	54,400
18-22	Special Services/Vo. Tech Schools	195,100
19-14	Special Services/Technical Schools	565,100
21-22	Special Services School	254,250
21-23	Vocational Schools	316,200
20-23	Special Services/Technical Schools	<u>1,454,000</u>
		<u>\$2,858,000</u>

The projects to be funded in the sale of the Series 2025C Bonds are as follows:

<u>Bond Ordinance Number</u>	<u>Improvements Authorized</u>	<u>Principal Amount of Bonds to be Sold</u>
18-05	Bergen Community College Improvements	\$264,400
18-23	Bergen Community College Improvements	<u>577,600</u>
		<u>\$842,000</u>

The projects to be funded in the sale of the Series 2025D Bonds and the Series 2025E Bonds are as follows:

<u>Bond Ordinance Number</u>	<u>Improvements Authorized</u>	<u>Principal Amount of Bonds to be Sold</u>
25-10	Bergen Community College Improvements	<u>\$3,786,000</u>

BOOK-ENTRY SYSTEM

The Depository Trust Company (“DTC”) will act as securities depository for the Bonds (for purposes of this section the “Securities”). The Securities will be issued as fully registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered note will be issued for each of the Securities, and will be deposited with DTC.

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

Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC’s records. The ownership interest of each actual purchaser of each Security (a “Beneficial Owner”) is in turn to be recorded on the Direct Participants’ 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 Participant or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct Participants and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Securities, except in the event that use of the book-entry system for the Securities is discontinued.

To facilitate subsequent transfers, all Securities 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 Securities 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 Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct Participants 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 Cede & Co. If less than all of the Securities within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI procedures. Under its usual procedures, DTC mails an omnibus proxy to the County 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 Securities are credited on the record date (identified in a listing attached to the omnibus proxy).

Principal, redemption and interest payments on the Securities 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 County or the Paying Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Direct Participants and Indirect 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 Direct Participant or Indirect Participant and not of DTC, the Paying Agent or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, redemption price and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct Participants and Indirect Participants.

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

The County may decide to discontinue use of the system of book-entry 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 County believes to be reliable, but the County takes no responsibility for the accuracy thereof.

DISCONTINUANCE OF BOOK-ENTRY SYSTEM

In the event that DTC determines to discontinue providing its service with respect to the Bonds or is removed by the County, and if no successor Securities Depository is appointed, the Bonds which were registered in the name of Cede & Co. shall be registered in the names of the beneficial owners to be provided to the County from the DTC participants. Upon such registration, the beneficial owners will become the registered owners of the Bonds and the following provisions shall apply: (i) the Bonds shall be exchanged for an equal aggregate principal amount of bonds (in any authorized denomination, and in the same maturities of the Bonds) (the "Substitute Bonds") upon surrender thereof at the office of the County or the Paying Agent, if any; (ii) the transfer of any Bonds shall be registered on the books maintained by the County or the Paying Agent, if any, for such purposes upon the surrender of the Bonds to the County or the Paying Agent, if any, together with duly executed assignments in a form satisfactory to the County or the Paying Agent, if any; and (iii) for every exchange or registration of transfer of the Bonds, the Paying Agent, if any, shall be reimbursed by the County for any charges required to be paid by the Paying Agent, if any, with respect to any such Substitute Bonds.

Interest on the Bonds will be payable by check or draft, mailed on each Interest Payment Date to the registered owners thereof as of the close of business on the Record Date next preceding an Interest Payment Date. Principal on the Bonds and redemption price, if any, when due, shall be paid to the registered owners of the Bonds upon surrender thereof to the County or the Paying Agent, if any.

MARKET PROTECTION

BCIA 2025 Pooled Note Program

In May 2025, the County intends to participate as a borrower in the BCIA's Spring 2025 County Guaranteed Governmental Pooled Project Notes, Series 2025 financing (the "BCIA Spring 2025 Pooled Notes Program"). With respect to the BCIA Spring 2025 Pooled Notes Program, the BCIA anticipates issuing its project notes in the approximate aggregate amount of \$182,000,000 (the "Spring 2025 BCIA Pooled Notes") on or about May 29, 2025: to (i) refinance certain of the outstanding bond anticipation notes of the participating borrowers (which include the County and the Series 2024 County Note), respectively; (ii) provide new money to finance general capital improvements of the participating borrowers (including the County); and (iii) pay certain costs of issuance of the 2025 BCIA Notes (and related borrower notes). In connection with its participation in the BCIA Spring 2025 Pooled Notes Program, the County anticipates issuing its borrower project note to the BCIA in the approximate amount of \$69,890,000 (the "Series 2025 County Note") to partially refinance the Series 2024 County Note and to obtain new money to finance various capital improvements on behalf of the County.

In addition to the issuance by the County of its Series 2025 County Note as part of its participation as a borrower in the BCIA 2025 Pooled Notes Program, the County also expects to provide its unconditional guaranty of the principal of and interest on the 2025 BCIA Pooled Notes, pursuant to the terms of Guaranty Ordinance No. 25-14 of the County finally adopted on April 16, 2025. As noted above, it is anticipated that the 2025 BCIA Pooled Notes will be sold in early May 2025, with closing to take place on or about May 22, 2025.

BCIA Bergen New Bridge Medical Center Financings

The County intends to finance approximately \$61,000,000 aggregate principal amount of its County Guaranteed Lease Revenue Bonds and/or Notes through the BCIA to pay various capital improvements for the Bergen New Bridge Medical Center (the "Medical Center") and to finance the acquisition and implementation of a new electronic health record system for the Medical Center (the "BCIA Medical Center Obligations"). The BCIA Medical Center Obligations will be issued by the BCIA and will be secured by general obligation lease rental payments to be made by the County to the BCIA.

In connection therewith, the County also expects to provide its unconditional guaranty of the principal of and interest on the BCIA Medical Center Obligations, pursuant to the terms of Guaranty Ordinance No. 25-17 of the County finally adopted on April 16, 2025. The BCIA Medical Center Bonds are expected to price on or about May 29, 2025 and close on or about June 12, 2025.

The County also intends to finance approximately \$47,000,000 of its County Guaranteed Lease Revenue Notes (County Facility Project) (the "BCIA County Facility Project Notes") through the BCIA to pay for construction of a new building on the Medical Center site. The BCIA County Facility Project Notes will be issued by the BCIA and will be secured by general obligation lease rental payments to be made by the County to the BCIA.

In connection therewith, the County also expects to provide its unconditional guaranty of the principal of and interest on the BCIA County Facility Project Bonds/Notes, pursuant to the terms of Guaranty Ordinance No. 25-16 of the County finally adopted on April 16, 2025. The BCIA County Facility Project Bonds/Notes are expected to price in early June of 2025 and close by June 28, 2025.

Greater Bergen Community Action Program, Inc.

The County also intends to finance approximately \$15,500,000 County Guaranteed Loan Revenue Notes (the "GBCA Notes") through the GBCA for purposes of making a loan to Greater Bergen Community Action, Inc., a New Jersey non-profit corporation ("GBCA") to finance the acquisition of an office building.

In connection therewith, the County also expects to provide its unconditional guaranty of the principal of and interest on the GBCA Notes pursuant to the terms of Guaranty Ordinance No. 25-14 of the County finally adopted on April 16, 2025. The GBCA Notes are expected to price in June of 2025 and close by June of 2025.

SUMMARY OF CERTAIN STATUTORY PROVISIONS RELATING TO COUNTY AND MUNICIPAL DEBT AND FINANCIAL REGULATION

Set forth below is a summary of various statutory provisions and requirements relevant to the County's debt and financial regulation and budget process. This summary does not purport to be complete, and reference should be made to the statutes referred to for a complete statement of the provisions thereof.

Legal Framework

The 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 financed and that bonds be retired in serial installments. A 5% cash down payment is generally required toward the financing of such projects. Generally, all bonds and notes issued by a local unit are general full faith and credit obligations.

Debt Limit

The authorized bonded indebtedness of a local unit is limited by statute, subject to the exceptions noted below, to an amount equal to 3.5%, in the case of a municipality, and 2%, in the case of a county, of its average equalized valuation basis. The average equalized valuation basis of a local unit 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.

The County has not exceeded its statutory debt limit. As of December 31, 2024, the statutory net debt as a percentage of average equalized valuation was .459%. As noted above, the statutory limit is 2.00%.

Certain categories of debt are permitted by statute to be deducted for purposes of computing the statutory debt limit, including school bonds that do not exceed the school bond borrowing margin and certain debt that may be deemed self-liquidating.

Exceptions to Debt Limit - Extensions of Credit

Except for the funding of certain notes, the authorization of certain bonds for municipal utility purposes, if the utilities are self-liquidating, and certain formula allowances, the debt limit of a local unit may be exceeded only with the approval of the Local Finance Board, in the Division of Local Government Services, Department of Community Affairs of the State (the "Local Finance Board"), a State regulatory agency. If all or any part of a proposed debt authorization would exceed its debt limit, a local unit must 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 a local unit or substantially reduce the ability of a local unit to meet its obligations or to provide essential public improvements or services, or makes other statutory determinations, approval is granted.

Bond Anticipation Notes

Pursuant to the Local Bond Law, a local unit may sell short-term 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. Any such note is designated a "bond anticipation note". Bond anticipation notes for capital improvements may be issued in an aggregate amount not exceeding the amount specified in the bond ordinance, as the same may be amended and supplemented, creating such capital expenditure. Bond anticipation notes, which are full faith and credit obligations of the local unit, may be issued for a period not exceeding 1 year and may be renewed from time to time for a period that does not exceed 1 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 following the date of the original note, provided, however, that no such notes shall be renewed beyond the third anniversary date of the original notes unless an amount of such notes, at least equal to the first legally payable installment of the bond in anticipation of which these notes are issued, is paid and retired on or before each subsequent anniversary date beyond which such notes are renewed from funds other than the proceeds of obligations.

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 (the "Division"). Certain items of revenue and appropriation are regulated by law and the proposed budget must be certified by the Director of the Division (the "Director") prior to final adoption. 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.

The local unit is authorized to issue Emergency Notes and Special Emergency Notes pursuant to the Local Budget Law.

Tax Anticipation Notes are limited in amount by law and must be paid off in full within 120 days of the close of the fiscal year.

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.

The cash basis budgets of local units must be in balance, i.e., the total of anticipated revenues must equal the total of appropriation (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.

The Local Budget Law (N.J.S.A. 40A:4-26) provides that no miscellaneous revenues from any source may 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 determines that the facts clearly warrant the expectation that such excess amount will actually be realized in cash during the fiscal year and certifies that determination to the local unit.

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

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. The maximum amount of delinquent taxes that may be anticipated is limited by a statutory formula, which allows the unit to anticipate collection at the same rate realized for the collection of delinquent taxes in the previous year. Also the local unit is required to make an appropriation for a "reserve for uncollected taxes" in accordance with a statutory formula to provide for a tax collection in an amount that does not exceed the percentage of taxes levied and payable in the preceding fiscal year that was received in cash by December 31 of that year. The budget also must provide for any cash deficits of the prior year.

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 a local unit. 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, re-evaluation programs, revision and codification of ordinances, master plan preparation 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 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 also be transferred during the first 3 months of the year, to the previous year's 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 internal review and approval. In a "CAP" budget, no transfers may be made from excluded from "CAP" appropriations to within "CAPS" appropriations, nor can transfers be made between excluded from "CAP" appropriations.

Appropriation "CAPS"

A provision of law known as the New Jersey "Cap Law" (N.J.S.A. 40A:4-45.1 et seq.) imposes limitations on increases in municipal appropriations subject to various exceptions. The payment of debt service is an exception from this limitation. The CAP formula is somewhat complex, but essentially, it permits a municipality to increase its overall appropriations by the lesser of 2.5% or the "Index Rate" if the index rate is greater than 2.5%. The "Index Rate" is the rate of annual percentage increase, rounded to the nearest 0.5 percent, 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 things 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. Counties are also prohibited from increasing their tax levies by more than the lesser of 2.5% or the Index Rate subject to certain exceptions. Municipalities by ordinance approved by a majority of the full membership of the governing body may increase appropriations up to 3.5% over the prior year's appropriation and counties by resolution approved by a majority of the full membership of the governing body may increase the tax levy up to 3.5% over the prior year's tax levy in years when the Index Rate is 2.5% or less.

Additionally, legislation constituting P.L. 2007, c.62, effective April 3, 2007, imposes a 4% cap on the tax levy of a municipality, county, fire district or solid waste collection district, with certain exceptions, and subject to a number of adjustments. The exclusions from the limit include increases required to be raised for debt service and certain lease payments to county improvement authorities, increases to replace certain lost state aid, increases in certain pension contributions, increases in the reserve for uncollected taxes required for municipalities, and certain increases in health care costs over 4%. The Local Finance Board may approve waivers for certain extraordinary costs identified by the statute, and voters may approve increases above 4% not otherwise permitted by a vote of 60% of the voters voting on a public question.

This legislation has now been amended by P.L. 2010, c. 44, approved July 13, 2010 and applicable to the next local budget year following enactment, to limit tax levy increases for those local units to 2% with exceptions only for capital expenditures including debt service, increases in pension contributions and accrued liability for pension contributions in excess of 2%, certain healthcare increases, extraordinary costs directly related to a declared emergency, and amounts approved by a simple majority of voters voting at a special election. Chapter 44 eliminates the process for obtaining waivers for additional spending under the tax levy limitation.

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

In accordance with the Local Budget Law, each local unit must adopt and may from time to time amend, rules and regulations for capital budgets, which rules and regulations must require a statement of capital undertakings underway or projected for a period not greater than over the next ensuing 6 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 6 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 terms were detailed.

Tax Assessment and Collection Procedure

Property valuations (assessments) are determined on true values as arrived at by a cost approach, market data approach and capitalization of net income where appropriate. Current assessments are the results of new assessments on a like basis with established comparable properties for newly assessed or purchased properties. This method assures equitable treatment to like property owners. But it often results in a divergence of the assessment ratio to true value. Because of the changes in property resale values, annual adjustments could not keep pace with the changing values.

The tax rate is struck by the County Board of Taxation based on the certified amounts in each of the taxing districts for collection to fund the budgets. The statutory provision for the assessment of property, levying of taxes, and the collection thereof are set forth in N.J.S.A. 54:4-1 et seq. Special taxing districts are permitted in New Jersey for various special services rendered to the properties located within the special districts.

The taxes are due August 1 and November 1 respectively, and are adjusted to reflect the current calendar year's total tax liability. The preliminary taxes due February 1 and May 1 of the succeeding year are based upon 1/2 of the current year's total tax.

Tax installments not paid on or before the due date are subject to interest penalties of 8% per annum on the first \$1,500.00 of the delinquency and 18% per annum on any amount in excess of \$1,500.00. These interest rates and penalties are the highest permitted under New Jersey law. Delinquent taxes open for 1 year or more are annually included in a tax sale in accordance with New Jersey law.

Tax Appeals

New Jersey law provide a taxpayer with remedial procedures for appealing an assessment deemed excessive. Prior to February 1 in each year, municipalities must mail to each property owner a notice of the current assessment and taxes on the property. The taxpayer has a right to petition the County Tax Board on or before April 1 for review. The County Board of Taxation has the authority, after a hearing, to decrease a property assessed value or to 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 County Board of Taxation, appeal may be made to the Tax Court of New Jersey (the "Tax Court") for further hearing. Some Tax Court appeals may take several years to complete prior to settlement, and any losses in tax collections from prior years are charged directly to operations.

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

The Local Fiscal Affairs Law regulates the non-budgetary financial activities of local governments. The chief financial officer of every local unit must file annually, with the Director, a verified statement of the financial condition of the local unit and all constituent boards, agencies or commissions.

An independent examination of each local unit'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 unit's financial procedures and must be filed with the report, together with all recommendations made, and must be published in a local newspaper within 30 days of its submission. The entire annual audit report for the year ended December 31, 2023 for the County is on file with the Clerk and is available for review during business hours.

DEMOGRAPHIC AND ECONOMIC FACTORS

General Description of Bergen County

Although the County comprises only 3% of the State's total land area, the County leads all other counties in the State in having the largest number of workers, private-sector jobs, and highest per capita income. The County has the largest population in the State. Situated in the northeastern tip of the State, its location offers all the advantages of being near the hub of the New York City metropolitan region. Over 38% of the area's employed residents work elsewhere, many in New York City.

Since income is high in the County, many fine stores, restaurants, and hotels are located in the County, or very close to it. The County is also the home of the Meadowlands Sports Complex and the professional football teams that play there. Although suburban, the area has clearly taken on an ambiance reminiscent of Manhattan: luxury high-rises on the Hudson River (dividing New Jersey from New York City) overlook the "city" and many modern office buildings are scattered throughout the area.

The total net equalized valuations of Land and Improvements for constituent municipalities for 2024 was \$227,475,151,295. Equalized ratables in the County have increased over \$107 billion since 2003.

For years the County has had one of the lowest county real estate tax rates in New Jersey.

The County is classified as a first-class county in the State and is divided into 70 municipalities, which include 56 boroughs, 9 townships, 3 cities (Englewood, Hackensack and Garfield) and 2 villages (Ridgewood and Ridgefield Park).

The City of Hackensack is the county seat of the County.

Early History

The County was organized under an act of the New Jersey Assembly on March 1, 1682 at which time the first four counties in the State were formed - Bergen, Essex, Monmouth and Middlesex. The first settlers in the County area were chiefly of Dutch descent, although there were also some French Huguenots who settled there. The early boundaries of the County went through many changes, expanding and contracting through the years. In 1837, Passaic County was formed from the western part of the County, and in 1840 Hudson County was formed from the southern part of the County. It was not until 1874 that the State Assembly passed an act to permanently define the boundary lines between these counties.

The County is replete with legends, history, and heroes of the Revolutionary Age. The County's geographical location on the strategic Hudson River near New York City placed it close to action that took place during the American Revolutionary War. Fort Lee's fortifications were manned by American forces under General Nathaniel Greene. The Mansion House, which served as a temporary headquarters for General George Washington, no longer in existence, formerly stood across the Green from the Bergen County Courthouse.

The "Baylor Massacre" of 1778 took place in River Vale. There were many different encampments of Washington's troops throughout the County. The famous Washington Spring, now in Van Saun County Park, in Paramus Borough, was used by the soldiers as well as Washington himself, according to legend, and received its name from this fact.

In 1790, the census taken in the County showed that there were 12,601 persons in the County. The languages spoken included Dutch, English and even a smattering of Native American Dialect, although the last Native Americans had left the County before 1750. Farming was the chief occupation in the County but soon gave way to industry, since the County has high land values. Although once not as important as agriculture, industries today are of great significance to the County's economy.

Governmental Structure

The County operates under an elected Board of Commissioners and elected County Executive form of county government (known as the "County Executive Plan") and is governed by such Board of Commissioners, County Executive and such other officers and employees as may be duly appointed pursuant to the provision of the Optional County Charter Act or ordinance of the County. The Board of Commissioners was previously referred to as the Board of Chosen Freeholders until the passing of Senate Bill No. 855 on August 21, 2020.

Under the County Executive Plan form of government, which was adopted by referendum in November, 1985, the County Executive is the executive branch of government responsible for the exercise of all administrative and executive functions of the County, and the Board of Commissioners is the legislative branch of government responsible for the exercise of all legislative powers of the County and such investigative powers as are germane to the legislative powers of the County. All commissioners of the County are elected at large.

Veto Over Authorities

Legislation concerning the powers of county executives over certain authorities and amending various parts of the statutory law was signed into law on April 21, 1995. P.L. 1995, c.91, and gives the County Executive the authority to veto the minutes of the Bergen County Utilities Authority, Northwest Bergen County Utilities Authority and The Bergen County Improvement Authority.

Geographical Location

The County is located in northern New Jersey and comprises part of the New York-New Jersey metropolitan area. The County borders New York State on the north and east, and is surrounded by Passaic, Essex and Hudson Counties.

Through its proximity to New York City, the County has the advantages of a large city but also an atmosphere conducive to good living and working.

Its strategic position across the Hudson River from the country's largest city gives its residents and industry close contact with the financial center of the world and the advantages of a great shipping center. It is located in the northeastern part of the State along the Hudson River, is connected with New York City by the George Washington Bridge, and adjoins Rockland County, New York. The County affords ample parking facilities, horizontal expansion for corporate offices, a pool of skilled workers, and nationally known industrial neighbors.

From the tableland along the summit of the Palisades, above the Hudson River, the land slopes sharply to the broad valley of the Hackensack River, rises and descends again across the Saddle River and Ramapo River valleys and then rolls up the steep sides of the wooded Ramapo Mountains above the northwest border. South of these, the Passaic River forms the boundary between Bergen and Passaic Counties.

Industries and Air Services

Many nationally and internationally known industries and corporations have major or branch plants in the County, providing an unusual diversification of industry and steady employment opportunities. The County is the headquarters for many of the foreign automobile manufacturers who bring their cars into the United States.

Teterboro Airport, a modern general aviation reliever airport, is located in the County. A major public purpose is to attract general aviation aircraft away from the large passenger airports in the New York metropolitan area. To this end, Teterboro offers the following advantages:

1. Its 827 acres of land makes it larger in area than New York's LaGuardia Airport.
2. It is a customs clearance airport.
3. It is the closest general airport to midtown Manhattan, New York.
4. Landing fees are substantially lower than Newark Liberty International and LaGuardia Airports.

Teterboro Airport has more airplane movements than Newark Liberty International Airport. Teterboro ranked in the top 35 aircraft movements in the country. It is the 4th busiest airport in the country as far as general aviation activity.

Hospitals

In addition to Bergen New Bridge Medical Center ("BNBMC" or "Hospital" and also previously referenced herein as the Medical Center) (formerly Bergen Regional Medical Center and formerly Bergen Pines County Hospital), the Englewood, Hackensack, South Bergen, Holy Name and Valley Hospitals, as well as Kessler Institute for Rehabilitation, serve the County.

BNBMC provides a wide range of services in acute medicine and surgery, long-term care, and psychiatry, as well as in physical medicine and rehabilitation. BNBMC services patients of all ages from throughout the County.

On July 14, 2017, the County Executive, along with the Commissioner Board and the Authority Commissioners, signed an agreement with Care Plus Bergen to take over operations of Bergen County Medical Center on October 1, 2017. Care Plus Bergen is comprised of Care Plus – New Jersey, Integrity House and Rutgers Bio-Medical.

County Law Enforcement

The Bergen County Sheriff's Department and the Bureau of Police Services (formerly the Bergen County Police Department) are integral parts of law enforcement in the County and each has an outstanding record of law enforcement.

The Police and Fire Academy in Mahwah, an educational facility for policemen and firemen, and the County Jail Annex in Hackensack are two of the County's newest institutions.

Recreation

The Bergen County Department of Parks now owns over 7,804 acres of park lands which were acquired at a cost approximating \$21 million. Included in this amount are 843 acres of park land donated by various municipalities and individuals.

The County now has 26 park areas strategically located throughout the County. The facilities include provisions for swimming, boating, fishing and camping, ice skating, picnic groves, tennis, horseback riding and pony rides, model railroads, a bird sanctuary, a 27-hole golf course in Rockleigh, an 18-hole golf course in Teaneck, an 18-hole golf course in River Vale, a 9-hole golf course in Paramus, an 18-hole golf course in Mahwah and Ramsey, playgrounds at 17 park areas, an environmental center in Wyckoff, and a skiing facility at Campgaw Mountain County Reservation. Over 1,000,000 patrons used fee-charged activities, including golf, and paid \$15,748,966 in 2024.

The County expended \$19,403,920 of its 2024 appropriation of \$20,005,564 for recreation in 2024. The County appropriated \$20,691,779 for this purpose in 2025.

Department of Public Works

This Department had an operating budget in 2024 of \$30,541,996 with expenditures of \$27,429,638. For the year 2025, the adopted budget has increased to \$31,999,720. It has approximately 153 employees who maintain 439.31 miles of roadway in the County.

Open Space, Recreation, and Farmland and Historic Preservation Trust

Through State Law, New Jersey counties are permitted to establish a dedicated trust fund to acquire land for conservation/open space purposes, enhance recreational facilities, and for farmland and historic preservation. Counties are given great latitude in crafting their own trust funds to meet their particular priorities and objectives. Under State Law, the Board of Commissioners needs voter approval to create and fund such a Trust. The County of Bergen recognized the merits of a trust and on November 3, 1998, placed a public question on the ballot to determine whether the County should establish such a trust fund. The ballot question was approved by a two to one majority of those who voted in 1998. The referendum was approved again in 2003, by an overwhelming majority of the voters, raising the tax from 0.005 cents to 0.01 cent per 100 of total County equalized property valuation. The Referendum is advisory to the Commissioners Board, not binding upon them.

The following Program Statement is intended to outline the objectives of the program and the governance process the trust will follow:

The Bergen County Open Space, Recreation, and Farmland and Historic Preservation Trust, created by Commissioner resolution on November 24, 1998, is divided into 2 separate programs each having its own distinct goals and objectives. First, the County Program will use trust fund dollars on a county-wide basis to preserve land, maximize recreational opportunities, and preserve historic areas and farmland. The second component, the Municipal Program, will help the 70 municipalities of Bergen County improve their municipal recreational facilities. The Municipal program would supplement municipal efforts and will not serve as a full funding resource. The County raised \$18,634,306 for the trust fund in 2024.

Banking Institutions

There are more than 16 commercial banks, savings and loan associations and savings banks that maintain offices within the County.

Institutions for Learning

The County has 63 high schools, 42 of which are public and 21 private or parochial, and 31 junior high schools, 30 public and 1 private. There are 5 institutions of higher learning located in the County:

Fairleigh Dickinson University (Teaneck)
Ramapo College of New Jersey (Mahwah)
Felician College (Lodi)
Bergen Community College (Paramus)
St. Peter's College (Englewood Cliffs)

Bergen Community College operates on a \$130 million campus, which was completed in September 1972 in Paramus, New Jersey. It has two satellite campuses; Bergen at the Meadowlands and the Philip Ciarco Learning Center. The student population is approximately 32,000 enrolled in various Programs.

The campus complex consists of a mega-structure building comprising seven distinct areas:

1. Administration Building Area
2. Library Learning Resources Area
3. College Center Area
4. Science and Allied Health Area
5. Business and Classroom Area
6. Physical and Health Education and Swimming Pool Area
7. Performing Arts Laboratory and Theater.

The County Vocational High Schools have the following programs:

1. At the Academies in Hackensack, approximately 1,114 session students are enrolled.
2. There is one shared-time technical education center at Paramus. The Paramus facility offers training to 405 students.
3. The Teterboro campus has an enrollment of 672 students.
4. There is one school to meet the needs of students with special requirements. The full-time vocational high schools at Paramus and Teterboro provide customized services to 408 students.
5. The adult division provides both full-time day services as well as evening and weekend program offerings.

In April, 1995, the County and the Private Industry Council entered into an agreement to designate the Board of Vocational and Technical Schools of Bergen County as the Job Training Partnership Act (JTPA) grant recipient and administrative entity for all JTPA programs operated within the Service Delivery Area for the County effective July 1, 1995.

Investment of County Funds

Funds invested by the County during 2024 earned \$13,637,776 in interest. These were funds held temporarily by the County Treasurer pending disbursement. The County Treasurer is authorized to invest moneys from the Capital, Trust and General Account for limited periods.

Population

The County is the most populous in the State. The following shows the population from the Federal Census Bureau:

1940	409,646
1950	539,139
1960	780,255
1970	897,148
1980	845,385
1990	825,380
2000	884,118
2010	905,116
2020	955,732

DWELLING UNITS AND POPULATION FOR BERGEN COUNTY

Dwelling Units		Population	
<u>2020 Census</u>	<u>2010 Census</u>	<u>2020 Census</u>	<u>2010 Census</u>
360,816	352,388	955,732	905,116

Source: Bergen County Department of Planning and Economic Development

Pension Fund

Substantially all County employees participate in the State of New Jersey Pension System and the Social Security System. The State pension funds were established by act of the legislature. Benefits, contributions, means of funding and the manner of administration are determined by the legislature. The two State-administered pension funds are: the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System of New Jersey (PFRS). The Division of Pensions within the Treasury Department of the State of New Jersey is the administrator of the funds.

The County's total payroll for the year ended December 31, 2024 was approximately \$240,607,866 and approximately 75% of all County employees participated in the above mentioned funds.

Covered employees are required by State statute to contribute a certain percentage of their salary to the funds. Each member's percentage is based on age determined at the effective date of enrollment. In addition, the PERS and PFRS bill the County annually for its required contribution. The County's 2024 and 2023 contributions to these funds were \$43,752,299 and \$42,415,444, respectively.

In addition to PERS and PFRS, there is also a County-administered pension fund that covers specific employees whose enrollment preceded the creation of the State-administered funds. The County also contributes to the State-administered Judicial Retirement System which covers the pensions of certain widows of judges.

Potential Liability for Accrued Sick Time and Accrued Vacation Time

Employees accrue sick time at the rate of 15 days per year. The time remains accrued until used. At time of retirement, the accrued unused sick time is used as a basis for calculating terminal leave as follows: present hourly rate times unused one-half accrued sick leave, to a maximum of \$15,000 or \$25,000 depending on the employee's title. The potential terminal leave liability for persons eligible, who are 60 years of age or older, or 10 or more years of service, as of December 31, 2024 and 2023 was \$_____ and \$14,820,424, respectively.

Employees accrue vacation time at the rate of 15 days per year for the first 5 years of service and 20 days per year thereafter. The time remains accrued for 2 years; it must be used or it is lost. Terminated employees are paid for accrued time at the current rate. The value of accrued vacation time as of December 2024 and 2023 was \$_____ and \$7,680,125, respectively. No provision is made in the financial statements for the accrued value of terminal leave and vacation time.

Other Post-Employment Benefits

The County provides lifetime medical benefits to County employees who retire after 25 years of state pension membership or upon a disability retirement. For retirees with 25 years of service, Part B premiums are reimbursed by the County. Dependents of retirees are covered until the death of the retiree except for Parks Department spouses that maintain coverage at no cost.

The last effective date of the biannual OPEB valuation was December 31, 2022. There were 1,390 retired employees receiving benefits.

Actuarial Valuation Results

The actuarial accrued liability for current retirees and active employees for a total accrued liability (unfunded) of \$1,102,707,506 at December 31, 2022.

The County accounts for post-retirement benefits on a pay-as-you-go basis which is in compliance with the NJ regulatory basis of accounting.

Actuarial valuation, annual required contribution assumptions and methods are disclosed in footnote 19 of the enclosed financial statements.

COUNTY AND OVERLAPPING INDEBTEDNESS

Overlapping Government Units

In addition to the various municipalities and school districts within the County, the following exist within the County to provide certain governmental services: the Bergen County Utilities Authority, the Northwest Bergen Utilities Authority and The Bergen County Improvement Authority.

Purposes of County Debt

The following table breaks down by purpose all direct general obligation bond and loan indebtedness of the County, for the payment of the principal and interest on which the County has pledged its full faith and credit as of December 31, 2024.

Schedule of Bond and Loan Indebtedness as of December 31, 2024

Notes	\$114,253,000
General County Purposes	517,503,000
Community College	31,765,000
Vocational and Special Needs School	<u>52,869,000</u>
Gross Bond and Loan Debt Issued and Outstanding	<u>\$716,390,000</u>

Debt Incurring Capacity as of December 31, 2023

Equalized Valuation Basis (last 3 years average)	\$227,183,185,143
2% Borrowing Margin (1)	4,543,663,703
Net Debt Issued, Outstanding and Authorized	<u>1,042,720,595</u>
Remaining Borrowing Capacity	<u>\$3,500,943,108</u>

(1) Limited by Local Bond Law, N.J.S.A. 40A:2-1 et seq. to 2% of average equalized valuation.

Debt History

The following table shows certain ratios relating to the County's gross and net direct general obligation indebtedness not including \$341,814,673 par amount of bonds authorized but not issued not including bonds issued as guaranteed by the County.

History of Bonded Debt Ratios as of December 31, 2024-2020

<u>Year</u>	<u>Average Equalized Valuation(1)</u>	<u>Gross Debt (Issued and Authorized But Not Issued)</u>	<u>Gross Debt Per Capita</u>	<u>Ratio of Gross Debt to Equalized Valuation</u>	<u>Net Debt</u>	<u>Net Debt Per Capita</u>	<u>Ratio of Net Debt to Equalized Valuation</u>
2024	\$227,183,185,143	\$1,058,204,673	\$1,107	0.466%	\$1,042,720,595	\$1,091	0.459%
2023	209,966,156,157	985,569,130	1,031	0.469	971,467,303	1,016	0.463
2022	196,252,922,450	989,364,375	1,035	0.504	975,645,048	1,021	0.497
2021	187,397,717,934	924,760,679	968	0.494	839,785,818	879	0.448
2020	182,930,168,861	914,106,983	1,010	0.500	851,272,983	941	0.465

Source: Annual Debt Statements filed with the Division of Local Government Services, New Jersey Department of Community Affairs.

(1) Represents average equalized valuation for the three fiscal years ending in the corresponding year set forth in this table.

The following table shows the principal of all direct general obligation bond indebtedness and bond anticipation note indebtedness of the County for the last five fiscal years.

Schedule of Comparative Net Debt as of December 31, 2025-2020

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Bonds and Notes Issued and Outstanding:					
Notes	\$114,253,000	\$117,459,000	\$125,180,000	\$127,500,000	\$105,690,000
Bonds	302,137,000	566,585,000	547,076,000	574,347,000	530,863,000
Loans	<u>0</u>	<u>0</u>	<u>0</u>	<u>371,802</u>	<u>926,715</u>
Total Issued	716,390,000	684,044,000	672,256,000	702,218,802	637,479,715
Bonds and Notes Authorized But Not Issued	<u>341,814,673</u>	<u>301,525,130</u>	<u>317,108,375</u>	<u>222,541,877</u>	<u>276,627,268</u>
Gross Direct Obligations	1,058,204,673	985,569,130	989,364,375	924,760,679	914,106,983
Less: Statutory Deductions	<u>15,484,078</u>	<u>14,101,827</u>	<u>13,719,327</u>	<u>84,974,861</u>	<u>62,834,000</u>
Net Direct Obligations Issued and Not Issued	<u>\$1,042,720,595</u>	<u>\$971,467,303</u>	<u>\$975,645,048</u>	<u>\$839,785,818</u>	<u>\$851,272,983</u>

Source: Bergen County Financial Statements

**Statement of Indebtedness
as of December 31, 2024**

GROSS DEBT

Bonds, Notes and Other Loans Issued and Outstanding

Bonds and Notes

\$716,390,000

Bonds and Notes Authorized But Not Issued

341,814,673

TOTAL GROSS DEBT

1,058,204,673

Statutory Deductions(1)

15,484,078

TOTAL NET DEBT

\$1,042,720,595

GROSS DEBT

Per Capita (2020 Census - 955,732)

\$1,107

Percent of Average Equalized Valuation (\$227,183,185,143)

0.466%

NET DEBT

Per Capita (2020 Census - 955,732)

\$1,091

Percent of Average Equalized Valuation (\$227,183,185,143)

0.459%

Source: County Records

(1) Statutory deductions are used to determine the legal borrowing capacity of the County. The County, however, is obligated under law to repay the full amount of its gross debt.

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THE COUNTY BUDGET

Status of County Budget

Pursuant to the Local Budget Law (N.J.S.A. 40A:4-1 et seq.), every county in the State is required to adopt a balanced budget. See "Budget Requirements" and "Budget Process" herein. The County has not introduced its 2025 to date.

Budget Requirements

No County budget may be adopted without the approval of the Director (the "Director") of the Division of Local Government Services ("the Division"). The Director approves the budget once he has determined that the budget meets all the requirements of the Local Budget Law (N.J.S.A. 40A:4-1 et seq.), and all regulations of the Board.

The Local Budget Law imposes various restrictions on the formulation of the County budget, the more important of which pertain to anticipation of revenues and review of adequacy of appropriation. Among other restrictions, the Local Budget Law requires that the budget be balanced and that the Director examine the Budget with reference to all estimates of revenue and the following appropriations: (a) administration, operation and maintenance of each office, department, institution or other agency of the County, (b) contingent expenses in an amount not more than 3% of the total referred to in clause (a) of this paragraph, (c) payment of interest and debt redemption charges, (d) deferred charges and statutory expenditures, (e) cash deficit of preceding year, (f) reserve for uncollected taxes and other reserves and non-disbursement items deemed advisable by the Board of Commissioners, and (g) the payment of all judgements not for capital purposes and for which bonds or notes cannot be lawfully issued. Anticipated tax revenues are limited to the same proportions as actual cash collections bore to the total levy in the previous year and a reserve amount must be factored into the budget to make up for the expected shortfall in amounts actually realized the previous year unless the Director certifies a higher figure.

The Local Budget Law, and the acts amendatory thereof and supplemental thereto, prohibits counties from measuring their final appropriations by more than the lesser of five percent or the index rate determined annually by the Director over that appropriated for the previous year. Not subject to the five percent limit are increases funded by sources other than an increase in the general property tax rate or necessitated by specified emergencies (as approved by the local governing body and the Board), for debt service, funding previous deficits, uncollected taxes, expenses mandated by state or federal law, and amounts received by new or increased fees or sales of assets.

A further statute limits the amount of increases in the State budget exclusive of state aid which may be appropriated to counties, municipalities and school districts. The maximum expenditure of the State cannot exceed the amount determined by multiplying the annual percentage increase in State per capita personal income by the appropriations of the State in the year prior to the current fiscal year. Adjustments are made should a transfer of functions or services occur between the state and counties or municipalities. Statewide referenda are required to authorize additional expenditures.

Anticipated non-tax revenues of the County are limited to the amount actually realized the previous year unless the Director authorizes a higher figure. Tax anticipation notes are limited in amount by law and must be paid off not later than June 30 of the succeeding fiscal year.

The Director has no authority over individual operating appropriations, unless a specific amount is required by law, but the review functions which focus on anticipated revenues serve to protect the solvency of the County. The County budget, by law and regulation of the Division, must be in balance and is a "cash basis" budget.

Pursuant to the Local Budget Law, miscellaneous revenues shall include such amounts as may reasonably be expected to be realized in cash during the fiscal year from known and regular sources or sources reasonably capable of anticipation and lawfully applicable to the appropriations made in the budget. The County's miscellaneous revenues generally consist of surplus, operating surplus from prior years, County purpose tax, State and Federal Aid, interest on investments, user fees, license fees and permits.

The Local Budget Law further 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 Commissioners 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 County.

The exception to this is the inclusion of categorical grants-in-aid contracts for their face amount with an offsetting appropriation. The fiscal years for such grants rarely coincide with the municipality's calendar fiscal year.

Budget Process

Primary responsibility for the County's budget process lies with the Administrator. As prescribed by the Local Budget Law, adoption should occur by the end of February, however, an extension may be granted by the Division to any local governmental unit. In the first quarter in which the Budget formulation is taking place, the County operates under a temporary budget which may not exceed 26.25% of the previous fiscal year's modified budget. Upon adoption of an annual operating budget by the Commissioners, the Board of Taxation computes a tax rate for County purposes and apportions County Purpose Tax requirements to be paid by each municipality. The tax rate for each municipality includes County tax requirements.

Deferral of Current Expenses

Supplemental appropriations made after the adoption of the County budget and determination of the tax rate may be authorized by the Commissioners with the approval of the Director. However, with minor exceptions, such appropriations must be included in full in the following year's budget.

Budget Transfers

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

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

A verified statement of the financial condition of the County ("Annual Financial Statement") for the fiscal year must be filed with the Division on or before January 26, of the succeeding year. This financial statement is filed by the Chief Financial Officer of the County, it reflects the results of operations for the year of the Current Fund. If there is a cash deficit in the fund, it must be included in full in the succeeding year's budget.

While the Annual Financial Statement is not audited, the variance, if any, between the Annual Financial Statement fund balance and audited fund balance is usually immaterial.

Annual Audit

The Local Fiscal Affairs Law, Chapter 5 of Title 40A of the New Jersey Statutes, regulates the nonbudgetary financial activities of the County. An annual audit of the County's books, accounts and financial transactions for the previous year must be performed by a licensed Registered Municipal Accountant or by qualified employees of the Bureau of Financial Regulations and Assistance in the State Department of Treasury. The audit, conforming to the Division's "Requirements of Audit," includes recommendations for improvement of the County's financial procedures and must be filed with the Director of the Division within 6 months after the close of each fiscal year. A synopsis of the audit report, together with all recommendations made, must be published in a local newspaper within 30 days after receipt thereof by the Clerk of the Board of Commissioners of the County.

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**Comparative Summary of 2025, 2024, 2023, 2022 and 2021
County of Bergen County Budgets**

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Anticipated Revenues:					
Surplus Anticipated	\$42,804,779	\$35,187,996	\$36,698,617	\$29,763,022	\$24,443,265
State and Federal Grant Programs	17,552,002	13,085,472	23,138,104	110,372,290	207,966,180
State Assumption of Costs of County					
Social and Welfare Services	1,419,446	1,647,000	1,536,986	1,524,804	1,507,317
Miscellaneous Revenues-Local	55,555,016	51,238,016	44,636,966	34,678,951	33,725,188
State Aid	1,859,980	2,205,750	1,981,631	1,866,356	1,919,471
Other Special Items	55,857,813	93,697,539	81,968,700	80,984,182	62,845,687
Amount to be Raised by Taxation -					
County Purpose Tax	<u>544,413,737</u>	<u>505,040,623</u>	<u>481,023,278</u>	<u>448,377,089</u>	<u>448,377,089</u>
	<u>\$719,462,773</u>	<u>\$702,102,396</u>	<u>\$670,0984,282</u>	<u>\$707,566,694</u>	<u>\$780,784,197</u>
Appropriations:					
Legislative Branch	\$1,553,845	\$1,514,926	\$1,428,846	\$1,322,959	\$1,344,840
Executive Branch	272,997,779	260,300,225	249,797,006	218,191,822	210,075,819
Educational Agencies	74,380,527	71,249,638	69,958,793	63,314,850	66,965,192
Constitutional Officers	155,606,806	152,286,670	147,506,608	142,055,931	125,914,137
Other Boards & Agencies	18,994,662	17,689,160	16,709,376	15,015,011	14,085,237
Other Public and Private Programs	17,667,001	13,200,472	23,253,104	110,487,290	208,081,180
Capital Improvement Fund	4,350,000	21,774,556	4,278,800	3,850,000	3,850,000
Debt Service	105,595,905	93,670,450	93,670,450	92,938,000	97,938,000
Deferred Charges and Statutory Expenditures	<u>68,316,518</u>	<u>70,022,299</u>	<u>64,381,299</u>	<u>55,390,831</u>	<u>52,529,792</u>
	<u>\$719,462,773</u>	<u>\$702,102,396</u>	<u>\$670,984,282</u>	<u>\$707,566,694</u>	<u>\$780,784,197</u>

Capital Improvement Program

The capital budget and improvement program of the County is designed to function as a planning tool for legislators, County officials and administrators. It allows County officials to evaluate alternatives and determine priorities for projects and programs in relation to available and projected financial resources. A carefully organized program and project schedule can avoid costly improper decisions or ill-timed action in a project involving the allocation of scarce capital resources.

A capital budget is the first proposal of the financial allocation described in the six year capital improvement program. The main purpose of the capital budget is to initiate planning for ultimate authorization of capital projects for the first year of the six year plan/program. The anticipated Capital Budget (2025) and Capital Improvement Program (2025-2030) do not represent actual authorization of projects, but rather conceptual recognition of the needs of specific capital improvements.

With restrictions on current spending and new financial resources becoming limited, it is imperative that capital planning and budgeting become more responsive to public needs, both present and long range. In addition to the cost of the selection process, the impact of each project on future operating budgets must be considered. In prioritizing capital projects, a major element for recommendation of investment is the degree to which a facility will either generate revenues or significantly reduce costs.

The following schedule depicts the County Capital Plan for 2025-2030. This plan does not provide an appropriation for the purposes outlined, nor does it commit the Governing Body to the project or amounts listed. The Governing Body will make determinations, on a priority basis, as each program is proposed, as to the need for and method of financing.

Six Year Capital Program (2025-2030)
Anticipated Project Schedule and Funding Requirements

<u>Project</u>	<u>Total Cost</u>
General Services	\$39,366,945
Information Technology Improvements	24,951,575
Health Service	5,573,527
Human Services Improvements	18,900
Public Safety - Education	141,750
Law & Public Safety Improvements	407,212
Community Transportation	68,250
Public Safety Operations 911 Improvements	3,640,798
Mechanical Services	8,385,414
Public Works Improvements	19,791,273
Park & Golf Division Improvements	124,400,831
Planning & Engineering Improvements	54,737,423
Bergen County Community College Improvements	39,872,824
Special Schools Improvements	7,162,500
Vocational School Improvements	33,250,000
Prosecutor Improvements	14,862,750
Sheriff Improvements	13,952,925
Jail Improvements	<u>577,500</u>
	<u><u>\$391,162,397</u></u>

<u>Year</u>	<u>Amount</u>
2025	\$92,773,536
2026	113,249,464
2027	51,759,480
2028	49,899,960
2029	53,860,072
2030	<u>29,619,885</u>
	<u><u>\$391,162,397</u></u>

Source: 2025 Capital Budget of the County adopted on May 14, 2025.

TAX INFORMATION ON THE COUNTY

County Tax Rates

County taxes are apportioned based on equalized valuations in the County. The following table sets forth the valuations on which County taxes are apportioned.

Valuation of Real Property, Personal Property Net Valuation Taxable and County Tax Rate Base

<u>Year</u>	<u>Assessed Valuation of Real Property</u>	<u>Assessed Valuation of Personal Property</u>	<u>Net Valuation Taxable</u>	<u>County Tax Rate Base</u>	
				<u>Valuation of Real and Personal Property</u>	<u>General Tax Rate Per \$100</u>
2024	\$189,063,591,448	\$58,582,036	\$189,122,173,484	\$227,475,151,295	0.2225
2023	180,970,079,266	68,068,000	181,038,147,266	211,006,053,676	0.2286
2022	174,657,465,802	83,552,257	174,741,018,059	194,949,256,706	0.2315
2021	166,666,360,490	84,305,337	166,750,665,827	186,343,057,570	0.2416
2020	165,096,488,695	80,978,865	165,177,467,560	183,990,874,355	0.2384

Source: Bergen County Board of Taxation, Abstract of Ratables

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Comparative Statement of Equalized Valuations and General Tax Rate for Constituent Municipalities

Municipality	2024	2023	2022	General Tax Rate Per \$100
Allendale	\$2,198,941,010	\$2,067,091,532	\$1,928,714,581	2.109
Alpine	2,061,237,078	1,867,258,016	1,884,982,841	0.818
Bergenfield	4,126,111,177	3,796,867,157	3,505,476,387	3.527
Bogota	1,155,389,594	1,017,231,264	959,311,167	2.324
Carlstadt	3,303,716,063	2,936,835,889	2,689,627,863	1.661
Cliffside Park	4,281,101,335	3,999,791,783	3,829,622,650	2.756
Closter	2,840,514,149	2,603,974,354	2,399,639,232	2.146
Cresskill	2,829,110,770	2,577,620,552	2,344,715,722	2.300
Demarest	2,002,298,205	1,803,359,244	1,666,396,297	3.057
Dumont	2,709,658,593	2,579,405,499	2,342,077,600	4.065
Elmwood Park	2,947,288,849	2,729,147,257	2,469,579,292	3.069
East Rutherford	2,902,202,097	2,705,492,899	2,709,785,840	1.621
Edgewater	4,507,055,253	4,178,967,820	3,949,270,072	1.589
Emerson	1,620,595,974	1,520,091,978	1,460,014,090	3.303
Englewood	6,450,060,183	6,019,135,551	5,602,146,265	3.073
Englewood Cliffs	4,038,268,986	3,930,339,760	3,507,419,401	1.155
Fair Lawn	6,882,035,280	6,238,577,220	5,709,850,905	3.549
Fairview	1,866,284,142	1,699,162,662	1,568,089,302	2.313
Fort Lee	9,247,463,883	7,312,071,355	7,686,286,221	2.607
Franklin Lakes	5,562,460,285	4,944,492,082	4,683,803,478	1.796
Garfield	3,573,208,301	3,309,378,497	2,937,902,640	3.337
Glen Rock	3,183,793,357	2,940,420,159	2,766,157,787	3.288
Hackensack	7,586,709,528	7,137,002,994	6,538,713,040	3.058
Harrington Park	1,281,798,158	1,191,408,904	1,106,039,202	3.127
Hasbrouck Heights	2,277,652,413	2,209,767,472	2,041,484,047	2.655
Haworth	1,161,401,874	1,041,560,538	987,567,998	3.092
Hillsdale	2,261,445,776	2,110,751,561	1,977,971,492	3.172
Ho-Ho-Kus	1,617,638,019	1,495,463,275	1,427,401,738	2.407
Leonia	1,968,213,765	1,751,306,570	1,655,855,761	3.409
Little Ferry	1,571,841,901	1,451,801,673	1,305,393,049	2.505
Lodi	3,353,628,194	2,941,428,030	2,803,560,124	3.352
Lyndhurst	4,509,925,341	4,297,527,064	3,410,394,459	2.086
Mahwah	7,752,302,127	7,424,596,547	6,533,412,478	2.064
Maywood	1,893,107,571	1,849,603,463	1,643,984,669	2.152
Midland Park	1,539,538,785	1,432,093,851	1,359,601,840	3.480
Montvale	2,773,441,039	2,699,963,015	2,487,101,129	2.515
Moonachie	1,242,108,610	1,077,121,641	1,008,486,609	1.828
New Milford	2,611,812,716	2,481,679,967	2,138,649,585	4.035
North Arlington	2,558,577,130	2,375,200,843	2,154,814,453	2.304
Northvale	1,149,834,121	1,090,738,975	1,045,562,121	3.202
Norwood	1,519,464,681	1,444,466,079	1,349,485,012	2.749
Oakland	3,264,456,837	3,191,590,261	2,847,002,401	2.309
Old Tappan	2,176,860,282	1,978,227,409	1,786,278,833	2.202
Oradell	2,042,695,082	1,963,302,731	1,850,073,434	2.722
Palisades Park	4,078,627,662	3,882,185,401	3,645,562,282	1.455
Paramus	12,599,781,332	12,388,393,406	10,995,760,089	1.514
Park Ridge	2,270,519,111	2,136,107,872	1,914,325,769	3.248
Ramsey	4,428,671,989	4,130,245,749	3,786,947,474	2.822
Ridgefield	2,672,039,279	2,443,942,014	2,386,908,424	1.694

Comparative Statement of Equalized Valuations and General Tax Rate for Constituent Municipalities, Continued

<u>Net Equalized Valuations of Land and Improvements</u>				
Municipality	2024	2023	2022	General Tax Rate Per \$100
Ridgefield Park	\$1,921,867,038	\$1,817,242,137	\$1,653,245,825	2.897
Ridgewood	8,404,797,126	7,817,186,484	6,963,795,187	2.869
River Edge	2,318,832,489	2,133,345,324	1,987,141,750	3.865
River Vale	2,587,364,684	2,366,132,216	2,196,108,614	2.731
Rochelle Park	1,229,657,812	1,150,873,291	1,119,537,754	2.826
Rockleigh	232,281,243	244,820,999	198,496,314	0.834
Rutherford	3,704,201,630	3,552,721,042	3,215,334,163	3.121
Saddle Brook	3,052,012,667	2,936,925,524	2,804,692,808	2.306
Saddle River	2,539,179,568	2,516,112,309	2,468,191,362	1.036
South Hackensack	1,073,847,949	900,933,197	813,992,991	1.959
Teaneck	8,184,071,804	7,204,312,111	6,560,152,453	2.184
Tenafly	5,386,562,841	5,053,917,890	4,778,532,424	2.841
Teterboro	706,179,919	662,757,786	537,778,318	1.052
Upper Saddle River	3,400,966,548	3,088,226,121	2,806,155,373	2.546
Waldwick	2,162,410,247	1,952,810,471	1,838,736,267	2.214
Wallington	1,503,205,658	1,403,897,371	1,321,154,628	3.401
Washington	2,247,622,556	2,097,186,720	1,971,470,115	2.774
Westwood	2,422,048,623	2,289,586,229	2,199,621,840	2.184
Woodcliff Lake	2,501,515,787	2,399,475,583	2,191,864,155	2.162
Wood-Ridge	2,058,420,173	1,881,451,778	1,706,387,059	2.868
Wyckoff	5,385,217,046	5,141,949,258	4,827,660,161	1.950

Source: Bergen County Board of Taxation - 2024, 2023 and 2022 Abstract of Ratables

Ten Largest Assessed Valuations in the County - 2024

<u>2024 Assessment</u>	<u>Taxpayer</u>	<u>Type of Business</u>	<u>Location</u>
\$830,556,200	Westland GSP	Shopping Mall	Paramus
375,000,000	Valley Hospital	Medical	Ridgewood
244,275,000	Westland GSP, LP	Shopping Mall	Paramus
185,000,000	IKEA Property, Inc	Shopping Mall	Paramus
156,547,900	Becton Dickinson & Co.	Manufacturer	Franklin Lakes
333,125,100	Vornado Bergen Mall LLC	Shopping Mall	Paramus
242,500,000	1266 Apt Corp	Co-op Apartments	Fort Lee
221,810,800	Fed Res Bank	Bank Facility	East Rutherford
168,241,000	1530 Owners Corp	Co-op Apartments	Fort Lee
172,039,700	LG Corporation, USA	Corporate Headquarters	Englewood Cliffs
145,000,000	Hackensack Hospital Assn	Medical	Hackensack

Source: Bergen County Board of Taxation

Ten Largest Employers in the County - 2024

<u>Employer</u>	<u>Location</u>	<u>Activity</u>
Hackensack University Medical Center	Hackensack	Private Hospital
Valley Health Systems, Inc.	Ridgewood	Private Hospital
Bio-Reference Laboratories	Elmwood Park	Clinical Testing
Express Scripts	Franklin Lakes	Managed Health Care
Quest Diagnostics	Teterboro/Lyndhurst	Medical Testing
KPMG LLP	Montvale	Professional Services
Englewood Hospital and Medical	Englewood	Private Hospital
Englewood Hospital Home Health Care	Englewood	Health Care
Unilever Best Foods	Englewood Cliffs	Manufacturing
Stryker	Allendale/Mahwah	Manufacturing

Source: Bergen County Department of Planning and Economic Development
(1) - Based on number of employees

Tax Collection Record

The following table is the current real property tax collection record of the County for the years 2020 through 2024:

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percent of Collections</u>
2024 (1)	\$504,788,603	\$504,788,603	100%
2023	481,023,278	481,023,278	100%
2022	448,377,089	448,377,089	100%
2021	448,377,089	447,482,602	99.8%
2020	436,099,976	436,099,976	100%

Source: County Records
(1) Unaudited

County Taxes

County taxes are collected by the municipalities and paid to the County Treasurer. The municipal levy includes all county, school and municipal taxes.

Each municipality is required to pay to the County Treasurer its share of the County Purpose tax on the fifteenth day of February, May, August and November of each year. The County gets its share of the taxes collected from the first taxes collected by each municipality.

Tax Appeals

The Bergen County Board of Taxation ("Taxation Board") processes all appeals of county tax assessments. The appeal process is described below:

The taxpayer remits the full assessment (including any disputed amount) to the municipal tax collector. The municipality then remits the amount of county tax assessed against the municipality to the County Treasurer.

The taxpayer files an appeal with the Taxation Board, which conducts a hearing. If the appeal is granted, the municipality remits payments to the taxpayer. The county tax assessed to the municipality for the succeeding year is then reduced by the total amount of appeals granted. Therefore, the County does not remit payment to the taxpayer or the municipality for appeals granted.

If the Taxation Board does not grant the appeal or if the taxpayer is not satisfied with the amount granted, the taxpayer has a right to a hearing by the New Jersey Tax Court.

TAX MATTERS

Federal

The County has covenanted to comply with any continuing requirements that may be necessary to preserve the exclusion from gross income for purposes of federal income taxation of interest on the Bonds under the Internal Revenue Code of 1986, as amended (the "Code"). Failure to comply with certain requirements of the Code could cause interest on the Bonds to be includable in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. In the opinion of Waters, McPherson, McNeill, P.C., Secaucus, New Jersey ("Bond Counsel") to be delivered at the time of original issuance of the Bonds, assuming continuing compliance by the County with certain covenants described herein, under current law, interest on the Bonds is not included in gross income for federal income tax purposes and is not an item of tax preference under Section 57 of the Code when calculating the federal alternative minimum tax on individuals. However, interest on the Bonds is included in the relevant income computation for purposes of calculating the federal alternative minimum tax on corporations as a result of the inclusion of interest on the Bonds in "adjusted current earnings" (see discussion below). No opinion is expressed regarding other federal tax consequences or other federal taxes arising with respect to the Bonds.

The Code imposes certain significant ongoing requirements that must be met after the issuance and delivery of the Bonds in order to assure that the interest on the Bonds will be and remain excludable from gross income for federal income tax purposes. These requirements include, but are not limited to, requirements relating to use and expenditure of proceeds, yield and other restrictions on investments of gross proceeds, and the arbitrage rebate requirement that certain excess earnings on investments of gross proceeds of the Bonds be rebated to the federal government. Noncompliance with such requirements may cause interest on the Bonds to become subject to federal income taxation retroactive to their date of issuance, regardless of the date on which such noncompliance occurs or is discovered. The County has covenanted that it shall do and perform all acts permitted by law that are necessary or desirable to assure that interest on the Bonds will be and will remain excluded from gross income for federal income tax purposes. The County will deliver its Arbitrage and Tax Certificate concurrently with the issuance of the Bonds, which will contain provisions relating to compliance with the requirements of the Code, including certain covenants in that regard by the County. In rendering its opinion, Bond Counsel has relied on certain representations, certifications of fact, and statements of reasonable expectations made by the County in connection with the Bonds, and Bond Counsel has assumed compliance by the County with certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the Bonds from gross income under Section 103 of the Code. The Bonds are not "private activity bonds" as defined in the Code.

Bank Qualification. The Code denies the interest deduction for indebtedness incurred by banks, thrift institutions and other financial institutions to purchase or to carry tax exempt obligations. The denial to such institutions of 100% of the deduction for interest paid on funds allocable to tax exempt obligations applies to those tax exempt obligations acquired by such institutions after August 7, 1986. For certain issues, which must be so designated by the issuer as qualified under Section 265 of the Code, 80% of such interest may be deducted as a business expense by such institutions.

The Bonds will not be designated as qualified under Section 265 of the Code by the County for an exemption from the denial of deduction for interest paid by financial institutions to purchase or to carry tax exempt obligations.

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

The Inflation Reduction Act of 2022 imposes a corporate alternative minimum tax equal to 15% of the "adjusted financial statement income" of any corporation (other than an S corporation, a regulated investment company and a real estate investment trust) having an average "adjusted financial statement income" exceeding \$1,000,000,000 over such corporation's three preceding taxable years. The corporate alternative minimum tax is effective for taxable years beginning after December 31, 2022. Interest on tax-exempt bonds and notes, such as interest on the Bonds, is included in the calculation of a corporation's "adjusted financial statement income".

Other Federal Tax Consequences. Owners of the Bonds should consult their own tax advisors as to the applicability and the effect on their federal income taxes of the alternative minimum tax, the branch profits tax and the tax on S corporations, as well as the applicability and the effect of any other federal income tax consequences.

Possible Government Action. Legislation affecting tax exempt obligations is regularly under consideration by the United States Congress. In addition, the Internal Revenue Service ("IRS") has established an expanded audit program for tax exempt obligations. There can be no assurance that legislation enacted or proposed or an audit initiated or concluded by the IRS after the issue date of the

Bonds involving either the Bonds or other tax exempt obligations will not have an adverse effect on the tax exempt status or market price of the Bonds.

State

In the opinion of Bond Counsel, under current law interest on the Bonds, and any gain on the sale thereof, is not includable as gross income under the New Jersey Gross Income Tax Act.

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

ABSENCE OF MATERIAL LITIGATION

In the opinion of Thomas J. Duch, Esq. (the “County Counsel”) no litigation of any nature is now pending or, to his knowledge, threatened restraining or enjoining the issuance or delivery of the Bonds or the levy or collection of any taxes to pay the interest on or principal of the Bonds, or in any manner questioning the authority or proceedings for the issuance of the Bonds or for the levy or collection of said taxes, or relating to the Bonds or affecting the validity thereof or the levy or collection of said taxes, and neither the corporate existence or boundaries of the County nor the title of any of the present officers thereof to their respective offices is being contested, and no authority or proceedings for the issuance of the Bonds has or have been repealed, revoked or rescinded. A signed statement to that effect will be supplied upon delivery of the Bonds. In the opinion of the County Counsel, there is no litigation pending or, to his knowledge, threatened against the County which if adversely decided, would have a material adverse effect on the financial condition of the County or which is not otherwise adequately covered by insurance.

MUNICIPAL BANKRUPTCY

The undertakings of the County should be considered with reference to Chapter IX of the Bankruptcy Act, 11 U.S.C. 401, et seq., as amended by Public Law 94-260, approved April 8, 1976, the Bankruptcy Reform Act of 1978, effective July 15, 1979, Public Law 100-597, effective November 3, 1988, the Bankruptcy Reform Act of 1994, effective October 22, 1994 and other bankruptcy laws affecting creditors’ rights and municipalities in general. The amendments of P.L. 94-260 replace former Chapter IX and permit a state or any political subdivision, public agency or instrumentality that is insolvent or unable to meet its debts to file a petition in a court of bankruptcy for the purpose of effecting a plan to adjust its debts provided such entity is authorized by applicable state law; directs such a petitioner to file with the court a list of a petitioner’s creditors; provides that a petition filed under this chapter shall operate as a stay of the commencement or continuation of any judicial or other proceeding against the petitioner; grants priority to debt owed for services or material actually provided within 3 months of the filing of the petition; directs a petitioner to file a plan for the adjustment of its debts; and provides that the plan must be accepted in writing by or on behalf of creditors holding at least 2/3 in amount or more than 1/2 in number of the listed creditors. These amendments were incorporated into the Bankruptcy Reform Act of 1978 with only minor changes.

Reference should also be made to N.J.S.A. 52:27-40, et seq., which provides that a municipality has the power to file a petition in bankruptcy provided the approval of the Municipal Finance Commission of New Jersey has been obtained. The powers of the Municipal Finance Commission of New Jersey have been vested in the Local Finance Board. The Bankruptcy Act specifically provides that Chapter IX does not limit or impair the power of a state to control, by legislation or otherwise, the procedures that a municipality must follow in order to take advantage of the provisions of the Bankruptcy Act.

The above references to the Bankruptcy Act are not to be construed as an indication that the County expects to resort to the provisions of the Bankruptcy Act or that, if it did, such action would be approved by the Local Finance Board, or that any proposed plan would include a dilution of the source of payment of and security for the Bonds.

SECONDARY MARKET DISCLOSURE

The County has entered into written Secondary Market Disclosure Undertakings with respect to the Bonds in order to comply with the secondary market disclosure requirements contemplated by Rule 15c2-12 adopted by the United States Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934 (the “Rule”). Copy of the form of the Secondary Market Disclosure Undertaking is set forth in Appendix C hereto. Annual Financial Information, Operating Data and notices of Material Events shall be filed with www.emma.msrb.org (“EMMA”).

In the past five years, the County failed to timely file certain annual financial information and operating data for the years ending December 31, 2018 through 2019 without always filing notice of late filing, as required pursuant to prior undertakings executed in connection with bonds issued by the County and the Bergen County Improvement Authority. In addition, audited financial statements and certain operating data for fiscal years 2018 and 2019 were timely filed, but not linked to all issues, which has since been remedied. Various debt-related operating data were not filed in the same format as the original Official Statements, but the information is available

in the County's audited financial statements. Various overlapping debt and property valuation operating data were not filed or not timely filed because they are not readily available to the County. Additionally, certain event notices were not timely filed. The County has engaged the services of DAC in connection with its continuing disclosure obligations.

CREDIT RATING

Moody's Investors Service, Inc. ("Moody's") has assigned a rating of "Aaa" to the Bonds. This rating reflects only the view of Moody's and an explanation thereof may be obtained only from Moody's. Certain information and materials, including information and materials not included in this Official Statement, were furnished by the County to Moody's. Generally, Moody's bases its ratings on the information and materials so furnished and on its investigations, studies and assumptions.

There is no assurance any such rating will remain in effect for any given period of time or that any such rating will not be revised downward, suspended or withdrawn entirely by a rating agency if, in the judgment of such rating agency, circumstances so warrant. Any such downward revision, suspension or withdrawal of a rating may have an adverse effect on the market price or the marketability of the Bonds. The County has not undertaken any responsibility to oppose any such downward revision, suspension or withdrawal of a rating.

UNDERWRITING

The purchaser of the Bonds is _____. The Bonds were purchased via competitive sale at a purchase price of \$ _____. Such amount represents the principal amount of the Bonds plus a premium in the amount of \$ _____.

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

LEGALITY

All legal matters relating to the authorization, the issuance, the sale and the delivery of the Bonds are subject to the approval of Waters, McPherson, McNeill, P.C., Secaucus, New Jersey ("Bond Counsel"), whose approving opinion will be delivered with the Bonds substantially in the form set forth in Appendix B hereto. Except to the extent necessary to issue its approving opinion as to the validity of the Bonds and the exemption of the interest earned on the Bonds from taxation, as applicable Bond Counsel has made no inquiry of any County officials or other persons as to any financial information, documents, statements or materials, and has not independently verified any such financial information, documents, statements or materials that have been or may be furnished in connection with the authorization, issuance or marketing of the Bonds. Accordingly, Bond Counsel will not express any opinion with respect to the accuracy or completeness of any such financial information, documents, statements or materials.

Bond Counsel has reviewed the statements made in the Official Statement under the captions entitled "Description of the Bonds", (other than the information pertaining to DTC and Book-Entry System), "Authorization and Purpose", "Municipal Bankruptcy", "Tax Matters", "Secondary Market Disclosure" (first paragraph only) and "Legality". Bond Counsel has neither reviewed nor made any independent verification of the accuracy or completeness of any other portions of the Official Statement, and will not express any opinion with respect to such portions.

Certain legal matters will be passed upon for the County by the County Counsel. The County Counsel has reviewed the statements made in the Official Statement under the caption entitled "Absence of Material Litigation". The County Counsel has neither reviewed nor made any independent verification of the accuracy or completeness of any other portions of the Official Statement, and will not express any opinion with respect to such portions.

FINANCIAL STATEMENTS

The financial statements of the County as of December 31, 2023 have been audited by Wielkott & Company, LLC, Pompton Lakes, New Jersey (the "Auditor"). Accordingly, the Auditor takes responsibility for its Independent Auditors' Report, and the audited financial information specified therein, set forth in Appendix A hereto.

The Auditor has reviewed the statements made in the Official Statement under the caption entitled "Appendix A". The Auditor has neither reviewed nor made any independent verification of the accuracy or completeness of any other portions of the Official Statement, and will not express any opinion with respect to such portions.

MUNICIPAL ADVISOR

NW Financial Group, LLC, Bloomfield, New Jersey (the “Municipal Advisor”) served as municipal advisor to the County with respect to the issuance of the Bonds and assisted in matters relating to the planning, structuring and issuance of the Bonds. The Municipal Advisor has made no inquiry of any County officials or other persons as to any financial information, documents, statements or materials, and has not independently verified any such financial information, documents, statements or materials that have been or may be furnished in connection with the authorization, issuance or marketing of the Bonds. Accordingly, the Municipal Advisor will not express any opinion with respect to the accuracy or completeness of any such financial information, documents, statements or materials.

COVID-19 RISK FACTORS

In early March of 2020, the World Health Organization declared a pandemic following the global outbreak of COVID-19, a respiratory disease caused by a newly discovered strain of coronavirus. On March 13, 2020, the President of the United States declared a national public health emergency to unlock federal funds and assistance to help states and local governments fight the pandemic. The Governor of the State declared a state of emergency and a public health emergency on March 9, 2020. In response to the COVID-19 pandemic, federal and State legislation and executive orders were implemented to, among other things, provide relief to state and local governments, including the American Rescue Plan Act of 2021 (the “Plan”). The 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 County 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 County. The County cannot quantify any such impacts at this time.

The Plan, signed into law on March 12, 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. The County has received \$261,035,746 from the Plan. The deadline to obligate the funds was December 31, 2024, and such funds can only be spent on certain allowable uses as set forth in the Plan.

ADDITIONAL INFORMATION

Inquiries regarding this Official Statement, including information additional to that contained herein, may be directed to Jon Rheinhardt, Chief Financial Officer, One Bergen County Plaza, Hackensack, New Jersey 07601, Telephone No. (201) 336-6000.

MISCELLANEOUS

All information used in the preparation of this Official Statement and the Appendices hereto has been obtained from sources which the County considers to be reliable. However, the County makes no warranty, guaranty or other representation with respect to the accuracy and completeness of any such information.

Upon request, the Chief Financial Officer of the County will confirm to the purchaser respective of the Bonds, by certificate signed by the Chief Financial Officer, that to the knowledge of the Chief Financial Officer the descriptions and statements relating to the County herein, as of the date of this Official Statement, are true and correct in all material respects and do not contain any untrue statement of a material fact or omit to state a material fact necessary to make such descriptions and statements, in light of the circumstances under which they were made, not misleading.

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

So far as any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any such statements will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as part of any contract with the holder of the Bonds.

This Official Statement has been duly executed on behalf of the County by its Chief Financial Officer.

COUNTY OF BERGEN

By: /s/ _____
Jon Rheinhardt
Chief Financial Officer

Dated: May ____, 2025

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APPENDIX A

EXCERPTS FROM AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
AND SELECTED FINANCIAL INFORMATION
FOR YEARS ENDED DECEMBER 31, 2024-2020

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WIELKOTZ & COMPANY ^{LLC}

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

The Honorable Board of County Commissioners
County of Bergen, New Jersey

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 County of Bergen in the State of New Jersey, as of December 31, 2023 and 2022, 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, 2023, and the related notes to the financial statements, which collectively comprise the County'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 County of Bergen as of December 31, 2023 and 2022, 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 County of Bergen 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 County of Bergen 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, 2023 and 2022, the regulatory basis statements of operations for the years then ended and the regulatory basis statements of revenues and expenditures and changes in fund balance for the year ended December 31, 2023 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 County of Bergen'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 County of Bergen'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 County of Bergen's ability to continue as a going concern for a reasonable period of time.

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

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Bergen'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 and are not a required part of the basic financial statements.

The supplementary information listed in the table of contents and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulation Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) are



presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information listed in the table of contents and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulation Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 5, 2024 on our consideration of the County of Bergen'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 County of Bergen's internal control over financial reporting and compliance.

Steven D. Wielkotz

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

Wielkotz & Company, LLC

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

June 5, 2024



EXHIBIT A**COUNTY OF BERGEN****COMPARATIVE BALANCE SHEET - REGULATORY BASIS****CURRENT FUND****AS OF DECEMBER 31, 2023 and 2022**

			<u>2023</u>	<u>2022</u>
<u>ASSETS</u>	<u>Ref.</u>			
Cash and Cash Equivalents	A-4	\$	122,288,157	\$ 166,375,702
Investments	A-5		92,250,000	80,250,000
Imprest and Change Funds	A-6		<u>9,460</u>	<u>9,460</u>
			<u>214,547,617</u>	<u>246,635,162</u>
Receivables with Full Reserves:				
Miscellaneous Receivables	A-9		-	2,302
Due from Bergen County Improvement Authority	A-10		1,938,725	2,725,000
Due from Bergen County Community College	A-11		-	100,000
Interfunds	A-12		5,925	131,639
Prepaid Liability - Payroll Taxes	A-13		<u>75,313</u>	<u>95,403</u>
			<u>2,019,963</u>	<u>3,054,344</u>
Total Current Fund Assets			<u>216,567,580</u>	<u>249,689,506</u>
Federal and State Grant Fund:				
Interfunds Receivable	A-26		66,564,759	126,194,646
Federal and State Grants Receivable	A-27		<u>61,509,501</u>	<u>59,259,336</u>
Total Federal and State Grant Fund Assets			<u>128,074,260</u>	<u>185,453,982</u>
Total Assets		\$	<u><u>344,641,840</u></u>	<u><u>\$ 435,143,488</u></u>

EXHIBIT A**COUNTY OF BERGEN****COMPARATIVE BALANCE SHEET - REGULATORY BASIS****CURRENT FUND****AS OF DECEMBER 31, 2023 and 2022**

		<u>2023</u>	<u>2022</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Liabilities:			
Appropriation Reserves	A-3, A-16	\$ 40,198,825	\$ 24,441,444
Contracts Payable	A-17	9,691,731	9,453,278
Encumbrances Payable	A-18	7,163,746	7,000,352
Accounts Payable	A-19	217,329	357,746
Other Reserves	A-20	3,157,351	3,171,726
Reserve for Jail Expansion	A-21	6,713,296	4,048,196
Reserve for Elections	A-22	933,566	
Reserve for P-Card	A-23	-	9,288
Reserve for Rockleigh ICF Closing	A-24	982,097	548,901
Deferred Revenue	A-25	130,501	
Interfunds	A-12	66,565,735	127,625,229
		<u>135,754,177</u>	<u>176,656,160</u>
Total Liabilities			
Reserve for Receivables	Contra	2,019,963	3,054,344
Fund Balance	A-1	78,793,440	69,979,002
		<u>216,567,580</u>	<u>249,689,506</u>
Total Current Fund Liabilities, Reserves and Fund Balance			
Federal and State Grant Fund:			
Encumbrances Payable	A-28	22,237,083	33,857,908
Reserve for Federal and State Grants	A-29	105,634,445	151,458,631
Unappropriated Grants	A-30	202,732	137,443
		<u>128,074,260</u>	<u>185,453,982</u>
Total Federal and State Grant Fund Liabilities and Reserves			
Total Liabilities, Reserves and Fund Balance		<u>\$ 344,641,840</u>	<u>\$ 435,143,488</u>

See accompanying notes to the financial statements.

COUNTY OF BERGEN

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE -
REGULATORY BASIS

CURRENT FUND

FOR THE YEARS ENDED DECEMBER 31, 2023 and 2022

	2023	2022
Revenue and Other Income Realized:		
Fund Balance Utilized	\$ 36,698,617	\$ 29,763,022
Miscellaneous Revenues Anticipated	185,388,492	253,282,200
Receipts from Current Taxes	481,023,278	448,377,089
Receipts from Delinquent Taxes		894,486
Miscellaneous Revenues not Anticipated	22,852,843	5,928,330
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	12,429,764	16,498,961
Accounts Payable Cancelled	38,322	206,685
Cancelled Appropriated Grant Reserves	2,353,027	5,971,840
Interfund Returned	131,639	
Prepaid Payroll Taxes Applied	95,403	362,367
Due from County Treasurer	2,302	9,674
Contracts Payable Cancelled	32,258	73,169
	<u>741,045,945</u>	<u>761,367,823</u>
Expenditures:		
Budget Appropriations - Original Budget	665,105,268	702,409,472
Added by N.J.S.A. 40A:4-89	26,706,522	17,097,683
Other Charges to Income:		
Interfunds Advanced	5,925	373,198
Prepaid Liability - Payroll Taxes	75,313	95,403
Other Reserves		178,484
Due from Bergen County Community College		100,000
Due from County Treasurer		2,302
Refunds	1,311,278	
Cancelled Grants Receivable	2,328,584	5,867,355
	<u>695,532,890</u>	<u>726,123,897</u>
Total Expenditures		
	<u>695,532,890</u>	<u>726,123,897</u>
Excess in Operations	45,513,055	35,243,926
Fund Balance, January 1	69,979,002	64,498,098
	<u>115,492,057</u>	<u>99,742,024</u>
Utilized as Anticipated Revenue	36,698,617	29,763,022
	<u>36,698,617</u>	<u>29,763,022</u>
Fund Balance, December 31	\$ <u>78,793,440</u>	\$ <u>69,979,002</u>

See accompanying notes to the financial statements.

COUNTY OF BERGEN

STATEMENT OF REVENUES - REGULATORY BASIS

CURRENT FUND

FOR THE YEAR ENDED DECEMBER 31, 2023

	Budget	Realized	Excess or (Deficit)
Surplus Anticipated	36,698,617	36,698,617	
Miscellaneous Revenues:			
<i>Local Revenues:</i>			
Register of Deeds	2,493,000	2,248,268	(244,732)
Surrogate	469,000	771,925	302,925
Sheriff	2,300,000	2,455,891	155,891
Interest on Investments and Deposits	3,405,000	11,971,361	8,566,361
Park Fees and Revenue	2,000,000	1,505,676	(494,324)
Golf Fees and Revenues	10,330,000	12,979,521	2,649,521
Realty Transfer Fees	13,700,000	9,414,621	(4,285,379)
State of NJ - Court Lease	128,016	128,016	
Central Municipal Court	281,000	331,429	50,429
Election Ballot Printing	1,185,000	937,776	(247,224)
Reimbursement from State of NJ for State			
Prisoners held in County Jails	1,858,450	3,759,799	1,901,349
Police and Fire Academy Fees	280,000	371,907	91,907
Reimbursement for In-Kind Grants	2,600,000	4,164,401	1,564,401
Animal Shelter Contracts	1,100,000	1,196,063	96,063
Animal Center - Other Fees	91,000	5,446	(85,554)
Shared Services Health Agreements	1,900,000	1,097,257	(802,743)
Shared Services Health Agreements - Kearny	35,500	-	(35,500)
Shared Services Health Agreements - 40 Passaic Street	181,000	189,512	8,512
Interlocal - Interboro Regional Communication Network	300,000	150,000	(150,000)
	44,636,966	53,678,869	9,041,903
<i>State Aid:</i>			
County College Bonds - (N.J.S.A. 18A:64A-22.6)	1,981,631	2,020,472	38,841
<i>State Assumptions of Costs:</i>			
Social and Welfare Services (c.66, P.L. 1990):			
Supplemental Social Security Income	1,353,987	1,536,394	182,407
DDD Assessment Program	183,000	147,064	(35,936)
	1,536,987	1,683,458	146,471
<i>Public and Private Programs:</i>			
Area Plan Grant	9,813,856	9,813,856	
Comprehensive Cancer Control Program	99,690	99,690	
Child Interagency Coordinating Council	36,874	36,874	
WFNJ - Transportation Services	114,461	114,461	
Bioterrorism (PHILEP) Program	748,720	748,720	
Mental Health Law Project	269,902	269,902	
IOLTA Fund of the Bar of NJ	15,000	15,000	
2022 Area Plan Grant - Additional Funds	60,874	60,874	
Homeless Management Information Systems	20,000	20,000	

COUNTY OF BERGEN

STATEMENT OF REVENUES - REGULATORY BASIS

CURRENT FUND

FOR THE YEAR ENDED DECEMBER 31, 2023

	Budget	Realized	Excess or (Deficit)
<i>Public and Private Programs (continued):</i>			
Social Services For the Homeless	1,145,300	1,145,300	
County History Partnership Program	94,100	94,100	
Local Arts Program	319,400	319,400	
FY23 Emergency Management Agency Assistance	55,000	55,000	
Hazard Mitigation Grant Program	315,000	315,000	
State Community Partnership Grant	1,125,145	1,125,145	
Respite Care Program	692,940	692,940	
Enhance Mobility of Senior & Individuals with Disabilities	150,000	150,000	
Medicare Improvements for Patients and Providers Act	40,000	40,000	
FY22 Sheriff Body Armor	27,412	27,412	
FY22 Prosecutor Body Armor	6,087	6,087	
FY22 Prosecutor Body Camera	1,000,000	1,000,000	
Senior Citizen & Disabled Residence Transportation	2,295,839	2,295,839	
Cancer Education & Early Detection	22,088	22,088	
Creative Aging Initiative Grant	10,000	10,000	
NJACCHO Enhancing Public Health Infrastructure	2,697,028	2,697,028	
Congressional PDM Program - Bergen County Drainage Project	250,000	250,000	
Public Safety Answering Point (PSAP)	2,105,506	2,105,506	
Medicaid PEER Grouping	748,656	748,656	
County Comprehensive Alcohol Program	1,133,714	1,133,714	
Spring House for Women - Drug Court	100,720	100,720	
Child Advocacy Development Grant	184,524	184,524	
Early Intervention Program - Special Child Health Case Managemen	3,300	3,300	
Alternative to Domestic Violence - Additional	69,588	69,588	
Justice Assistance Grant FY18	155,705	155,705	
Urban Area Security Initiative - Additional Funds	12,750	12,750	
Stop Violence Against Women Act	52,500	52,500	
State Health Insurance Program	42,000	42,000	
Federal Highway Admin - East Anderson Street Bridge - Additior	366,520	366,520	
Tuberculosis Control - 2022 Additional Funds	68,290	68,290	
Senior Farmers Market	30,464	30,464	
County Environmental Health Act	213,456	213,456	
Stand Down	7,000	7,000	
Sustained Enforcement Grant	95,000	95,000	
Victims of Crime	341,826	341,826	
Personal Assistance Services Program - Bergen & Hudson	93,564	93,564	
Sub-Regional Transportation Planning Program	198,164	198,164	
Sub-Regional Transportation Planning - Intern	15,000	15,000	
Human Service Advisory Council	66,499	66,499	
Visions Program	101,001	101,001	
Alternative to Domestic Violence	871,848	871,848	
Victim Assistance Grant Program	275,000	275,000	
Homeless Management Information System	100,693	100,693	

COUNTY OF BERGEN

STATEMENT OF REVENUES - REGULATORY BASIS

CURRENT FUND

FOR THE YEAR ENDED DECEMBER 31, 2023

	Budget	Realized	Excess or (Deficit)
<i>Public and Private Programs (continued):</i>			
HUD - Veteran's Supportive Housing	88,415	88,415	
Detection & Mitigation of COVID 19 in Confinement Facilities	163,747	163,747	
COVID-19 Supplemental Vaccination - Additional Funds	65,000	65,000	
USMS Regional Fugitive Task Force	15,500	15,500	
FY23 County Re-Entry Coordinators	100,000	100,000	
NJ Promise - Children's Interagency Coordinating Council	5,000	5,000	
NJACCHO Enhancing Public Health Infrastructure	2,696,983	2,696,983	
Justice Assistance Grant FY20	92,809	92,809	
Operation Helping Hand	105,263	105,263	
2023 Veterans Transportation	26,000	26,000	
Seal Asset Tracking Grant	69,376	69,376	
Early Intervention Services	2,626,137	2,626,137	
Case Management	145,347	145,347	
National Council on Aging	30,000	30,000	
2023 Municipal Alliance Program	317,346	317,346	
2023 Municipal Alliance Program - Youth Leadership	82,687	82,687	
Personal Assistance Services Program	5,148	5,148	
Cancer Education & Early Detection	306,226	306,226	
County Health Infrastructure Program	2,109,961	2,109,961	
Local Public Health Overdose Fatality Teams	75,000	75,000	
Tuberculosis Control Program	287,808	287,808	
FY24 Jail Medication Assisted Treatment	412,931	412,931	
Peer Recovery Specialist	75,000	75,000	
Transitional Living for Homeless Youth	232,547	232,547	
Basic Center Program	197,000	197,000	
2024 Bioterrorism (PHILEP) Program	458,682	458,682	
Clean Communities Program	174,462	174,462	
2024 Right to Know Program	21,869	21,869	
Justice Assistance Grant Program	144,538	144,538	
Workfirst NJDOL - Bergen One Stop Center	40,000	40,000	
Special Population Grant	150,000	150,000	
Childhood Lead	375,968	375,968	
Children Interagency Coordinator Council	39,455	39,455	
Job Access & Reverse Commute	150,000	150,000	
Unified Child Care - Additional 2022	8,452	8,452	
2024 Unified Child Care	2,164,967	2,164,967	
FY23 State Homeland Security Grant	362,322	362,322	
FY23 Urban Areas Security Initiative	854,000	854,000	
FY21 Justice Assistance Grant	114,214	114,214	
FY22 Justice Assistance Grant	93,686	93,686	
Youth Complex Education Program	179,055	179,055	
2024 Venture Program	669,445	669,445	
FY24 County Re-Entry Coordinators	100,000	100,000	

COUNTY OF BERGEN

STATEMENT OF REVENUES - REGULATORY BASIS

CURRENT FUND

FOR THE YEAR ENDED DECEMBER 31, 2023

	Budget	Realized	Excess or (Deficit)
<i>Public and Private Programs (continued):</i>			
FY24 State Criminal Alien Assistance - SCAAP	783,843	783,843	
FY23 COPS Grant	954,000	954,000	
Title IV-D Child Support Enforcement System	171,945	171,945	
Mental Health Board Administration	12,000	12,000	
Tick Surveillance Program	12,000	12,000	
	<u>49,844,626</u>	<u>49,844,626</u>	<u>-</u>
<i>Other Special Items:</i>			
Added and Omitted Taxes	1,544,520	1,544,520	
Justice Center Parking	68,000	152,890	84,890
Sheriff - Outside Service Administrative Fees	670,000	649,077	(20,923)
Public Health Priority Funding	5,850,000	3,883,934	(1,966,066)
Register of Deeds - P.L. 2001 C370	3,400,000	2,006,897	(1,393,103)
Surrogate - P.L. 2001 C370	650,000	1,161,340	511,340
Sheriff - P.L. 2001 C370	250,000	250,000	
Shared Services Police Services	350,000	532,792	182,792
Medicare Part D Reimbursement	612,080	37,985	(574,095)
Housing Authority Lease	197,000	107,634	(89,366)
Health Department - Spring House Medicare Revenues	164,000	124,399	(39,601)
Health Department - Alcohol Recovery Medicare Revenues	135,000	23,112	(111,888)
<i>Other Special Items (continued):</i>			
Interlocal - 911 Agreement - Garfield	300,000	300,000	
Interlocal - 911 Agreement - Ridgefield	212,160	212,160	
Interlocal - 911 Agreement - Palisades Park	160,000	280,000	120,000
Interlocal - 911 Agreement - Lodi	324,000	324,730	730
Interlocal - 911 Agreement - Leonia	171,130	171,130	
Interlocal - 911 Agreement - Wyckoff	191,017	191,017	
Interlocal - 911 Agreement - Midland Park	137,000	148,730	11,730
Interlocal - 911 Agreement - Demarest	67,569	67,569	
Bergen County Improvement Authority - Loan Repayment	2,725,000	786,275	(1,938,725)
BCIA - New Bridge Medical Center - Rental	2,400,000	2,400,000	
Passaic County Inmates	20,459,700	20,710,040	250,340
Intoxicated Driver Program Fees	243,000	207,507	(35,493)
Interlocal - JDC Revenue Passaic & Union County	210,523	288,755	78,232
Interlocal - Board of Social Services Payroll & Purchasing	20,000	27,602	7,602
Interlocal - Board of Social Services - Rental of County Facility	80,000	81,859	1,859
Title IVD Reimbursements	615,000	1,692,510	1,077,510
Planning and Engineering Subdivision Fees	162,000	196,603	34,603
American Rescue Plan - Revenue Loss	39,600,000	39,600,000	
	<u>81,968,699</u>	<u>78,161,067</u>	<u>(3,807,632)</u>

COUNTY OF BERGEN
STATEMENT OF REVENUES - REGULATORY BASIS
CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Total Miscellaneous Revenues Anticipated	<u>179,968,909</u>	<u>185,388,492</u>	<u>5,419,583</u>
Subtotal General Revenues	216,667,526	222,087,109	5,419,583
Amount to be Raised by Taxation	<u>481,023,278</u>	<u>481,023,278</u>	
Budget Totals	\$ <u><u>697,690,804</u></u>	703,110,387	<u><u>5,419,583</u></u>
Miscellaneous Revenues not Anticipated (Nonbudget)		<u>22,852,843</u>	
		\$ <u><u>725,963,230</u></u>	

See accompanying notes to the financial statements.

COUNTY OF BERGEN

STATEMENT OF REVENUES - REGULATORY BASIS

CURRENT FUND

FOR THE YEAR ENDED DECEMBER 31, 2023

Miscellaneous Revenue Not Anticipated:	
Bail Bond Forfeitures	3,000
PILOT Program	732,717
Miscellaneous	75,653
Reimbursement - Indirect Costs	855,909
Interest - Clerk	17,131
Title IV D BC Probation Reimbursement	1,253
Paymode X ACH Rebates	53,498
Jury Duty	93
Charging Stations	1,023
COOP Administration Fee	656,778
Central Municipal Court	55,955
Economic Development Job Fair Sponsorship	500
County Option Hospital Tax	4,974,336
Lawsuit Settlements	500
Insurance Claims and Reimbursements	10,963,804
Inspection Fees	59,484
Drain Connect Filing Fees	7,150
Filing Fees - Construction Board	6,100
NJ-Insurance Franchise Tax	3,484
Miscellaneous Police Services	1,347
Ambulance Services	726,098
Bergen Tech School Security	623,742
Medical Examiner - Autopsy Protocol	12,283
Division of Consumer Affairs	127,337
9-1-1 Dispatch Service	267,377
Sheriff US Marshall	752,645
Sheriff Miscellaneous	1,060
Sheriff Work Release Program	4,100
Prosecutor Miscellaneous	20,868
General Services Reimbursements	10,000
Scrap Metal	8,036
Vending Machines	31,119
Recycling Revenue	25,560
39 Hudson Street	55,234
College Shuttle	138,200
Heavy Hauling	1,250
Sale of County Assets	111,899
Various Rental Income	4,509
Comm Trans - Advertising	1,500
Health/American Dream Fee	125,800
Industrial Health	928,345
Mental Health	297
State Aid - Office on Aging	58,000
ADV - Client Fees	321
Human Services Miscellaneous	1,231

COUNTY OF BERGEN
STATEMENT OF REVENUES - REGULATORY BASIS
CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

Prior Year Credit	267,747
Phone Reimbursement	14,338
DPW - Motor Fuel Income	55,330
Payment in Lieu of Taxes	<u>8,902</u>
	\$ <u><u>22,852,843</u></u>

COUNTY OF BERGEN

STATEMENT OF EXPENDITURES - REGULATORY BASIS

CURRENT FUND

FOR THE YEAR ENDED DECEMBER 31, 2023

	Appropriations		Paid or Charged	Reserved	Unexpended Balance Canceled
	Budget as Adopted	Budget After Modification			
OPERATIONS:					
<i>Legislative Branch</i>					
Board of Commissioners:					
Salaries and Wages	\$ 203,166	268,166	263,120	5,046	
Clerk of the Board:					
Salaries and Wages	904,430	774,430	737,633	36,797	
Other Expenses	321,250	321,250	265,967	55,283	
<i>Total Legislative Branch</i>	<u>1,428,846</u>	<u>1,363,846</u>	<u>1,266,720</u>	<u>97,126</u>	
<i>Executive Branch</i>					
County Executive:					
Salaries and Wages	1,325,651	1,330,651	1,266,277	64,374	
Other Expenses	37,400	37,400	36,605	795	
<i>Total County Executive</i>	<u>1,363,051</u>	<u>1,368,051</u>	<u>1,302,882</u>	<u>65,169</u>	
Department of Administration and Finance					
Division of Treasury:					
Salaries and Wages	1,187,878	1,087,878	1,047,519	40,359	
Other Expenses	37,300	37,300	24,985	12,315	
Division of Fiscal Operations:					
Salaries and Wages	1,110,034	1,050,034	915,633	134,401	
Other Expenses	3,047,124	3,047,124	2,325,390	721,734	
Division of Personnel:					
Salaries and Wages	893,927	846,927	846,925	2	
Other Expenses	44,728	44,728	40,159	4,569	
Division of Purchasing:					
Salaries and Wages	738,076	738,076	705,824	32,252	
Other Expenses	56,001	56,001	23,244	32,757	
Division of Information Technology:					
Salaries and Wages	1,491,311	1,426,311	1,374,658	51,653	
Other Expenses	1,180,375	1,180,375	1,154,857	25,518	
Division of Public Information:					
Salaries and Wages	303,550	288,550	247,744	40,806	
Other Expenses	15,000	15,000	10,967	4,033	
Division of Risk Management:					
Salaries and Wages	207,034	215,034	215,030	4	
Other Expenses	1,707,250	1,707,250	1,707,250		

COUNTY OF BERGEN

STATEMENT OF EXPENDITURES - REGULATORY BASIS

CURRENT FUND

FOR THE YEAR ENDED DECEMBER 31, 2023

	Appropriations		Paid or Charged	Reserved	Unexpended Balance Canceled
	Budget as Adopted	Budget After Modification			
Insurance - Other Expenses	7,332,896	7,332,896	6,020,523	1,312,373	
Health Benefits	113,524,100	113,524,100	105,713,327	7,810,773	
Workers' Compensation	7,655,760	7,655,760	4,609,324	3,046,436	
Economic Development					
Salaries and Wages	383,793	383,793	382,441	1,352	
Other Expenses	199,750	199,750	121,854	77,896	
Central Municipal Court:					
Salaries and Wages	919,036	819,036	796,816	22,220	
Other Expenses	21,500	23,500	22,348	1,152	
Salary Adjustment:					
Salaries and Wages	1,000,000	1,000,000	713,576	286,424	
Termination Pay:					
Salaries and Wages	1,000,000	1,000,000	684,857	315,143	
Out-of-County College Reimbursement	110,000	110,000	58,002	51,998	
Total Department of Administration and Finance	144,166,423	143,789,423	129,763,253	14,026,170	
Department of Health					
Division of Public Health:					
Salaries and Wages	2,814,573	2,764,573	441,088	2,323,485	
Other Expenses	436,795	436,795	243,786	193,009	
Division of Mental Health:					
Salaries and Wages	1,374,667	1,271,667	760,076	511,591	
Other Expenses	611,960	714,960	539,974	174,986	
Aid to Mental Health:					
Other Expenses	1,863,431	1,863,431	1,849,894	13,537	
Environmental Health:					
Salaries and Wages	510,407	510,407	139,891	370,516	
Other Expenses	366,900	366,900	242,133	124,767	
Public Health Priority Funding					
Salaries and Wages	900,000	900,000	900,000		
Other Expenses	35,000	35,000	13,296	21,704	

COUNTY OF BERGEN

STATEMENT OF EXPENDITURES - REGULATORY BASIS

CURRENT FUND

FOR THE YEAR ENDED DECEMBER 31, 2023

	Appropriations		Paid or Charged	Reserved	Unexpended Balance Canceled
	Budget as Adopted	Budget After Modification			
Shared Services Health Agreements:					
Salaries and Wages	1,657,686	1,657,686	1,657,686		
Other Expenses	50,000	50,000	12,857	37,143	
Division of Animal Center:					
Salaries and Wages	2,213,530	2,163,530	1,919,834	243,696	
Other Expenses	863,985	863,985	763,298	100,687	
Total Department of Health	13,698,934	13,598,934	9,483,813	4,115,121	
Department of Human Services:					
Division of Family Guidance:					
Salaries and Wages	4,845,653	4,685,653	4,275,052	410,601	
Other Expenses	396,462	396,462	337,347	59,115	
Division of Community Services:					
Salaries and Wages	2,262,888	2,262,888	1,965,188	297,700	
Other Expenses	3,875,277	3,875,277	3,502,846	372,431	
Division of Senior Services:					
Salaries and Wages	1,529,577	1,529,577	932,181	597,396	
Other Expenses	1,993,673	1,993,673	1,467,862	525,811	
Juvenile Detention Center:					
Salaries and Wages	2,259,749	2,199,749	2,154,240	45,509	
Other Expenses	234,550	294,550	258,523	36,027	
Total Department of Human Services	17,397,829	17,237,829	14,893,239	2,344,590	
Department of Law:					
Salaries and Wages	2,349,903	2,287,903	2,189,566	98,337	
Other Expenses	77,400	87,400	79,968	7,432	
Office of the Inspector General:					
Salaries and Wages	325,711	257,711	207,451	50,260	
Other Expenses	3,000	3,000	1,186	1,814	
Office of Mental Health Law:					
Salaries and Wages	260,441	260,441	213,651	46,790	
Other Expenses	11,000	11,000	1,628	9,372	
Mental Patients in State Institutions:					
Other Expenses - County Share	375,000	375,000	228,140	146,860	
DMHAS Greystone Hospital County Residents - County Share	2,994,042	2,994,042	2,994,042		
NJ Division of Mental Health - DMAS Costs - County Share	261,083	261,083		261,083	
Total Department of Law	6,657,580	6,537,580	5,915,632	621,948	

COUNTY OF BERGEN

STATEMENT OF EXPENDITURES - REGULATORY BASIS

CURRENT FUND

FOR THE YEAR ENDED DECEMBER 31, 2023

	Appropriations		Paid or Charged	Reserved	Unexpended Balance Canceled
	Budget as Adopted	Budget After Modification			
Department of Public Safety					
Division of Safety and Security:					
Salaries and Wages	2,980,101	2,980,101	2,949,334	30,767	
Other Expenses	95,500	95,500	73,211	22,289	
Division of Weights and Measures:					
Salaries and Wages	1,144,108	1,144,108	1,109,339	34,769	
Other Expenses	19,267	19,267	11,267	8,000	
Division of the Medical Examiner:					
Salaries and Wages	899,912	899,912	865,959	33,953	
Other Expenses	1,274,545	1,274,545	1,247,467	27,078	
Division of Emergency Management:					
Salaries and Wages	1,349,899	1,626,899	1,611,372	15,527	
Other Expenses	251,610	306,610	271,525	35,085	
Division of Public Safety Oper 911-Dispatch:					
Salaries and Wages	4,673,959	4,673,959	4,624,907	49,052	
Other Expenses	1,868,800	1,868,800	1,805,451	63,349	
Division of Law and Public Safety:					
Salaries and Wages	1,303,860	1,353,860	1,309,763	44,097	
Other Expenses	406,515	406,515	358,645	47,870	
Total Department of Public Safety	16,268,076	16,650,076	16,238,240	411,836	
Department of Public Works					
Division of General Services:					
Salaries and Wages	5,061,283	5,061,283	4,950,723	110,560	
Other Expenses	10,046,953	10,046,953	8,863,391	1,183,562	
Division of Mechanical Services:					
Salaries and Wages	1,259,743	1,259,743	1,178,603	81,140	
Other Expenses	4,012,300	4,012,300	3,406,229	606,071	
Division of Administration:					
Salaries and Wages	602,819	532,819	360,911	171,908	
Other Expenses	13,450	13,450	5,225	8,225	
Division of Operations:					
Salaries and Wages	2,050,873	2,050,873	2,036,495	14,378	
Other Expenses	4,224,400	4,224,400	3,821,214	403,186	

COUNTY OF BERGEN

STATEMENT OF EXPENDITURES - REGULATORY BASIS

CURRENT FUND

FOR THE YEAR ENDED DECEMBER 31, 2023

	Appropriations		Paid or Charged	Reserved	Unexpended Balance Canceled
	Budget as Adopted	Budget After Modification			
Division of Community Transportation:					
Salaries and Wages	749,856	749,856	467,100	282,756	
Other Expenses	419,125	419,125	332,233	86,892	
Division of Mosquito Control:					
Salaries and Wages	993,489	943,489	831,906	111,583	
Other Expenses	391,490	391,490	289,037	102,453	
Total Department of Public Works	29,825,781	29,705,781	26,543,067	3,162,714	
Department of Parks					
Division of Cultural and Historic Affairs:					
Salaries and Wages	339,552	350,552	349,573	979	
Other Expenses	34,100	34,100	30,412	3,688	
Division of Parks and Recreation:					
Salaries and Wages	6,295,787	6,680,787	6,640,136	40,651	
Other Expenses	4,484,900	4,564,900	4,443,993	120,907	
Division of Land Mangement					
Salaries and Wages	70,000	70,000		70,000	
Other Expenses	10,000	10,000	6,709	3,291	
Division of Golf Courses:					
Salaries and Wages	4,278,515	4,368,515	4,262,922	105,593	
Other Expenses	1,542,900	1,697,900	1,530,540	167,360	
Total Department of Parks	17,055,754	17,776,754	17,264,285	512,469	
Department of Planning and Economic Development					
Division of Construction Board Appeals:					
Other Expenses	375	375	110	265	
Division of Planning and Economic Development:					
Salaries and Wages	1,100,819	1,140,819	1,077,797	63,022	
Other Expenses	37,760	37,760	24,884	12,876	
Division of Engineering:					
Salaries and Wages	2,086,242	1,980,242	1,850,036	130,206	
Other Expenses	118,382	118,382	97,083	21,299	
Division of Transportation Planning:					
Other Expenses	20,000	20,000		20,000	
Total Department of Planning and Economic Development	3,363,578	3,297,578	3,049,910	247,668	
Total Executive Branch	249,797,006	249,962,006	224,454,321	25,507,685	

COUNTY OF BERGEN

STATEMENT OF EXPENDITURES - REGULATORY BASIS

CURRENT FUND

FOR THE YEAR ENDED DECEMBER 31, 2023

	Appropriations		Paid or Charged	Reserved	Unexpended Balance Canceled
	Budget as Adopted	Budget After Modification			
Educational Agencies					
Office of the Superintendent of Schools:					
Salaries and Wages	461,030	461,030	445,914	15,116	
Other Expenses	33,425	33,425	22,284	11,141	
Bergen County Vocational Schools:					
Other Expenses	34,775,742	34,775,742	34,675,876	99,866	
Bergen County Community College:					
Other Expenses	23,525,602	23,525,602	23,525,602		
Bergen County Special Services School:					
Other Expenses	11,162,994	11,162,994	11,162,994		
Total Educational Agencies	69,958,793	69,958,793	69,832,670	126,123	
Constitutional Officers					
Office of the County Surrogate:					
Salaries and Wages	2,188,506	2,213,506	2,213,496	10	
Other Expenses	80,791	80,791	74,999	5,792	
Office of the County Clerk:					
Salaries and Wages	2,941,321	2,941,321	2,912,985	28,336	
Other Expenses	344,150	344,150	249,662	94,488	
Office of the County Clerk - Elections:					
Salaries and Wages	251,340	251,340	251,338	2	
Other Expenses	2,561,400	2,561,400	2,528,356	33,044	
Office of the County Prosecutor:					
Salaries and Wages	31,955,955	31,880,955	31,440,923	440,032	
Other Expenses	1,810,000	1,810,000	1,560,583	249,417	
Office of the County Sheriff:					
Salaries and Wages	29,465,576	29,385,576	26,922,065	2,463,511	
Other Expenses	1,309,000	1,409,000	928,258	480,742	
Bureau of Identification - Sheriff:					
Salaries and Wages	5,761,061	5,761,061	4,705,738	1,055,323	
Other Expenses	349,000	499,000	327,508	171,492	
County Jail - Sheriff:					
Salaries and Wages	16,532,208	16,532,208	13,408,784	3,123,424	
Salaries and Wages - American Rescue Plan	12,356,300	39,600,000	39,600,000		
Other Expenses	39,600,000	12,106,300	8,618,957	3,487,343	
Total Constitutional Officers	147,506,608	147,376,608	135,743,652	11,632,956	
Other Boards and Agencies					

COUNTY OF BERGEN

STATEMENT OF EXPENDITURES - REGULATORY BASIS

CURRENT FUND

FOR THE YEAR ENDED DECEMBER 31, 2023

	Appropriations		Paid or Charged	Reserved	Unexpended Balance Canceled
	Budget as Adopted	Budget After Modification			
Board of Social Services - Welfare Administration - County Share	9,065,371	9,065,371	9,065,371		
Temp. Assistance to Needy Families - County Share	109,718	109,718	109,718		
Supplemental Security Income - State Share	1,353,986	1,353,986	1,310,000	43,986	
Board of Taxation					
Salaries and Wages	656,911	686,911	686,039	872	
Board of Elections					
Salaries and Wages	1,525,561	1,525,561	1,525,518	43	
Other Expenses	604,505	604,505	425,113	179,392	
Superintendent of Elections					
Salaries and Wages	704,451	704,451	563,485	140,966	
Other Expenses	638,420	638,420	580,890	57,530	
Commissioner of Registration					
Salaries and Wages	1,503,453	1,503,453	1,380,348	123,105	
Other Expenses	547,000	547,000	457,159	89,841	
Total Other Boards and Agencies	16,709,376	16,739,376	16,103,641	635,735	
Public and Private Programs					
Matching Funds for Grants	115,000	115,000		115,000	
Area Plan Grant	9,813,856	9,813,856	9,813,856		
Comprehensive Cancer Control Program	99,690	99,690	99,690		
Child Interagency Coordinating Council	36,874	36,874	36,874		
WFNJ - Transportation Services	114,461	114,461	114,461		
Bioterrorism (PHILEP) Program	748,720	748,720	748,720		
Mental Health Law Project	269,902	269,902	269,902		
IOLTA Fund of the Bar of NJ	15,000	15,000	15,000		
2022 Area Plan Grant - Additional Funds	60,874	60,874	60,874		
Homeless Management Information Systems	20,000	20,000	20,000		
Social Services For the Homeless	1,145,300	1,145,300	1,145,300		
County History Partnership Program	94,100	94,100	94,100		
Local Arts Program	319,400	319,400	319,400		
FY23 Emergency Management Agency Assistance	55,000	55,000	55,000		
Hazard Mitigation Grant Program	315,000	315,000	315,000		
State Community Partnership Grant	1,125,145	1,125,145	1,125,145		
Respite Care Program	692,940	692,940	692,940		
Public and Private Programs (continued)					
Enhance Mobility of Senior & Individuals with Disabilities	150,000	150,000	150,000		
Medicare Improvements for Patients and Providers Act	40,000	40,000	40,000		

COUNTY OF BERGEN

STATEMENT OF EXPENDITURES - REGULATORY BASIS

CURRENT FUND

FOR THE YEAR ENDED DECEMBER 31, 2023

	Appropriations		Paid or Charged	Reserved	Unexpended Balance Canceled
	Budget as Adopted	Budget After Modification			
FY22 Sheriff Body Armor	27,412	27,412	27,412		
FY22 Prosecutor Body Armor	6,087	6,087	6,087		
FY22 Prosecutor Body Camera	1,000,000	1,000,000	1,000,000		
Senior Citizen & Disabled Residence Transportation	2,295,839	2,295,839	2,295,839		
Cancer Education & Early Detection	22,088	22,088	22,088		
Creative Aging Initiative Grant	10,000	10,000	10,000		
NJACCHO Enhancing Public Health Infrastructure	2,697,028	2,697,028	2,697,028		
Congressional PDM Program - Bergen County Drainage Project	250,000	250,000	250,000		
Public Safety Answering Point (PSAP)	2,105,506	2,105,506	2,105,506		
Medicaid PEER Grouping	748,656	748,656	748,656		
County Comprehensive Alcohol Program	1,133,714	1,133,714	1,133,714		
Spring House for Women - Drug Court	100,720	100,720	100,720		
Child Advocacy Development Grant	184,524	184,524	184,524		
Early Intervention Program - Special Child Health Case Management	3,300	3,300	3,300		
Alternative to Domestic Violence - Additional	69,588	69,588	69,588		
Justice Assistance Grant FY18	155,705	155,705	155,705		
Urban Area Security Initiative - Additional Funds	12,750	12,750	12,750		
Stop Violence Against Women Act	52,500	52,500	52,500		
State Health Insurance Program	42,000	42,000	42,000		
Federal Highway Admin - East Anderson Street Bridge - Additional	366,520	366,520	366,520		
Tuberculosis Control - 2022 Additional Funds	68,290	68,290	68,290		
Senior Farmers Market	30,464	30,464	30,464		
County Environmental Health Act	213,456	213,456	213,456		
Stand Down	7,000	7,000	7,000		
Sustained Enforcement Grant	95,000	95,000	95,000		
Victims of Crime	341,826	341,826	341,826		
Personal Assistance Services Program - Bergen & Hudson	93,564	93,564	93,564		
Sub-Regional Transportation Planning Program	198,164	198,164	198,164		
Sub-Regional Transportation Planning - Intern	15,000	15,000	15,000		
Human Service Advisory Council	66,499	66,499	66,499		
Visions Program	101,001	101,001	101,001		
Alternative to Domestic Violence	871,848	871,848	871,848		
Victim Assistance Grant Program	275,000	275,000	275,000		
Homeless Management Information System	100,693	100,693	100,693		
Public and Private Programs (continued)					
HUD - Veteran's Supportive Housing	88,415	88,415	88,415		
Detection & Mitigation of COVID 19 in Confinement Facilities	163,747	163,747	163,747		
COVID-19 Supplemental Vaccination - Additional Funds	65,000	65,000	65,000		

COUNTY OF BERGEN

STATEMENT OF EXPENDITURES - REGULATORY BASIS

CURRENT FUND

FOR THE YEAR ENDED DECEMBER 31, 2023

	Appropriations		Paid or Charged	Reserved	Unexpended Balance Canceled
	Budget as Adopted	Budget After Modification			
USMS Regional Fugitive Task Force	15,500	15,500	15,500		
FY23 County Re-Entry Coordinators	100,000	100,000	100,000		
NJ Promise - Children's Interagency Coordinating Council	5,000	5,000	5,000		
NJACCHO Enhancing Public Health Infrastructure	2,696,983	2,696,983	2,696,983		
Justice Assistance Grant FY20	92,809	92,809	92,809		
Operation Helping Hand	105,263	105,263	105,263		
2023 Veterans Transportation	26,000	26,000	26,000		
Seal Asset Tracking Grant	69,376	69,376	69,376		
Early Intervention Services	2,626,137	2,626,137	2,626,137		
Case Management	145,347	145,347	145,347		
National Council on Aging	30,000	30,000	30,000		
2023 Municipal Alliance Program	317,346	317,346	317,346		
2023 Municipal Alliance Program - Youth Leadership	82,687	82,687	82,687		
Personal Assistance Services Program	5,148	5,148	5,148		
National Opioid Settlement Fund	2,600,488	2,600,488	2,600,488		
Cancer Education & Early Detection	306,226	306,226	306,226		
County Health Infrastructure Program	2,109,961	2,109,961	2,109,961		
Local Public Health Overdose Fatality Teams	75,000	75,000	75,000		
Tuberculosis Control Program	287,808	287,808	287,808		
FY24 Jail Medication Assisted Treatment	412,931	412,931	412,931		
Peer Recovery Specialist	75,000	75,000	75,000		
Transitional Living for Homeless Youth	232,547	232,547	232,547		
Basic Center Program	197,000	197,000	197,000		
2024 Bioterrorism (PHILEP) Program	458,682	458,682	458,682		
Clean Communities Program	174,462	174,462	174,462		
2024 Right to Know Program	21,869	21,869	21,869		
Justice Assistance Grant Program	144,538	144,538	144,538		
Workfirst NJDOL - Bergen One Stop Center	40,000	40,000	40,000		
Special Population Grant	150,000	150,000	150,000		
Childhood Lead	375,968	375,968	375,968		
Children Interagency Coordinator Council	39,455	39,455	39,455		
Job Access & Reverse Commute	150,000	150,000	150,000		
Unified Child Care - Additional 2022	8,452	8,452	8,452		
Public and Private Programs (continued)					
2024 Unified Child Care	2,164,967	2,164,967	2,164,967		
FY23 State Homeland Security Grant	362,322	362,322	362,322		
FY23 Urban Areas Security Initiative	854,000	854,000	854,000		
FY21 Justice Assistance Grant	114,214	114,214	114,214		

COUNTY OF BERGEN

STATEMENT OF EXPENDITURES - REGULATORY BASIS

CURRENT FUND

FOR THE YEAR ENDED DECEMBER 31, 2023

	Appropriations		Paid or Charged	Reserved	Unexpended Balance Canceled
	Budget as Adopted	Budget After Modification			
FY22 Justice Assistance Grant	93,686	93,686	93,686		
Youth Complex Education Program	179,055	179,055	179,055		
2024 Venture Program	669,445	669,445	669,445		
FY24 County Re-Entry Coordinators	100,000	100,000	100,000		
FY24 State Criminal Alien Assistance - SCAAP	783,843	783,843	783,843		
FY23 COPS Grant	954,000	954,000	954,000		
Title IV-D Child Support Enforcement System	171,945	171,945	171,945		
Mental Health Board Administration	12,000	12,000	12,000		
Tick Surveillance Program	12,000	12,000	12,000		
Total Public and Private Programs	49,959,626	49,959,626	49,844,626	115,000	
TOTAL OPERATIONS	535,360,255	535,360,255	497,245,630	38,114,625	
Detail:					
Salaries and Wages	178,517,161	205,295,861	190,487,466	14,808,395	
Other Expenses (Including Contingent)	356,843,094	330,064,394	306,758,164	23,306,230	
	535,360,255	535,360,255	497,245,630	38,114,625	
Capital Improvements					
Down Payments on Improvements	3,928,800	3,928,800	3,928,800		
Acquisition of Office Equipment - DPW	100,000	100,000		100,000	
Acquisition of Office Equipment	150,000	150,000	83,167	66,833	
Information Technology Equipment	100,000	100,000	5,270	94,730	
Total Capital Improvements	4,278,800	4,278,800	4,017,237	261,563	
County Debt Service					
Payment of Bond Principal:					
Other Bonds	68,606,000	68,606,000	65,826,000		2,780,000
Interest on Bonds:					
Other Bonds	17,252,000	17,252,000	17,152,986		99,014
Interest on Notes	7,812,450	7,812,450	4,812,450		3,000,000
Total County Debt Service	93,670,450	93,670,450	87,791,436		5,879,014

COUNTY OF BERGEN

STATEMENT OF EXPENDITURES - REGULATORY BASIS

CURRENT FUND

FOR THE YEAR ENDED DECEMBER 31, 2023

	Appropriations		Paid or Charged	Reserved	Unexpended Balance Canceled
	Budget as Adopted	Budget After Modification			
Deferred Charges and Statutory Expenditures					
Contribution to:					
Deferred Charges to Future Taxation - Capital	5,000,000	5,000,000	5,000,000		
Public Employees' Retirement System	16,557,759	16,574,759	16,574,649	110	
Social Security System (O.A.S.I.)	16,500,000	16,500,000	14,975,731	1,524,269	
Unemployment Compensation Insurance - (NJSA 43:21-3)	50,000	50,000	50,000		
Police and Firemen's Retirement System	26,223,540	26,206,540	25,940,794	265,746	
Define Contribution Retirement Program (DCRP)	50,000	50,000	17,488	32,512	
Total Statutory Expenditures	64,381,299	64,381,299	62,558,662	1,822,637	
Total General Appropriations	\$ 697,690,804	697,690,804	651,612,965	40,198,825	5,879,014
Adopted Budget \$		670,984,282			
Appropriated by N.J.S.A. 40A4-89		26,706,522			
	\$ 697,690,804				
Transferred to Federal and State Grant Fund \$			49,844,626		
Transfer to Reserve for P-Card			110,605		
Transfer for Other Reserves			87,281,389		
Due from Community College Applied			100,000		
Encumbrances			7,163,746		
Cash			507,112,599		
		\$ 651,612,965			

See accompanying notes to the financial statements.

EXHIBIT B**COUNTY OF BERGEN****COMPARATIVE BALANCE SHEET - REGULATORY BASIS****REGULAR TRUST FUNDS****AS OF DECEMBER 31, 2023 and 2022**

	<u>Ref.</u>	<u>2023</u>	<u>2022</u>
<u>ASSETS</u>			
Regular Trust Fund:			
Cash and Cash Equivalents	B-1	\$ 40,169,754	\$ 33,734,091
Interfunds	B-2	976	
		<u>40,170,730</u>	<u>33,734,091</u>
Open Space Trust Fund:			
Cash and Cash Equivalents	B-1	74,950,739	69,755,822
Accounts Receivable	B-3	123,427	158,629
Due from BCIA	B-4	14,176,546	
		<u>89,250,712</u>	<u>69,914,451</u>
Prosecutor's Trust Fund:			
Cash and Cash Equivalents	B-1	25,523,839	24,909,933
Interfunds	B-2	31,280	63,393
		<u>25,555,119</u>	<u>24,973,326</u>
Self-Insurance Trust Fund			
Cash and Cash Equivalents	B-1	<u>17,855,981</u>	<u>14,762,351</u>
Community Development Trust Fund			
Cash and Cash Equivalents	B-1	461,649	815,071
Due from U.S. Department of Housing & Urban Development - Letters of Credit	B-5	48,972,891	48,659,073
HOME Improvement Program Mortgages Receivable	Contra	7,521,729	7,580,271
Small Business Loans	Contra	113,178	113,177
HOME Investment Mortgages	Contra	9,418,254	9,418,254
American Dream Mortgages	Contra	16,572,648	16,846,157
		<u>83,060,349</u>	<u>83,432,003</u>
Total Assets		\$ <u>255,892,891</u>	\$ <u>226,816,222</u>

LIABILITIES, RESERVES AND FUND BALANCE

Regular Trust Fund:			
Reserve for Dedicated Revenue:			
Motor Vehicle Fines and Road Openings	B-6	\$ 7,865,043	\$ 4,307,617
Weights and Measures	B-7	143,555	61,656
Miscellaneous Trust Accounts	B-8	30,099,386	27,446,539
Road Permit Deposits	B-9	968,810	931,903
Reserve for Encumbrances	B-10	561,840	495,188
Contracts Payable	B-11	500,815	314,025
Interfunds	B-2	31,280	177,161
		<u>40,170,730</u>	<u>33,734,091</u>

EXHIBIT B**COUNTY OF BERGEN****COMPARATIVE BALANCE SHEET - REGULATORY BASIS****REGULAR TRUST FUNDS****AS OF DECEMBER 31, 2023 and 2022**

			<u>2023</u>	<u>2022</u>
	<u>Ref.</u>			
<u>LIABILITIES, RESERVES AND FUND BALANCE (continued)</u>				
Open Space Trust Fund:				
Interfunds	B-2	\$ -	\$ 2,250,000	
Reserve for Open Space Trust Fund	B-12	39,078,718	17,598,189	
Reserve for Encumbrances	B-13	229,297	245,367	
Reserve for Contracts Payable	B-14	49,942,697	49,820,895	
		<u>89,250,712</u>	<u>69,914,451</u>	
Prosecutor's Trust Fund				
Interfunds	B-2	5,340	17,871	
Reserve for Prosecutor's Trust Fund	B-15	22,752,722	21,551,396	
Reserve for Encumbrances	B-16	2,792,534	3,041,209	
Reserve for Contracts Payable	B-17	4,523	362,850	
		<u>25,555,119</u>	<u>24,973,326</u>	
Self-Insurance Trust Fund:				
Reserve for Self-Insurance Trust Fund	B-18	16,711,938	14,762,351	
Reserve for Encumbrances	B-19	1,144,043		
		<u>17,855,981</u>	<u>14,762,351</u>	
Community Development Trust Fund:				
Interfunds	B-2	585	-	
Reserve for Expenditures	B-20	48,728,631	47,748,804	
HOME Improvement Mortgages - Principal	B-21	38,859	77,418	
HOME Improvement Mortgages - Interest	B-22	13,363	44,358	
Reserve for:				
HOME Improvement Program Mortgages Receivable	Contra	7,521,729	7,580,271	
Small Business Loans	Contra	113,178	113,177	
HOME Investment Mortgages	Contra	9,418,254	9,418,254	
American Dream Mortgages	Contra	16,572,648	16,846,157	
Program Income	B-23	436,010	1,338,372	
Small Business Loans - Principal	B-24	113,216	161,316	
Small Business Loans - Interest	B-25	30,326	30,326	
First Time Home Buyer Mortgages	B-26	73,550	73,550	
		<u>83,060,349</u>	<u>83,432,003</u>	
Total Liabilities, Reserves and Fund Balance		\$ <u>255,892,891</u>	\$ <u>226,816,222</u>	

See accompanying notes to financial statements.

EXHIBIT C

COUNTY OF BERGEN

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

GENERAL CAPITAL FUND

FOR THE YEARS ENDED DECEMBER 31, 2023 and 2022

<u>ASSETS</u>	<u>Ref.</u>	<u>2023</u>	<u>2022</u>
Cash and Cash Equivalents	C-2, C-3	\$ 43,097,171	\$ 46,661,417
Infrastructure Trust Loan Receivable	C-4	170,639	170,639
NJ DOT Receivable	C-5	59,319,452	46,063,790
FEMA Hazard Grant Program Receivable	C-6	1,092,456	3,500,000
School District Receivable	C-7	64,602	64,602
Due from State of New Jersey	C-8	25,875,000	25,875,000
Federal Grants Receivable	C-9	700,000	
Due from Bergen County Improvement Authority	C-10	25,063,165	30,471,451
Due from NJ Green Acres Program	C-11	-	1,250,000
Interfunds	C-19	-	3,680,583
Deferred Charges to Future Taxation:			
Funded	C-11	566,585,000	547,076,000
Unfunded	C-12	418,700,053	442,288,375
Total Assets		\$ <u>1,140,667,538</u>	\$ <u>1,147,101,857</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds	C-13	\$ 566,585,000	\$ 547,076,000
Bond Anticipation Notes Payable	C-15	117,459,000	125,180,000
Capital Improvement Fund	C-16	1,002,038	3,136,989
Improvement Authorizations:			
Funded	C-17	113,131,832	118,318,164
Unfunded	C-17	252,904,347	262,474,095
Encumbrances Payable	C-18	74,882,337	78,460,980
Reserve for Preliminary Expenses	C-21	1,434	1,434
Reserve for County Roads	C-22	668,592	668,592
Reserve for Payment of Notes	C-23	1,469,327	1,474,327
Total Liabilities and Reserves		1,128,103,907	1,136,790,581
Fund Balance	C-1	12,563,631	10,311,276
Total Liabilities, Reserves and Fund Balance		\$ <u>1,140,667,538</u>	\$ <u>1,147,101,857</u>

There were Bonds and Notes Authorized But Not Issued at December 31, 2023 and 2022 of \$301,525,129 and \$317,108,375 respectively. (C-24)

See accompanying notes to the financial statements.

COUNTY OF BERGEN

STATEMENT OF FUND BALANCE - REGULATORY BASIS

GENERAL CAPITAL FUND

FOR THE YEARS ENDED DECEMBER 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Balance - January 1,	\$ 10,311,276	\$ 8,206,899
Increased by:		
Cash Receipts:		
Premiums on Bonds	2,833,446	1,275,920
Premiums on BANs	863,948	1,746,975
Outside Funding for Bonded Projects		59,094
Improvement Authorizations Cancelled	<u>1,747,405</u>	<u>-</u>
	<u>5,444,799</u>	<u>3,081,989</u>
	15,756,075	11,288,888
Decreased by:		
NJDOT Receivable	692,444	-
Down Payment on Improvement Authorization	2,500,000	900,000
Transfer to Reserve for Interest	<u> </u>	<u>77,612</u>
	<u>3,192,444</u>	<u>977,612</u>
Balance - December 31,	\$ <u><u>12,563,631</u></u>	\$ <u><u>10,311,276</u></u>

See accompanying notes to financial statements.

EXHIBIT D

**COUNTY OF BERGEN
FIXED ASSETS
AS OF DECEMBER 31, 2023 and 2022**

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	<u>2023</u>	<u>2022</u>
Land	\$ 981,572,330	\$ 981,572,330
Improvements	374,826,224	373,132,810
Equipment	<u>103,755,797</u>	<u>88,492,084</u>
	<u>\$ 1,460,154,351</u>	<u>\$ 1,443,197,224</u>
Investment in Fixed Assets	<u>\$ 1,460,154,351</u>	<u>\$ 1,443,197,224</u>

**COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

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 County of Bergen 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 County accounts for its financial transactions through the following separate funds which differ from the fund structure required by GAAP.

A. REPORTING ENTITY

The County of Bergen (the "County") was organized under an act of the New Jersey Legislative on November 30, 1675 and operates under an elected Commissioner form of County government. The County's major operations include the County judiciary system; law enforcement, recreation, road and bridge maintenance and construction, the County correctional and penal system, health and welfare, education 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 be 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 counties 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 County does not include the operations of the autonomous agencies including the Bergen County Community College, Bergen County Vocational Schools, Bergen County Special Services School and the Bergen County Housing Authority.

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. REPORTING ENTITY, (continued)

In April 1995, the State adopted a law that gives the County Executive the authority to veto the minutes of a Utility Authority, Sewerage Authority and Improvement Authority. Based on this law and the criteria set forth in GASB Statement 14, this change would require the financial statements of the Bergen County Utilities Authority, the Northwest Bergen County Utilities Authority and the Bergen County Improvement Authority to be blended into the County Financial Statements as opposed to being shown discretely. The audit reports of the above entities are available at each individual entities location.

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION

The accounting policies of the County of Bergen conform to the accounting principles applicable to municipalities that have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. 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 financial transactions and accounts of the County of Bergen are organized on the basis of funds, which is different from the fund structure required by GAAP. A fund is an accounting entity with a separate set of self-balancing accounts established to record the financial position and results of operation of a specific government activity. As required by the Division of Local Government Services, the County accounts for its financial transactions through the following individual funds:

Current Fund – This fund is used to account for the resources and expenditures for government operations of a general nature, including Federal and State grant funds.

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

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

Open Space Trust Fund – This fund is used to account for dedicated funds received to acquire land, improve recreation facilities, preserve farmland/historic areas and to assist municipalities in the acquisition and improvement of outdoor recreation facilities.

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION (continued)

Prosecutor Trust Fund – This fund is used to account for assets seized by local and county law enforcement agencies. Any seized assets forfeited are allocated to the respective agencies or returned upon the conclusion of each legal case filed.

Self-Insurance Trust Fund – This fund is used to account for the expenditures of Worker's Compensation, General Liability, Unemployment, Disability, Health Benefits and Dental insurance claims and premiums.

Community Development Trust Fund – This fund is used to account for grant proceeds and related expenditures for Housing and Urban Development Grant Entitlements.

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

General Fixed Assets Accounting Group – To account for all fixed assets of the County. The County's infrastructure is not reported in the group.

A modified accrual basis of accounting is followed with minor exceptions. The accounting principles and practices prescribed for municipalities by the State of New Jersey differ in certain respects from GAAP applicable to local governments units. The more significant differences are explained in the following paragraphs.

Property Tax Revenues – Real property taxes are assessed to each municipality within the County, based upon a County wide assessment at true equalized value. Taxes are payable in four quarterly installments on February 15, May 15, August 15 and November 15. The amounts of the first and second installments are determined as one-quarter of the total tax levied against the municipality for the preceding year. The installment due the third and fourth quarters is determined by taking the full tax as levied for the current year against the municipality, less the amount previously charged as the first and second installments, the remainder being divided equally. If unpaid on these dates, the amount due becomes delinquent and subject to interest at 6% per annum. In accordance with the accounting principles prescribed by the State of New Jersey, taxes receivable are realized as revenue when collected. Since delinquent taxes are fully reserved, no provision has been made to estimate that portion of the taxes receivable that are uncollectible. GAAP requires property tax revenues to be recognized in the accounting period when they become subsequent to accrual, reduced by an allowance for doubtful accounts.

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION (continued)

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

Grant Revenues – Federal and State grants, entitlements or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the County'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. Budget amounts presented in the accompanying financial statements represent amounts adopted by the County and approved by the State Division of Local Government Services, in accordance with N.J.S.A. 40A:4 et seq.

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

Trust Funds
General Capital 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 28, 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 County 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 County. 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 Government Body. Expenditures may not legally exceed budgeted appropriations at the line item level.

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION (continued)

During the years ended December 31, 2023 and 2022, the Governing Body approved additional revenues and appropriations of \$26,706,522 and \$17,097,683, respectively, in accordance with N.J.S.A. 40A:4-87. In addition, several budget transfers were approved by the governing body in 2023 and 2022.

Expenditures - 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 in the current fund, to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for un-matured interest on general long-term debt, which should be recognized when due.

Encumbrances - contractual orders at December 31, are reported as expenditures through establishment of a reserve for encumbrances. Encumbrances do not constitute expenditures or liabilities 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 appropriations reserves are recorded as additions to income. Appropriation reserves are not established 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.

Interfunds - advances from the Current Fund are reported as interfunds receivable with offsetting reserves, which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfunds receivable in the other funds are not offset by reserves. Under GAAP, interfunds receivable are not recorded through operations.

Deferred Charges to Future Taxation - Funded and Unfunded - Upon the authorization of capital projects, the County establishes deferred charges for the costs of the capital projects to be raised by future taxation. Funded deferred charges relate to permanent debt issued, whereas unfunded deferred charges relate to temporary or non-funding of the authorized cost of capital projects. According to the N.J.S.A. 40A:2-4, the County may levy taxes on all taxable property within the local unit, to repay the debt. Annually, the County raises the debt requirements for that particular year in the current budget. As the funds are raised by taxation, the deferred charges are reduced. GAAP does not require the establishment of deferred charges to future taxation and records proceeds of debt issued as revenue.

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION (continued)

Improvement authorizations – in the General Capital Fund represent the unexpended balance of an ordinance appropriation and is similar to the unexpended portion of the budget in the Current Fund. GAAP does not recognize these amounts as liabilities.

General Fixed Assets - N.J.A.C. 5:30-5.6 codifies Technical Accounting Directive No. 86-2, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from GAAP, requires the inclusion of a statement of general fixed assets of the County as part of its basic financial statements. It also requires the County to place a value on all fixed assets put into service, to maintain a subsidiary ledger of detailed records of fixed assets and to provide property management standards to control fixed assets. General Fixed Assets are defined as non-expendable personal property having a physical existence, a useful life of more than five years and an acquisition cost of \$5,000 or more per unit. 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 Fund until such time as the construction is completed and put into operation.

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

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

Use of Estimates – The preparation of financial statements requires management of the County 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.

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION (continued)

Impact of Recently Issued Accounting Principles

The following GASB statements became effective for the fiscal year ended December 31, 2023:

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset, an intangible asset, and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. The Statement will become effective for the County's year ending December 31, 2023. As a result of the regulatory basis of accounting previously described in note 1, this Statement will have no impact on the financial statements of the County.

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

GASB Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The Statement will become effective for the Borough in the year ending December 31, 2024. As a result of the regulatory basis of accounting previously described in note 1, this Statement will have no impact on the financial statements of the County, however, management is currently evaluating whether or not this Statement will have an impact on the financial statement disclosures of the County.

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION (continued)

Impact of Recently Issued Accounting Principles, (continued)

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. As a result of the regulatory basis of accounting previously described in note 1, this Statement will have no impact on the financial statements of the County, however, management is currently evaluating whether or not this Statement will have an impact on the financial statement disclosures of the County.

C. BASIC FINANCIAL STATEMENTS

The GASB Codification also requires the financial statements of a governmental unit to be presented in the financial statements in accordance with GAAP. The County presents the financial statements listed in the table of contents which are required by the Division of Local Government Services 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.

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COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of bank failure, the government's deposits may not be returned to it. The County'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, 2023 and 2022, \$-0- and \$40,300,000 of the County's bank balance of \$425,068,943 and \$441,899,150, respectively, was exposed to custodial credit risk.

Investments

Investment Rate Risk

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

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 3. COUNTY DEBT

Long-term debt as of December 31, 2023 and 2022 consisted of the following:

	<u>Balance</u> <u>Dec. 31, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>Dec. 31, 2023</u>	<u>Amount Due</u> <u>Within</u> <u>One Year</u>
Bonds Payable – General Obligation Debt	\$547,076,000	\$81,515,000	\$62,006,000	\$566,585,000	\$60,243,000
Other Liabilities:					
Compensated Absences	<u>22,589,717</u>	<u>5,694,689</u>	<u>5,783,857</u>	<u>200,500,549</u>	<u> </u>
	<u>\$569,665,717</u>	<u>\$87,209,689</u>	<u>\$67,789,857</u>	<u>\$589,085,549</u>	<u>\$60,243,000</u>

	<u>Balance</u> <u>Dec. 31, 2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>Dec. 31, 2022</u>	<u>Amount Due</u> <u>Within</u> <u>One Year</u>
Bonds Payable – General Obligation Debt	\$574,347,000	\$34,350,000	\$61,621,000	\$547,076,000	\$62,006,000
Other Liabilities:					
Compensated Absences	27,015,266	1,871,366	6,296,915	22,589,717	
New Jersey:					
EIT Loans	<u>371,802</u>	<u> </u>	<u>371,802</u>	<u> </u>	<u> </u>
	<u>\$601,734,068</u>	<u>\$36,221,366</u>	<u>\$68,289,717</u>	<u>\$569,665,717</u>	<u>\$62,006,000</u>

The Local Bond Law governs the issuance of bonds and notes to finance general capital expenditures. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the County are general obligation bonds, backed by the full faith and credit of the County. 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.

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 3. COUNTY DEBT (continued)

The County's debt is summarized as follows:

	<u>2023</u>	<u>2022</u>
Issued		
General		
Bonds, Notes and Loans	\$1,294,722,229	\$1,191,681,000
Less: Funds Temporarily Held to Pay Bonds		
and Notes	1,469,327	1,474,327
Additional Borrowing for County College	12,632,500	12,245,000
Guaranteed by County	<u>610,678,229</u>	<u>519,425,000</u>
 Total Subtractions	 <u>624,780,056</u>	 <u>533,144,327</u>
 Net Debt Issued	 669,942,173	 658,536,673
Authorized But Not Issued		
General		
Bonds, Notes and Loans	<u>301,525,129</u>	<u>317,108,375</u>
Net Bonds and Notes Issued and Authorized		
But Not Issued	<u>\$971,467,302</u>	<u>\$975,645,048</u>

The summarized statement of debt condition which follows is extracted from the County's Annual Debt Statement, indicates a statutory net debt of .463% and .497% at December 31, 2023 and 2022, respectively.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
<u>2023</u>			
General Debt	<u>\$1,596,247,358</u>	<u>\$624,780,056</u>	<u>\$971,467,302</u>

Net debt of \$971,467,302 divided by equalized valuation basis per N.J.S.A. 40A:2-2, as amended, of \$209,966,156,157 equals .463%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
<u>2022</u>			
General Debt	<u>\$1,508,789,375</u>	<u>\$533,144,327</u>	<u>\$975,645,048</u>

Net debt of \$975,645,048 divided by equalized valuation basis per N.J.S.A. 40A:2-2, as amended, of \$196,252,922,450 equals .497%.

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 3. COUNTY DEBT (continued)

BORROWING POWER UNDER N.J.S.A. 40A:2-6 AS AMENDED

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

	<u>2023</u>	<u>2022</u>
2% of Equalized Valuation Basis	\$4,199,323,123	\$3,925,058,449
Net Debt	<u>971,467,302</u>	<u>975,645,048</u>
Excess Borrowing Power	<u>\$3,227,855,821</u>	<u>\$2,949,413,401</u>

Paid by Current Fund:

General Obligation Bonds

	<u>2023</u>	<u>2022</u>
\$4,313,000, 2009 County Hospital Bonds, due in annual installments of \$245,000 to \$388,000 through November 1, 2024, interest at various rates from 3.75% to 5.30%	\$388,000	\$763,000
\$10,000,000, 2012 Special Services/Vocational School Bonds, due in annual installments of \$600,000 to \$1,200,000 through December 1, 2023, interest at various rates from 1.00% to 2.00%		1,200,000
\$35,800,000, 2012 General Improvement Refunding Bonds, due in annual installments of \$1,500,000 to \$3,000,000 through December 1, 2027, interest at various rates from 1.00% to 2.25%	11,700,000	14,400,000
\$4,250,000, 2012 County College Bonds, due in annual installments of \$350,000 to \$400,000 through June 15, 2024, interest at various rates from 2.00% to 2.25%	400,000	750,000
\$4,250,000, 2012 State Aid County College Bonds, due in annual installments of \$350,000 to \$400,000 through June 15, 2024, interest at various rates from 2.00% to 2.25%	400,000	750,000
\$941,000, 2012 BCIA Governmental Loan Revenue Bonds, due in annual installments of \$65,000 to \$131,000 through May 1, 2023, interest at various rates from .838% to 3.259%		91,000
\$57,855,000, 2013 General Improvement Bonds, due in annual installments of \$1,875,000 to \$3,750,000 through December 1, 2031, interest at various rates from 3.00% to 4.00%		3,000,000

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 3. COUNTY DEBT (continued)

	<u>2023</u>	<u>2022</u>
\$7,145,000, 2013 Special Services/Vocational School Refunding Bonds, due in annual installments of \$250,000 to \$500,000 through December 1, 2029, interest at various rates from 3.00% to 4.00%	\$	\$500,000
\$54,830,000, 2014 General Improvement Bonds, due in annual installments of \$1,605,000 to \$3,060,000 through April 15, 2039, interest at various rates from 2.00% to 5.00%	1,945,000	3,835,000
\$40,000,000, 2014 Special Services/Vocational School Bonds, due in annual installments of \$2,000,000 through June 30, 2034, interest at various rates from 2.00% to 3.50%	22,000,000	24,000,000
\$4,250,000, 2014 County College Bonds, due in annual installments of \$425,000 through June 30, 2024, interest at various rates from 2.00% to 3.00%	425,000	850,000
\$1,600,000, 2015 County College Bonds, due in annual installments of \$105,000 to \$200,000 through June 30, 2025, interest at various rates from 2.00% to 3.00%	400,000	595,000
\$1,600,000, 2015 County College Bonds, due in annual installments of \$105,000 to \$200,000 through June 30, 2025, interest at various rates from 2.00% to 3.00%	400,000	595,000
\$58,690,000, 2015 General Obligation Refunding Bonds, due in annual installments of \$2,895,000 to \$11,960,000 through October 15, 2023, interest at various rates from 3.00% to 5.00%		8,000,000
\$14,540,000, 2015 Special Services/Vocational School Refunding Bonds, due in annual installments of \$2,895,000 to \$11,960,000 through October 15, 2023, interest at various rates from 3.00% to 5.00%		1,465,000
\$6,220,000, 2015 County Hospital Refunding Bonds, due in annual installments of \$55,000 to \$1,145,000 through October 15, 2023, interest at various rates from .926% to 2.708%		1,120,000
\$47,315,000, 2016 General Improvement Refunding Bonds, due in annual installments of \$185,000 to \$7,215,000 through August 15, 2016, interest at various rates from 2.00% to 5.00%	20,810,000	27,840,000
\$25,668,000, 2017 General Improvement Bonds, due in annual installments of \$1,300,000 to \$2,573,000 through February 15, 2030, interest at various rates from 2.00% to 3.00%	16,368,000	18,168,000
\$2,134,000, 2017 County Vocational/Technical School Bonds, due in annual installments of \$100,000 to \$199,000 through February 15, 2031, interest at various rates from 2.00% to 3.00%	1,459,000	1,584,000

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 3. COUNTY DEBT (continued)

	<u>2023</u>	<u>2022</u>
\$15,950,000, 2017 General Obligation Bonds, due in annual installments of \$875,000 to \$1,180,000 through December 1, 2033, interest at various rates from 2.25% to 3.00%	\$10,560,000	\$11,495,000
\$1,800,000, 2017 County Vocational/Technical School Bonds, due in annual installments of \$85,000 to \$120,000 through December 1, 2035, interest at various rates from 2.25% to 3.00%	1,275,000	1,365,000
\$750,000, 2017 County College Bonds, due in annual installments of \$80,000 to \$90,000 through December 1, 2026, interest at 2.25%	260,000	345,000
\$6,850,000, 2017 Taxable General Improvement Bonds, due in annual installments of \$705,000 to \$835,000 through December 1, 2026, interest at various rates from 2.50% to 2.95%	2,435,000	3,210,000
\$28,205,000, 2017 General Improvement Refunding Bonds, due in annual installments of \$45,000 to \$3,635,000 through November 1, 2027, interest at various rates from 2.00% to 4.00%	14,560,000	18,110,000
\$2,090,000, 2017 County Vocational/Technical Schools Refunding Bonds, due in annual installments of \$10,000 to \$425,000 through November 1, 2024, interest at various rates from 2.00% to 3.00%	425,000	845,000
\$2,000,000, 2018 County College Bonds, Series A, due in annual installments of \$150,000 to \$240,000 through June 1, 2028, interest at various rates from 2.25% to 2.50%	1,130,000	1,330,000
\$2,000,000, 2018 County College Bonds, Series B, due in annual installments of \$150,000 to \$240,000 through June 1, 2028, interest at various rates from 2.25% to 2.50%	1,130,000	1,330,000
\$4,050,000, 2019 County College Bonds, Series A, due in annual installments of \$250,000 to \$435,000 through June 1, 2031, interest at 3.00%	2,960,000	3,225,000
\$4,050,000, 2019 County College Bonds, Series B, due in annual installments of \$250,000 to \$435,000 through June 1, 2031, interest at 3.00%	2,960,000	3,225,000
\$70,315,000, 2019 General Obligation Bonds, due in annual installments of \$2,380,000 to \$4,755,000 through July 1, 2040, interest at 3.000%	60,465,000	63,030,000
\$8,895,000, 2019 County Vocational/Technical School Bonds, due in annual installments of \$430,000 to \$720,000 through July 1, 2035, interest at 3.000%	7,085,000	7,560,000

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 3. COUNTY DEBT (continued)

	<u>2023</u>	<u>2022</u>
\$790,000, 2019 County College Bonds, due in annual installments of \$90,000 to \$110,000 through July 1, 2027, interest at 3.000%	\$420,000	\$515,000
\$50,140,000, 2019 County Guaranteed Governmental Lease Revenue Bonds, due in annual installments of \$1,950,000 to \$3,895,000 through October 2039, interest at various rates from 4.00% to 5.00%	46,240,000	48,190,000
\$72,670,000, 2019 General Improvement Bonds, due in annual installments of \$3,500,000 to \$4,790,000 through December 1, 2036, interest at various rates from 2.000% to 3.000%	58,070,000	61,870,000
\$2,000,000, 2019 County Vocational/Technical School Bonds, due in annual installments of \$120,000 to \$220,000 through December 1, 2031, interest at various rates from 2.000% to 3.000%	1,480,000	1,620,000
\$330,000, 2019 County College Bonds, due in annual installments of \$40,000 to \$65,000 through December 1, 2025, interest at various rates from 2.000% to 3.000%	125,000	185,000
\$2,000,000, 2019 Taxable General Improvement Bonds, due in annual installments of \$100,000 to \$200,000 through December 1, 2032, interest at various rates from 2.250% to 2.500%	1,570,000	1,685,000
\$2,050,000, 2020 County College Bonds, Series A, due in annual installments of \$125,000 to \$220,000 through June 1, 2032, interest at 2.00%	1,645,000	1,790,000
\$2,050,000, 2020 County College Bonds, Series B, due in annual installments of \$125,000 to \$220,000 through June 1, 2032, interest at 2.00%	1,645,000	1,790,000
\$31,850,000, 2020 General Improvement Bonds, due in annual installments of \$1,705,000 to \$2,710,000 through May 1, 2035, interest at 2.000%	26,645,000	28,410,000
\$3,615,000, 2020 County Vocational/Technical School Bonds, due in annual installments of \$415,000 to \$500,000 through May 1, 2028, interest at 2.000%	2,340,000	2,775,000
\$835,000, 2020 County College Bonds, due in annual installments of \$50,000 to \$100,000 through May 1, 2030, interest at 2.000%	655,000	725,000
\$6,670,000, 2020 Taxable General Improvement Bonds, due in annual installments of \$570,000 to \$775,000 through May 1, 2030, interest at 2.000%	4,900,000	5,510,000

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 3. COUNTY DEBT (continued)

	<u>2023</u>	<u>2022</u>
\$54,945,000, 2021 General Obligation Refunding Bonds, due in annual installments of \$1,005,000 to \$7,275,000 through December 1, 2031, interest at various rates from 0.173% to 1.636%	46,345,000	50,110,000
\$3,880,000, 2021 County Special Services/Technical Schools Refunding Bonds, due in annual installments of \$80,000 to \$855,000 through December 1, 2029, interest at various rates from 0.173% to 1.466%	3,070,000	3,430,000
\$16,000,000, 2021 General Obligation Bonds, due in annual installments of \$600,000 to \$1,125,000 through June 1, 2041, interest at 2.000%	14,785,000	15,400,000
\$2,050,000, 2021 County College Bonds, Series B, due in annual installments of \$125,000 to \$220,000 through June 1, 2033, interest at 2.000%	1,790,000	1,925,000
\$2,050,000, 2021 County College Bonds, Series C, due in annual installments of \$125,000 to \$220,000 through June 1, 2033, interest at 2.000%	1,790,000	1,925,000
\$19,150,000, 2021 General Obligation Bonds, due in annual installments of \$2,000,000 to \$2,425,000 through November 1, 2030, interest at 2.000%	15,125,000	17,150,000
\$1,855,000, 2021 County Vocational/Technical School Bonds, Series B, due in annual installments of \$210,000 to \$265,000 through November 1, 2029, interest at 2.000%	1,430,000	1,645,000
\$680,000, 2021 County College Bonds, Series C, due in annual installments of \$90,000 to \$140,000 through November 1, 2027, interest at 2.000%	490,000	590,000
\$41,625,000, 2021 BCIA Governmental Loan Revenue Bonds, due in annual installments of \$565,000 to \$2,850,000 through February 2039, interest at various rates from 0.433% to 2.841%	40,285,000	40,850,000
\$2,175,000, 2022 County College Bonds, Series A, due in annual installments of \$130,000 to \$225,000 through June 1, 2034, interest at 4.00%	2,045,000	2,175,000
\$2,175,000, 2022 County College Bonds, Series B, due in annual installments of \$130,000 to \$225,000 through June 1, 2034, interest at 4.00%	2,045,000	2,175,000
\$22,400,000, 2022 General Improvement Bonds, due in annual installments of \$1,050,000 to \$1,900,000 through May 1, 2037, interest at 4.00%	21,350,000	22,400,000

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 3. COUNTY DEBT (continued)

\$6,300,000, 2022 County Vocational/Technical School Bonds, due in annual installments of \$620,000 to \$770,000 through May 1, 2031, interest at 4.00%	\$5,680,000	\$6,300,000
\$1,300,000, 2022 County College Bonds, Series C, due in annual installments of \$135,000 to \$440,000 through May 1, 2029, interest at 4.00%	1,165,000	1,300,000
\$19,000,000, 2023 General Improvement Bonds, due in annual installments of \$1,260,000 to \$1,995,000 through June 1, 2035, interest at various rates from 3.500% to 4.000%	19,000,000	
\$2,050,000, 2023 County College Bonds, Series A, due in annual installments of \$135,000 to \$210,000 through June 1, 2035, interest at various rates from 3.500% to 4.000%	2,050,000	
\$2,050,000, 2023 County College Bonds, Series A, due in annual installments of \$135,000 to \$210,000 through June 1, 2035, interest at various rates from 3.500% to 4.000%	2,050,000	
\$21,975,000 Taxable General Improvement Bonds, due in annual installments of \$3,965,000 to \$4,845,000 through June 1, 2028, interest rates at 5.200%	21,975,000	
\$31,355,000 2-23 General Improvement Bonds, due in annual installments of \$2,700,000 to \$3,505,000 through October 15, 2033 interest at 4.00%	31,355,000	
\$4,335,000, 2023 County Vocational/Technical Schools Bonds, due in annual installments of \$225,000 to \$450,000 through October 15, 2035, interest at 4.00%	4,335,000	
\$750,000, 2023 County College Bonds, Series C, due in annual installments of \$110,000 to \$190,000 through October 15, 2028, interest at 4.00%	<u>750,000</u>	
	<u>\$566,585,000</u>	<u>\$547,076,000</u>

The County's principal and interest for long-term debt issued and outstanding at December 31, 2023 is as follows:

Year	Bonds		Total
	Principal	Interest	
2024	\$60,243,000	\$16,685,627	\$76,928,627
2025	59,185,000	15,085,574	74,270,574
2026	59,915,000	13,354,974	73,269,974
2027	53,120,000	11,569,286	64,689,286
2028	47,305,000	10,011,813	57,316,813
2029-2033	174,462,000	32,632,084	207,094,084
2034-2038	93,180,000	10,246,476	103,426,476
2038-2042	<u>19,175,000</u>	<u>714,834</u>	<u>19,889,834</u>
	<u>\$566,585,000</u>	<u>\$110,300,668</u>	<u>\$676,885,668</u>

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 4. BOND ANTICIPATION NOTES

The County 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 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 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, 2023 and 2022, the County had \$117,459,000 and \$125,180,000, respectively, in outstanding General Capital bond anticipation notes.

The following activity related to bond anticipation notes occurred during the calendar years ended December 31, 2023 and 2022:

<u>2023</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Piper Sandler & Co.	\$88,735,000	\$	\$88,735,000	\$
Barclays Capital Inc.	36,445,000	28,550,000	36,445,000	28,550,000
Manufacturers and Traders Trust Company		88,909,000		88,909,000
	<u>\$125,180,000</u>	<u>\$117,459,000</u>	<u>\$125,180,000</u>	<u>\$117,459,000</u>

<u>2022</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Mesirow Financial	\$72,500,000	\$	\$72,500,000	\$
BofA Securities	55,000,000		55,000,000	
Piper Sandler & Co.		88,735,000		88,735,000
Barclays Capital Inc.		36,445,000		36,445,000
	<u>\$127,500,000</u>	<u>\$125,180,000</u>	<u>\$127,500,000</u>	<u>\$125,180,000</u>

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 5. PENSION PLANS

Description of Plans

County 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 Report statement, which can be found at www.state.nj.us/treasury/pensions/annual-reports.shtml.

Benefits Provided

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

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

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

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 5. PENSION PLANS (continued)

Police and Firemens' Retirement System (PFRS)

Plan Description

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

Benefits Provided

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

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

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

Defined Contribution Retirement Program

Prudential Financial 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.

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 5. PENSION PLANS (continued)

Defined Contribution Retirement Program

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

Contribution Requirements

The contribution policy is set by laws of the State of New Jersey and, in most retirement systems, contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The pension funds provide for employee contributions based on 5.5% for PERS. This amount will increase to 6.5% plus an additional 1% phased in over 7 years beginning 2012 and 8.5% for PFRS, which increased to 10% in October 2011, of the employee's annual compensation, as defined by law. Employers are required to contribute at an actuarially determined rate in all Funds except the SACT. 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 County's contribution to the various plans, equal to the required contributions for each year, were as follows:

<u>Year</u>	<u>PERS</u>	<u>PFRS</u>	<u>DCRP</u>
2023	\$16,574,649	\$25,923,540	\$91,956
2022	15,104,763	23,135,028	71,258
2021	14,174,306	21,806,374	51,674

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.

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 5. PENSION PLANS (continued)

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

Public Employees Retirement System (PERS)

At December 31, 2023, the County had a liability of \$174,726,420 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on a projection of the County'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, 2023, the County's proportion was 1.2063097772 percent, which was an increase/(decrease) of (0.0967935712) percent from its proportion measured as of June 30, 2022.

For the year ended December 31, 2023, the County recognized pension expense of \$16,574,649. At December 31, 2023, deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$1,670,609	\$714,225
Changes of assumptions	383,839	10,589,170
Net difference between projected and actual earnings on pension plan investments	804,638	
Changes in proportion and differences between the County's contributions and proportionate share of contributions	<u>5,178,486</u>	<u>12,956,808</u>
Total	<u>\$8,037,572</u>	<u>\$24,260,203</u>

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 5. PENSION PLANS (continued)

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

Public Employees Retirement System (PERS) (continued)

Amounts reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date (June 30, 2023) 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:	
2024	\$(9,224,901)
2025	(5,148,986)
2026	7,195,363
2027	(1,287,687)
2028	21,902

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, 5.04, 5.13, 5.16, 5.21 and 5.63 years for 2023, 2022, 2021, 2020, 2019 and 2018 amounts, respectively.

Additional Information

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2023 and June 30, 2022 are as follows:

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Collective deferred outflows of resources	\$1,080,204,730	\$1,660,772,008
Collective deferred inflows of resources	1,780,216,457	3,236,303,935
Collective net pension liability	14,484,374,047	15,091,376,611
County's Proportion	1.2063097772%	1.3031033484%

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 5. PENSION PLANS (continued)

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

Public Employees Retirement System (PERS) (continued)

Actuarial Assumptions

The collective total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which rolled forward to June 30, 2023. 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

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

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.

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 5. PENSION PLANS (continued)

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

Public Employees Retirement System (PERS) (continued)

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2023) 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, 2023 are summarized in the following table:

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

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 5. 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)

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

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

The following presents the collective net pension liability of the participating employers as of June 30, 2023, 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, 2023		
	1% Decrease <u>6.00%</u>	At Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
County's proportionate share of the pension liability	\$229,374,267	\$174,726,420	\$129,467,668

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.

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 5. PENSION PLANS (continued)

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

Police and Firemen's Retirement System (PFRS)

At December 31, 2023, the County had a liability of \$224,681,473 for its proportionate share of the PFRS net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on a projection of the County'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, 2023, the County's proportion was 2.03354048 percent, which was an increase of 0.0402704300 percent from its proportion measured as of June 30, 2022.

For the year ended December 31, 2023, the County recognized pension expense of \$25,923,540. At December 31, 2023, deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Difference in actual and expected experience	\$9,620,411	\$10,715,314
Changes of assumptions	484,943	15,171,382
Net difference between projected and actual earnings on pension plan investments	11,442,604	
Changes in proportion and differences between the County's contributions and proportionate share of contributions	<u>8,204,798</u>	<u>3,272,311</u>
Total	<u>\$29,752,756</u>	<u>\$29,159,007</u>

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 5. PENSION PLANS (continued)

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

Police and Firemen's Retirement System (PFRS) (continued)

Amounts reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date (June 30, 2023) 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:	
2024	\$(8,743,818)
2025	(8,391,241)
2026	13,500,653
2027	(1,161,163)
2028	414,448
Thereafter	42,383

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 6.16, 6.22, 6.17, 5.90, 5.92 and 5.73 years for 2023, 2022, 2021, 2020, 2019 and 2018 amounts, respectively.

Additional Information

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2023 and June 30, 2022 are as follows:

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Collective deferred outflows of resources	\$1,753,080,638	\$2,163,793,985
Collective deferred inflows of resources	1,966,439,601	2,805,919,493
Collective net pension liability	11,048,782,843	11,446,356,176
County's Proportion	2.0335404800%	1.9932700500%

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 5. PENSION PLANS (continued)

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

Police and Firemen's Retirement System (PFRS) (continued)
Actuarial Assumptions

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

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through all Future Years	3.25-16.25% (based on years of service)
Investment Rate of Return	7.00%

Mortality Rates

Pre-retirement mortality rates were based on the Pub-2010 Safety Employee mortality table with a 105.6% adjustment for males and 102.5% 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 Safety Retiree Below-Median Income Weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. For beneficiaries (contingent annuitants), the Pub-2010 General Retiree Below-Median Income Weighted mortality table was used, unadjusted, and with future improvement from the base year of 2010 on a generational basis. Disability rates were based on Pub-2010 Safety Disabled Retiree mortality table with a 152.0% adjustment for males and 109.3% adjustment for females, and with future improvement from the base year of 2010 on generational basis. Mortality improvement is 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.

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 5. PENSION PLANS (continued)

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

Police and Firemen's Retirement System (PFRS) (continued)

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2023) 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, 2023 are summarized in the following table:

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

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 5. PENSION PLANS (continued)

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

Police and Firemen's Retirement System (PFRS) (continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

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

The following presents the collective net pension liability of the participating employers as of June 30, 2023 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, 2023		
	1% Decrease <u>6.00%</u>	At Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
County's proportionate share of the pension liability	\$329,338,007	\$224,681,473	\$137,527,582

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 5. PENSION PLANS (continued)

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

Police and Firemen's Retirement System (PFRS) (continued)

Special Funding Situation - PFRS

Under N.J.S.A. 43:16A-15, the County 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 County 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 County's proportionate share percentage of the net pension liability, deferred outflows and inflows determined under GASB Statement No. 68 is zero percent and the State's proportionate share is 100% for PFRS under this legislation.

At December 31, 2023 and 2022, the State proportionate share of the net pension liability attributable to the County for the PFRS special funding situation is \$41,400,174 and \$40,605,220, respectively. For the years ended December 31, 2023 and 2022, the pension system has determined the State's proportionate share of the pension expense attributable to the County for the PFRS special funding situation is \$4,709,185 and \$4,684,767, respectively, which is more than the actual contributions the State made on behalf of the County of \$4,734,585 and \$5,055,152, respectively. The State's proportionate share attributable to the County 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 County's financial statements.

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.

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 6. FIXED ASSETS

The following is a summary of the General Fixed Assets as of December 31, 2023 and 2022:

<u>2023</u>	<u>Balance</u> <u>12/31/2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2023</u>
Land	\$981,572,330	\$	\$	\$981,572,330
Buildings and Improvements	373,132,810	1,693,414		374,826,224
Machinery and Equipment	<u>88,492,084</u>	<u>21,274,561</u>	<u>6,010,848</u>	<u>103,755,797</u>
	<u>\$1,443,197,224</u>	<u>\$22,967,975</u>	<u>\$6,010,848</u>	<u>\$1,460,154,351</u>
<u>2022</u>	<u>Balance</u> <u>12/31/2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2022</u>
Land	\$981,572,330	\$	\$	\$981,572,330
Buildings and Improvements	373,132,810			373,132,810
Machinery and Equipment	<u>92,569,975</u>	<u>5,220,812</u>	<u>9,298,703</u>	<u>88,492,084</u>
	<u>\$1,447,275,115</u>	<u>\$5,220,812</u>	<u>\$9,298,703</u>	<u>\$1,443,197,224</u>

NOTE 7. FUND BALANCES APPROPRIATED

Fund Balances at December 31, 2023 and 2022, which were appropriated and included in the 2024 and 2023 County Budgets were \$35,304,779 and \$36,698,617, respectively.

NOTE 8. DEFERRED COMPENSATION PLANS

The County has established four deferred compensation plans for its employees under Section 457 of the Internal Revenue Code (IRC). The plans are administered by outside agencies, which pay claims and invest the funds.

The County established a Deferred Compensation Plan as an enhancement program for the benefit of its employees to be provided by Nationwide Retirement Solutions. The County then established a second Deferred Compensation Plan as an enhancement program for the benefit of its employees, to be provided by the Equitable Life Assurance Society of the United States. The third and fourth Deferred Compensation Plans were established to be provided by the Hartford Life Insurance Co., and the Variable Annuity Life Insurance Company ("VALIC"), respectively. The Plans are substantially similar to one upon which a favorable Private Letter Ruling has been previously obtained from the Federal Internal Revenue Service except for provisions added by reason of the Small Business Job Protection Act of 1996 (United States Public Law No. 104-188), and such provisions are stated in the Plan in terms substantially similar to the text of those provisions in Federal Internal Revenue Code Section 457.

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 8. DEFERRED COMPENSATION PLANS (continued)

The plans are available to all County employees and permit them to defer a portion of their salaries until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are solely property and rights of the individual contributors and are not subject to the claims of the County's general creditors.

NOTE 9. POTENTIAL LIABILITY FOR ACCRUED SICK AND VACATION TIME

Employees accrue sick time at the rate of 15 days per year. The time remains accrued until used. At time of retirement, the accrued unused sick time is used as a basis for calculating terminal leave as follows: present hourly rate times unused one-half accrued sick leave, to a maximum of \$15,000 to \$25,000 depending on the employee's title within their existing contract. The potential terminal leave liability for persons eligible, who are 60 years of age or older, or 10 or more years of service, as of December 31, 2023 and 2022 was \$14,820,424 and \$14,933,106, respectively.

Employees accrue vacation time at the rate of 15 days per year for the first five years of service and 30 days per year thereafter. The time remains accrued for two years; it must be used or it is lost. Terminated employees are paid for accrued time at the current rate. The value of accrued vacation time as of December 31, 2023 and 2022 was \$7,680,125 and \$7,656,611, respectively. No provision is made in the financial statements for the accrued value of terminal leave and vacation time.

NOTE 10. INTERFUND BALANCES AND ACTIVITY

Balance due to/from other funds at December 31, 2023 consist of the following:

\$66,564,759	Due to the Federal and State Grant Fund from the Current Fund for receipts not turned over.
585	Due to the Current Fund from the Community Development Trust Fund for receipts deposited in error.
5,340	Due to the Current Fund from the Prosecutors Trust Fund for receipts deposited in error.
976	Due to the Other Trust Fund from the Current Trust Fund for receipts deposited in error.
<u>31,280</u>	Due to the Prosecutor Trust Fund from the Other Trust Fund for receipts deposited in error.
<u>\$66,602,940</u>	

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 10. INTERFUND BALANCES AND ACTIVITY (continued)

Balance due to/from other funds at December 31, 2022 consist of the following:

\$126,194,646	Due to the Federal and State Grant Fund from the Current Fund for receipts not turned over.
1,430,583	Due to the Capital Fund from the Current Fund for grant receipts not turned over.
2,250,000	Due to the Capital Fund from the Open Space Trust Fund for Downpayment of ordinance.
17,871	Due to the Current Fund from the Prosecutors Trust Fund for receipts deposited in error.
113,768	Due to the Current Fund from the Other Trust Fund for receipts deposited in error.
<u>63,393</u>	Due to the Prosecutor Trust Fund from the Other Trust Fund for receipts deposited in error.
<u>\$130,070,261</u>	

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

NOTE 11. LEASES

On December 20, 2017, the County entered into a lease agreement with the Bergen County Improvement Authority for property known as the Emerson Golf Course. Bergen County, through its' Parks Department, possesses the personnel and resources to operate the Emerson Golf Course as a high quality public golf course. The County, at its sole cost and expense, shall operate and maintain the Property during the term of the lease. The County shall provide security for the Property as the County deems appropriate. The County has agreed to assume all term contracts in effect in connection with the operation of the golf course on the effective date of the agreement including, but not limited to, alarm contracts, utilities, and golf cart leases or concessions. The County shall pay to the Bergen County Improvement Authority rent of one dollar (\$1) per year, payable on the first day of the term. The term of the agreement shall be for a period of one (1) year and shall automatically renew for additional periods of one (1) year.

NOTE 12. CONTRACTS PAYABLE

Current Fund contracts payable balances for 2023 and 2022 in the amount of \$9,691,731 and \$9,453,278, respectively, does not represent the liability due to vendors and employees for payment of goods or services received by the County. Included in this amount are contracts issued for the purchase of goods and services that have not yet been received.

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 13. BERGEN COUNTY LEASE BANK PROGRAM

In September 2003, the Bergen County Improvement Authority (the “Authority”) issued Bonds in the amount of \$19,395,000, with a final maturity date of May 1, 2009. The \$19,395,000 principal amount of Revenue Bonds, Series 2003 (the “Bonds”), consist of the \$1,480,000 principal amount County Guaranteed Capital Equipment Lease Revenue Bonds, Series 2003A (the “Series 2003A Bonds”) and \$17,915,000 principal amount County Taxable Project Revenue Bonds, Series 2003B (the “Series 2003B Bonds”).

Many Local Governments have requested the Authority’s assistance over the years to finance their capital items and equipment needs at the lowest possible cost. A number of these requests are to finance smaller capital items and equipment needs of Local Governments. The costs attendant with the large, standalone leasing deals between the Authority and Local Governments were often prohibitive for these transactions, which tend to have smaller borrowing amounts.

The Authority (the “lessor”) developed its Program in order to access the greatest number of bidders of governmental leases in the tax-exempt market. Under the Program, no bonds would be involved. The Authority, as lessee, would enter into a lease with the successful bidder to provide financing for the capital equipment, and as lessor (although this master lease would designate the Authority as title holder of the lease) the Authority would in turn enter into a sublease with the Local Government participant (the “sublessee”), whereby the Local Government would make lease payments under the sublease subject to appropriation or a general obligation sublease with a non-profit corporation. The Lease and Sublease would have the same terms, be cross-secured, and upon expiration thereof, the Authority would sell the capital equipment financed thereby to the Participant for \$1. The capital equipment would also secure the sublease payments, which Sublease payments and collateral would secure the Lease payments. The Authority acts as a conduit only and is indemnified by the Sublessee for claims relating to the equipment or the transaction. In addition, the County of Bergen would enter into an agreement with the Authority (the “County Agreement”) to provide payments to the Authority if there are insufficient payments under the Sublease, which payments would be subject to appropriation.

On April 21, 2004, the County adopted an ordinance approving the Authority’s Leasing Banc Program in an amount not to exceed \$10,000,000. Subsequently during 2006 and again during 2008, the County adopted ordinances re-approving the Lease Bank Program and additional financing therefore not to exceed \$10,000,000 and \$8,000,000, respectively. In accordance with the terms of the “Agreement to Effectuate the Bergen County Improvement Authority’s Bergen County Lease Bank Program” between the County and the Authority (the “Agreement”), the County intends to appropriate moneys to the Authority to the extent the lease payment made by the Authority to the original lessor are not sufficient.

On April 20, 2009, the County adopted two ordinances authorizing additional funding to its Lease Banc Program, by a total of \$46,400,000.

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 14. COUNTY ADMINISTRATION BUILDING

The County entered into a lease agreement with the New Jersey Economic Development Authority (EDA) to finance, design, and construct a County Administration Building and parking garage on land the County owns and has ground-leased to EDA, adjacent to the County Justice Center in Hackensack. Based upon a design and construction budget of \$62.2 million, the building contains approximately 263,000 square feet while the parking garage and associated site parking contains approximately 1,400 parking spaces.

Bergen County will make annual rent payments of approximately \$4.8 million to EDA from 2001 through the end of the term in 2026 and will own the complex for \$1 at the end of the lease. Although greater than past rent due to the 103,000 square foot increase in space over the previous leased location, the rent per square foot of \$18.22 includes furniture, fixtures, and equipment and is very competitive with current market rents. Further, the rent amount is flat and fixed for the term of the lease with no future rent increases. Also, the County consolidated into the facility, various other divisions that were located at remote sites. The County fully maintains and operates the complex.

In November 2003, the County, through its Improvement Authority, issued \$27,595,000 in County Guaranteed Revenue Bonds in order to prepay a portion of rental payments under the lease agreement. The Bonds are dated December 10, 2003 and will mature on November 15, 2018. The Bonds bear a variable interest rate ranging from 1.50% to 5.00%.

Additionally, in August 2005, the County, again through its Improvement Authority, issued \$30,075,000 in County-Guaranteed Revenue Bonds for the purpose of advance refunding of a portion of the EDA's Lease Revenue Bonds maturing November 15, 2026. These bonds are dated August 25, 2005 and have a final maturity on November 15, 2026. The Bonds bear a variable interest rate ranging from 4.00% to 5.00%.

Additionally, in February 2014, the County, again through its Improvement Authority, issued \$12,590,000 in County-Guaranteed Revenue Bonds for the purpose of advance refunding of a portion of the EDA's Lease Revenue Bonds maturing May 15, 2018. These bonds are dated February 13, 2014 and have a final maturity on May 15, 2018. The Bonds bear a variable interest rate ranging from 0.400% to 1.900%.

NOTE 15. BERGEN PINES COUNTY HOSPITAL PROJECT (Now Known as Bergen New Bridge Medical Center)

The County executed a Lease and Agreement, dated December 17, 1997 (the "County/Authority Agreement"), with the Authority, pursuant to which the County transferred the license for the operation of the Medical Center to the Authority, conveyed to the Authority a 19-year leasehold interest in the Medical Center, and delegated to the Authority the responsibility for managing, administering, operating and maintaining the Medical Center. The Authority thereupon executed a Lease and Operating Agreement, dated December 17, 1997, as amended and supplemented (collectively the "1997 Authority Lease and Operating Agreement") with Solomen Health Group, L.L.C. ("Solomen"), pursuant to which the Authority conveyed to

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 15. BERGEN PINES COUNTY HOSPITAL PROJECT (Now Known as Bergen New Bridge Medical Center) (continued)

Solomen a 19-year sub-leasehold interest in the Medical Center and delegated to Solomen the day to day responsibility for managing, administering, operating and maintaining, at its sole expense (except for capital improvements) and for and on behalf of the Authority and as its agent, the Medical Center. The County/Authority Agreement and the 1997 Authority Lease and Operating Agreement each became effective on March 15, 1998. Solomon thereupon assigned its interest in the 1997 Authority Lease and Operating Agreement to a related entity, Bergen Regional Medical Center, L.P. (the “Manager”), which assumed all of Solomen’s rights and obligations under the Authority Lease and Operating Agreement. Under such Assignment, Solomen remained a guarantor of such entity’s performance thereunder.

The original expiration date of the 1997 Authority Lease and Operating Agreement of March 14, 2017 was extended by way of an amendment to the 1997 Authority Lease and Operating Agreement to September 30, 2017. By way of a separate agreement, the accounts receivable loan repayment by the Manager to the Authority, with an original maturity date of March 2020, was accelerated to December 31, 2017, with a corresponding discount and reduction in the principal and accrued interest due and owing by the Manager on the accounts receivable loan, so that the total amount due and owing on the accounts receivable loan in \$22,500,000. Payments by the Manager on the accounts receivable loan commenced on February 5, 2017 and all amounts due and owing to the Authority shall be paid by the Manager by the maturity date of December 31, 2017.

In anticipation of the expiration of the BCIA Lease and the LOA, on April 10, 2015 Executive Order No. 2015-03 was signed by the County Executive ordering and directing the establishment of a fifteen (15) member Healthcare Advisory Committee to explore how the BRMC may: (1) provide quality healthcare to residents of Bergen County and northern New Jersey; (2) provide a healthcare safety net for the elderly, indigent and those in need of emergency services; (3) provide for Veteran services; (4) adapt to changes in the healthcare market; and (5) provide quality healthcare services in a cost efficient manner.

On April 27, 2016, the Healthcare Advisory Committee issued the Healthcare Advisory Committee Report identifying guiding principles and establishing goals and objectives related to the future operations of BRMC and the selection of a tenant-operator or third-party operator, as follows:

- (i) Strong Capabilities in Acute Care, Behavioral Health and LTC,
- (ii) Maintenance, Improvement and Growth of Patient Services,
- (iii) Structure of Governance and Appropriate Oversight,
- (iv) Transparency & Collaboration with the BCIA and Other Stakeholders,
- (v) Alignment of Strategic Interests,
- (vi) Access for Bergen County Residents and the Underserved,
- (vii) Capital Commitments and Financial Considerations,
- (viii) Employee Retention, Advancement and Workplace Safety, and
- (ix) Sustainable and Viable Relationship

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
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(continued)

NOTE 15. BERGEN PINES COUNTY HOSPITAL PROJECT (Now Known as Bergen New Bridge Medical Center) (continued)

The BCIA and the County approved an amendment to the BCIA Lease on February 23, 2017, so that the Lease Term Closing Date would be coterminous with that of the LOA as changed by the Sixth Supplement.

The County and the BCIA desire to enter into this Agreement in order to establish the terms and conditions relating to the lease of the BRMC to the BCIA, who will then sublet BRMC through a Sublease, Lease and Operating Agreement with a Tenant-Operator.

By a Sublease, Lease and Operating Agreement dated July 14, 2017 between the Bergen County Improvement Authority (the “Sublessor”) and Care Plus Bergen, Inc., a New Jersey nonprofit corporation (the “Tenant-Operator”), the Sublessor desires to sublease certain buildings located on the Property and lease certain assets to the Tenant-Operator and for the Tenant-Operator to operate the Facility, and the Tenant-Operator desires to sublease certain buildings located on the Property and lease certain assets from the Sublessor and to operate the Facility for a period of nineteen (19) years with a commencement date of October 1, 2017.

As of the Commencement Date, the Tenant-Operator assumed the full operation of the Facility, including the responsibility for the maintenance and repair of the facilities and equipment including, but not limited to, the heating, ventilation and air conditioning systems, plumbing, electrical systems, sprinkler systems and the IT Systems (which shall include updates and upgrades to hardware and software to maintain the same in accordance with the IT Standards throughout the Term).

Under Section 11.1 of the Lease and Operating Agreement, Rent shall be equal to ninety percent (90%) of EBITDAR (total operating revenue minus total operating expenses recorded pursuant the GAAP, plus interest expense, income taxes, depreciation, amortization and the lease expense for the Subleased Premises and the Leased Assets (not excluding any other operating lease expense), less interest income and investment income), payable on a monthly basis commencing October 31, 2017 and continuing on or before the last business day of each month thereafter during the term. Under Section 11.2 of the LOA, During the Term, the Tenant-Operator will pay all expenses associated with the operation of the Facility, including, but not limited to, all utilities, supplies, purchased services (including management fees), professional service fees, employee compensation and benefits, Pastoral Care Services, applicable property taxes (including payments in lieu of taxes or any other government impositions) and insurance costs.

Under Section 11.3 of the LOA, The Tenant-Operator shall require up to Twenty Million (\$20,000,000) Dollars prior to and on the Commencement Date to fund all of the Tenant-Operator’s working capital (including twenty-one (21) days of DCOH (Days Cash on Hand) and other transaction expenses (the “Initial Cash Requirements”) as follows:

- (a) Up to Two Million (\$2,000,000) Dollars for transaction expenses actually incurred by the Tenant-Operator (the “Transaction Expense”); and

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
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(continued)

NOTE 15. BERGEN PINES COUNTY HOSPITAL PROJECT (Now Known as Bergen New Bridge Medical Center) (continued)

(b) Working Capital of Eighteen Million (\$18,000,000) Dollars (“the Working Capital Escrow”).

The Sublessor shall fund the Initial Cash Requirements through a loan in accordance with the terms of a promissory note made by the Tenant-Operator in favor of the Sublessor. Interest on the Sublessor Loan shall accrue at a rate equal to the Sublessor’s actual interest expense. The Tenant-Operator shall not be permitted to borrow money other than through the Sublessor Loan or as otherwise approved by the Sublessor in writing.

Under Section 11.5 (a) of the LOA all cash receipts related to patient service revenue generated by the Tenant-Operator shall be collected by the Sublessor except for professional medical services provided by Rutgers Physicians and that are billed by Rutgers and/or its agent; (b) On each of (1) the fifteenth (15th) day of each month (or the first business day following the fifteenth (15th) day of the month) and (2) the last business day of each month, the Sublessor shall remit the lessor of: (i) actual cash receipts collected or (ii) fifty percent (50%) of monthly budgeted operating expenses (excluding Total Rent Payments, Accrued Rent Interest and interest expense related to the Sublessor Loan), net of budgeted professional fee collections that the Tenant-Operator is expected to receive from Rutgers.

The Authority (BCIA) issued County Guaranteed Project Notes (Medical Center Project), Series 2017 totaling \$74,935,000 consisting of \$54,950,000 County Guaranteed Project Note, Series 2017A and \$19,985,000 County Guaranteed Project Note, Series 2017B at 2.25% interest and maturing on March 1, 2019. Proceeds of the Series 2017A Note will be used to provide funds to the Authority to (i) finance various capital improvements and equipment for the Bergen Regional Medical Center including, but not limited to, parking lot improvements, assessment and improvements to electrical power supply systems, HVAC, electrical vault, and air ventilation shaft improvements, boiler replacement and information technology improvements and (ii) pay the Series 2017A Note costs of issuance. Proceeds of the Series 2017B Note will be used to provide funds to the Authority to (i) provide working capital with respect to the Medical Center, and (ii) pay the Series 2017B Note costs of issuance.

Under a Promissory Note dated October 2017, Care Plus Bergen, Inc. owes \$20,000,000 to the Authority for a “Working Capital Loan Receivable”. The Borrower shall make principal and interest payments consisting of accrued and unpaid interest, in arrears, and the outstanding principal balance beginning on October 1, 2017 in accordance with Section 11 of the LOA, and the principal balance shall be paid no later than the termination date set forth in Section 15.1 of the LOA.

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 16. INMATE MEDICAL SERVICES

Billings for inmate medical services rendered to a prisoner in the Bergen County Jail is ultimately the responsibility of the County. The hospital is responsible to use its best efforts to collect amounts due from any source at the earliest possible date and to the greatest extent practicable (as permitted under applicable law). Additionally, a review of each bill is managed through an outside consultant in order to determine the reasonability of service. Due to this extensive process, the County cannot determine its liability until the process is complete, thus the County treats these billings on a pay-as-you-go basis, charging its current year appropriations.

NOTE 17. RISK MANAGEMENT

The County 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 County established a self-insurance program in accordance with the New Jersey Statute Chapter 40A:10. The Chapter enables the governing body of any local unit to create a fund to provide insurance coverage for its exposure to a wide variety of property casualty risks, including:

- Property damage caused to any of the unit's property, motor vehicles, equipment or apparatus.
- Liability resulting from the use or operation of such motor vehicles, equipment, or apparatus.
- Liability for the unit's negligence, including that of its officers, employees, and servants.
- Workers' compensation obligations.
- Health benefits, dental and prescription

The County self-insures for its automobile, general liability, and workers' compensation exposures. The County has purchased excess health benefit coverage for losses in excess of \$150,000. Additionally, the County maintains insurance policies covering property, fire, water utility, boiler and machinery, and employee fidelity. Various deductibles, limits, and coinsurance provisions apply to these policies.

For the years ended December 31, 2023 and 2022, the County has expended a total of \$101,186,673 and \$101,767,139 for the above programs. Post-employment health benefits are also included for eligible retirees.

During the year ended December 31, 2001, the County authorized \$15,115,000 in debt to help fund this reserve in accordance with an actuarial study. In 2002, the County issued a Note to fund this insurance reserve. On September 30, 2003, the County, through the Improvement Authority, issued \$17,915,000 Taxable Project Revenue Bonds, Series 2003B. Of this amount, \$15,115,000 was used to permanently finance this reserve for the County.

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 17. RISK MANAGEMENT (continued)

During the year ended December 31, 2022, the County adopted an ordinance in the amount of \$40,000,000 to help fund this reserve in accordance with an actuarial study. The purpose of this ordinance is to fund reserves for the self-insurance fund originally created to provide general liability (pursuant to N.J.S.A. 40A:10-6), worker's compensation (pursuant to N.J.S.A. 40A:10-13) and health insurance (pursuant to N.J.S.A. 40A:10-6) for present and former County employees.

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

December 31,	Interest Earnings/County or Employee Contributions	Amount Reimbursed	Ending Balance
2023	\$507,357	\$513,745	\$2,379,382
2022	919,659	116,619	2,385,770
2021	428,345	1,054,683	1,582,730

NOTE 18. POST RETIREMENT BENEFITS

The number of retirees receiving retiree benefits as of December 31, 2022, the effective date of the biannual Other Post-Employment Benefit, herein referred to as “OPEB”, valuation is 1,570. Active employees number 1,801 of whom 138 are eligible to retire as of the valuation date. There have been no significant changes in the number of covered retirees or type of coverage since the valuation date. The average age of the active population is 48 and the average age of the retiree population is 72.

Total OPEB Liability

At December 31, 2022, the County had a liability of \$1,102,707,506 for its OPEB Liability. The OPEB liability was measured as of December 31, 2022 and was determined by an actuarial valuation as of that date.

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 18. POST RETIREMENT BENEFITS (continued)

Actual Assumptions and Other Inputs

The total OPEB liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

Actuarial Funding Method: Entry Age Normal Funding Method based on a level percentage of salary. 2022 salaries were reported as \$150.701 million.

Attribution period: The attribution period begins with the date of hire and ends with full benefit eligibility date.

Per capita cost methods: The valuation reflects per capita net premium costs based on actual 2022 medical and prescription drug premiums and the plan option selected. Plan selections are assumed to remain unchanged in retirement. The age specific cost was derived based on per person costs at the average age of the active population (48) and scaled to each age based on the medical cost aging factors. At age 65, Medicare Advantage benefits are provided and aging factors are no longer applied.

Retiree Contributions: NJ Chapter 78 requires that certain future retirees contribute toward the cost of their benefits. Specifically those who had retired prior to passage of Chapter 78 and those employees that had more than 25 years of service on the date of passage are grandfathered. All others are subject to the contribution rates in effect when they retire, but not less than 1.5% of their annual retirement allowance from the Public Employees Retirement System. For purposes of this valuation and for conservatism, we have assumed that future retiree contributions percentage rates will not increase.

NET OPEB LIABILITY as of December 31, 2022

Net OPEB Liability December 31, 2021	\$1,209,601,242
Service Cost	\$ 23,517,313
Interest Cost	26,993,720
Difference Between Expected and Actual Experience	(66,421,118)
Changes in Assumptions	(155,720,329)
Benefit Payments	<u>(25,039,066)</u>
Net OPEB Liability December 31, 2022	<u><u>\$1,102,707,506</u></u>

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 18. POST RETIREMENT BENEFITS (continued)

Actual Assumptions and Other Inputs (continued)

Total OPEB Expense Calculation as of December 31, 2022

Service Cost	\$ 23,517,313
Interest on Total OPEB Liability	26,993,720
Recognition of Experience Changes	(5,099,902)
Recognition of Assumption Changes	<u>(5,727,074)</u>
 Total OPEB Expense Recognized	 \$ <u>39,684,057</u>

Sensitivity of Total OPEB Liability to Changes in the Discount Rate

Actuarial measurements are sensitive to changes in actuarial assumptions and where actual experience differs from assumptions. If the discount rate were to increase by 1% per annum, the NOL as of December 31, 2022 would decrease to \$990,151,594 and if it were to decrease by 1% the NOL would increase to \$1,248,311,623.

Sensitivity of Net OPEB Liability to Changes in Healthcare Trend Rate

Actuarial measurements are sensitive to changes in actuarial assumptions and where actual experience differs from assumptions. If medical trend were to increase by 1% per annum, the NOL as of December 31, 2022 would increase to \$1,225,389,505 and if it were to decrease by 1% the NOL would decrease to \$1,009,013,485.

NOTE 19. OPEN SPACE, RECREATION, FARMLAND, AND HISTORIC PRESERVATION TRUST FUND

The County has established a Trust Fund in which the County will retain 70% of the fund to acquire land, improve recreation facilities, and preserve farmland and historic areas throughout Bergen County, with the remaining 30% to assist municipalities to acquire and improve outdoor recreation facilities.

The County will raise up to one cent per \$100 of total County equalized real property valuation during each of the next five years to fund this Trust.

During 1999 the County established a Trust Fund for the above. As of December 31, 2023 and 2022, the fund had a balance of \$89,250,712 and \$67,664,451, respectively.

Included in the balance as of December 31, 2023 and 2022, is \$49,942,697 and \$49,820,895 in contracts payable set aside for various municipalities in the County.

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
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(continued)

NOTE 20. OVERPECK PARK

The County of Bergen owns Overpeck County Park, which had been a municipal sanitary landfill from 1952 to 1975. Four hundred acres of the site remain undeveloped. The site was conveyed to the County by the Village of Ridgefield Park, Township of Teaneck, Borough of Leonia, Borough of Palisades Park and City of Englewood for the purpose of development as a public park. The site to be developed includes land in Ridgefield Park, Teaneck, Leonia and Palisades Park.

The County entered into an amended final judgment on October 1, 2002 that requires the redevelopment of portions of the site by September 30, 2009. The natural forces of erosion have caused the site to deteriorate. It is necessary to close the landfill under present D.E.P. requirements to develop the park facilities in the future.

The County, through a grant agreement with the Bergen County Improvement Authority (the "BCIA") has transferred the responsibility for the closure and redevelopment of the landfill to the BCIA. As part of this agreement, the BCIA issued Notes in the amount of \$12,000,000. Such debt is cross collateralized by the County with its full faith and credit pursuant to N.J.S.A. 40:37A-80.

Pursuant to the Agreement, within 45 days of the issuance of the \$12,000,000 Bond or Note, the BCIA paid \$8,500,000 to the County as a first licensing fee payment (which has been included as a revenue in the County's 2003 Budget). On September 8, 2005 the BCIA permanently financed these notes and issued a \$12,000,000 Taxable Revenue Bond, Guaranteed by the County.

Under the terms of the Agreement, the balance of the funds was used for all expenses relating to the project. Included in these costs is a \$2,500,000 payment to the municipalities (part of the court order). The remaining \$1,000,000 is made up of capitalized interest for two years (Note interest) engineering and licensing costs (NJDEP) and usual costs of issuance.

An analysis of the cost estimates for the closure and post closure of the landfill was performed. The report, which was received in April, 2008, estimated the total costs of closure to be \$10,800,000 and the estimated post closure cost for 30 years to be \$9,800,000.

As of December 31, 2010 and 2009, the BCIA has accrued costs of \$15,661,508 and \$15,074,005, respectively, based on a percentage of the capacity of the landfill filled as of that date. The County, as the party ultimately responsible for funding these costs, is liable to the BCIA for the full amount of these accrued costs and has recognized this obligation on the books of its General Capital Fund. The County has adopted Ordinances 06-35, 07-73 and 08-48 and 10-16, to which the closure and post-closure costs were charged in full amount of the liability to the BCIA. As of December 31, 2011, the County has no liability to the BCIA for Overpeck Park Closure and post-closure costs.

In addition, refer to Note 2 of these notes to financial statements for a description of the \$7,383,149 New Jersey Environmental Infrastructure Trust Loan awarded to the County for expenses related to the landfill. The loan finances, in part, Ordinance 06-35.

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
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(continued)

NOTE 21. PENDING LITIGATION

The County is a defendant in various lawsuits, none of which is unusual for a County of its size and should be covered by the County's insurance program or by the County directly and which may be settled in a manner satisfactory to the financial stability of the County. Some of the more significant lawsuits are described briefly as follows:

A. Zisa v. County of Bergen

Plaintiff filed a Complaint, in June 2017 against the County of Bergen as well as the Bergen County Sheriff's Office and the Bergen County Prosecutor's Office, amongst others, asserting claims for wrongful prosecution, false arrest, false imprisonment and civil rights claims. Plaintiff asserts that he was wrongfully accused of influencing a Driving-While-Intoxicated incident involving his former girlfriend while he was Chief of Police for the City of Hackensack. The prosecution arose during the disciplinary hearings for a Hackensack police officer, who is also a Defendant in this matter. Plaintiff claims that the Bergen County Prosecutor's Office and Bergen County conducted a deliberately malicious and false prosecution of his case, resulting in a conviction on misconduct in office and official corruption charges. Plaintiff appealed his conviction and they were eventually reversed. Plaintiff has not stated any dollar amount at this time. The case is currently before the Federal Court in continuing settlement negotiating sessions. The demand for settlement was \$7,500,000. It is believed that any demand in this case would exceed \$1,000,000 as to all Defendants collectively. The Federal District Court granted leave to file an Amended Complaint in late 2017. Bergen County filed a motion to dismiss the case against it, which was granted in 2018. However, Plaintiff was granted leave to file a Second Amend Complaint and did so, and a motion to dismiss has been filed. That motion was granted, but the Court was also granted leave for the Plaintiff to file a Third Amended Complaint. However, when Plaintiff's counsel filed a Third Amended Complaint, they did not include the County of Bergen, and a letter with was filed with the Court, confirming that the Third Amended Complaint supersedes all prior pleadings and, therefore, the matter is dismissed as to the County of Bergen at this time.

B. Nicole Barlow-Griffin v. County of Bergen

Plaintiff has asserted claims against Defendants for gender discrimination in violation of the New Jersey Law Against Discrimination (LAD); retaliation in violation of the LAD; aiding and abetting discrimination against Defendants Montello and Sandoval; intentional infliction of emotional distress; retaliation in violation of the Conscientious Employee Protection Act (CEPA); common law conspiracy; negligent infliction of emotional distress; and a violation of the New Jersey Civil Rights Act.

COUNTY OF BERGEN
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NOTE 21. PENDING LITIGATION (continued)

B. Nicole Barlow-Griffin v. County of Bergen, (continued)

Other than conclusory allegations, Plaintiff has not produced any evidence to support the claims. Indeed, it appears that the crux of Plaintiff's claims really stem from Plaintiff be passed over for the Chief JDO position in 2022. In this regard, it is noted that Plaintiff's claim that she was improperly by-passed for the position is the subject of a separate administrative appeal to the Civil Service Commission and has been referred to by the Office of Administrative Law for a hearing which is currently pending and scheduled to be heard in 2024.

The case went to mediation on April 9, 2024, with Hon. John E. Keefe, Sr., serving as the mediator. At the mediation, Plaintiff's demand was \$1,800,000. The claims as asserted are insurable; however, the County is self-insured. Punitive damages are asserted by Plaintiff which is not covered by insurance. Attorney fee awards, if any, would not be covered.

The matter is still in discovery. The parties have exchanged and responded to interrogatories and Request for Production of Documents. Additional discovery demands have been made by Plaintiff that the County is currently in the process of responding to. Depositions have not yet been scheduled. It is difficult to predict the likelihood of an unfavorable outcome and estimate range of possible losses. However, to date Plaintiff has not produced any evidence to support the claims. Other than not getting the Chief JDO position, which decision was based entirely on the County's evaluation of another employee's qualifications and its determination that Plaintiff would not be a good fit for the position, no adverse employment action has been taken against Plaintiff. However, even assuming arguendo that there was an adverse employment action taken against Plaintiff, she would still have to establish the required causal connection between any such employment action and her engagement in a protected and/or whistleblowing activity. Moreover, Defendants may be entitled to the protections and immunities on these claims under the New Jersey Tort Claim Act.

C. Victoria Alberto, et al. v. Bergen County Sheriff's Office, et al.

This complaint was filed on December 20, 2017. Fourteen Bergen County Police Department officers alleging various violations, retaliatory demotions, and terminations arising out of the County of Bergen's dissolution of the independent Police Department. The Complaint asserts that 14 separate Plaintiffs were demoted. Some plaintiffs allege that they suffered adverse actions because of their roles in an investigation into alleged environmental contamination taking place at a firing range. One plaintiff alleges that he was wrongfully demoted because of his sexual orientation. Based on the County's monitoring of the filings, discovery remains ongoing. Because it is not directly involved in the litigation of discovery process it cannot evaluate the likelihood of an unfavorable outcome or an estimate of potential loss.

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 21. PENDING LITIGATION (continued)

D. K.L. (minor) v. Bergen County Special Schools

Plaintiff alleges sexual assault by now former guidance counselor, who was criminally charged. The twenty-three count complaint sets forth causes of action under 1) Sexual Assault; 2) Respondeat Superior; 3) Negligent Hiring/Supervision/Retention; 4) Negligence; 5) Negligent Infliction of Emotional Distress; 6) Intentional Infliction of Emotional Distress; 7) Sexual Abuse of a Minor; 8) Sexual Harassment; 9) Violation of Title IX; 10) Civil Rights Violation; 11) Prima Facie Tort; 12) Breach of Fiduciary Duties; 13) Counseling and Psychological Malfeasance; 14) New Jersey Law Against Discrimination; 15) New Jersey Civil Rights Act, New Jersey Constitutional Substantive Due Process: Special Relationship; 16) New Jersey Civil Right Act, New Jersey Constitutional Substantive Due Process: State-Created Danger; 17) New Jersey Civil Rights Act, New Jersey Constitutional Procedural Due Process; 18) Deviation of Standard of Care and Gross Neglect; 19) Sexual Assault: Victim Under Supervision; 20) Willful Disregard of Rights; 21) Liability in Connection with the Actions of Another – Inadequate Supervision; 23) Liability in Connection with the Actions of Another – Failure to Adopt a Needed Policy.

The County's attorney filed an answer on September 17, 2020, denying the allegations set forth in Plaintiff's complaint. The County's attorney responded to Plaintiff's demand for interrogatories on December 2, 2020. Paper discovery was exchanged. Plaintiffs' deposition occurred on December 7, 2021. School District Counsel served supplemental interrogatories following that deposition requesting all emails, photographs, police reports and additional medical and psychological records, to which Plaintiff responded. The guidance counselor pled guilty to second degree sexual assault pursuant to N.J.S.A. 2C:14-c(4) on October 14, 2021. That party was sentenced to 5 years on April 13, 2022 and is currently confined by the New Jersey Department of Corrections.

The County filed a timely Motion for Summary Judgement. The argument focused on how the County is a separate legal entity from the BCSS, had no hiring or supervisory authority over the guidance counselor and no notice of the sexual relationship between the counselor and K.L. Further, there is no evidence that Plaintiff notified any County employee of abuse. Plaintiff's counsel agreed to execute a stipulation dismissing the County from the case, with prejudice, on November 16, 2023.

E. Michael Duke Reeves v. County of Bergen

This is a civil rights action brought by Plaintiff alleging inadequate medical care at the Bergen County Jail. Plaintiff was an ICE detainee who came to the jail with a pre-existing injury to his right shoulder allegedly caused by ICE officers during the course of his apprehension. Plaintiff had right shoulder surgery performed at New York Presbyterian prior to being transported to the jail. Plaintiff had a second shoulder surgery during the course of his detention. Plaintiff contends that medical staff acted with deliberate indifference to his medical needs, and that the County had a policy and practice of providing inadequate care to ICE detainees.

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 21. PENDING LITIGATION (continued)

E. Michael Duke Reeves v. County of Bergen, (continued)

The firm filed a motion to dismiss the Complaint as it believes the County is not an appropriate party to this case. The Court disagreed and denied the motion in part, but dismissed the count alleging Conspiracy. Plaintiff has made a settlement demand in the amount of \$6.5 million. The parties completed depositions and exchanged fact discovery. Plaintiff insists that his shoulder complaints were ignored and that he was not sent to physical therapy. Counsel continues to reject that the County had a policy or practice of providing inadequate medical care to ICE detainees; however, counsel is concerned about Plaintiff's medical complaints. Expert discovery is pending and the case was administratively stayed by the Court pending court-ordered mediation.

F. Estate of Percy Rengifo v. Bergen County Prosecutor's Office

Complaint filed April 26, 2019 in Bergen County Superior Court. Bergen County Prosecutor's Office vehicle collided with a 61-year old pedestrian in a parking lot resulting in fatality. The plaintiff is the decedent's son, Percy Rengifo, Jr. He is seeking damages for conscious pain and suffering of the decedent and economic damages. The plaintiff's last settlement demand was \$4,000,000. The County's last offer at mediation was \$500,000. Plaintiff has refused to negotiate. Plaintiff's damages expert testified via de bene esse on April 6, 2022. The plaintiff has also retained an economic damages expert. We have experts as to both the decedent's alleged conscious pain and suffering and alleged economic loss.

Counsel will argue for comparative negligence on the part of the decedent at trial, which is to be scheduled by the Court. However, it is anticipated that a verdict could be in the range of approximately \$1,000,000 to \$3,000,000, especially if a jury accepts plaintiff's alleged economic damages claim.

G. Melody Cunningham, Guardian ad litem for Jawara McIntosh V. County of Bergen

Notice of Claim has been filed on behalf of a Bergen County Jail inmate alleging jail personnel were negligent in monitoring inmate population, as well as delay in, and quality of, subsequent medical treatment. This case involves serious injury resulting from a fellow inmate suddenly attacked Jawara McIntosh, resulting in coma and brain damage. McIntosh subsequently died. Discovery is continuing but no depositions have been taken or expert witness reports served. Plaintiff has yet to make a settlement demand.

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 21. PENDING LITIGATION (continued)

H. Gabrielle Jackson v. County of Bergen

This six-count Complaint was filed on December 5, 2022 by Plaintiff alleging that on or about December 12, 2020, Plaintiff, an African American female, was engaged in a peaceful protest in front of the Bergen County Jail to show solidarity with the hunger strike of incarcerated immigrants when her civil rights were violated and she was subjected to excessive force.

Defendants denied the allegations, contend that the protest was not peaceful and that and Plaintiff became violent and resisted arrest. Bergen County Prosecutor's Office's Motion to Dismiss is pending but discovery is moving forward. The parties have exchanged initial disclosures and have propounded discovery requests. Counsel is in receipt of a large amount of body camera video footage which will take significant time to review. It is too early to determine the merits of Plaintiff's claims until discovery, including video footage, is reviewed and deposition of Plaintiff is taken. Magistrate issued an Order to Show cause due to the repeated absences of Plaintiff's counsel at telephonic and in-person status conferences, failure to prosecute the case, and non-compliance with court orders and discovery obligations. Magistrate scheduled a show cause hearing, requiring Plaintiff's Counsel and the Plaintiff to explain in writing by November 1, 2023, why the Complaint should not be dismissed. Plaintiff's Counsel was tasked with serving the order to the Plaintiff and filing proof of service with the court.

Neither Plaintiff nor Counsel responded to the Order to Show Cause. Plaintiff's Counsel continued to fail to comply with court orders and attempted to withdraw as counsel without proper procedures on more than one occasion. The court attempted to give Plaintiff's Counsel additional chances to rectify the situation, scheduling conferences and requesting communication, but Plaintiff's Counsel failed to appear. Plaintiff's Counsel even neglected to provide Plaintiff's last known address and contact information. As a result of Plaintiff's Counsel and his client's persistent non-compliance, on January 25, 2024, Magistrate filed a Report and Recommendation that District Judge, U.S.D.J. dismiss the Complaint with prejudice, citing a pattern of negligence and disregard for legal proceedings. On February 9, 2024, Magistrate issued an Order dismissing the matter with prejudice due to Plaintiff and Plaintiff's counsel's failure to participate in the litigation.

I. Zisa v. Haviland et al.

The lawsuit was initially commenced in the United States District Court, District of New Jersey on July 28, 2017 by the plaintiff against various Bergen County Prosecutor's Office staff, the Hackensack Police Department, Bergen County and various Bergen County Sheriff's Officers. The Complaint was amended after various motions to dismiss were filed. A majority of the Amended Complaint was successfully dismissed on behalf of the Bergen County Sheriff's Officers. Plaintiff moved for reconsideration and also filed a second Amended Complaint. Plaintiff's attorney has also moved to a different law firm prompting a recent delay of a status conference. Plaintiff has asserted numerous State and Federal Causes of Action, including but not limited to conspiracy, malicious

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 21. PENDING LITIGATION (continued)

I. Zisa v. Haviland et al., (continued)

prosecution, etc. Most of these claims have been dismissed. The Counts remaining are denial of a fair trial and fabrication of evidence – both pleaded separate under federal state statutes. Although neither the complaint nor amended complaint set forth with specificity damages in a dollar amount, it is reported that Plaintiff is seeking \$30,000,000 in damages. During recent settlement discussions the Plaintiff suggested settlement at \$6,392,888.46. Because of the numerous parties involved, the case is still in Discovery and settlement discussions with the court is on-going. The County is contesting the litigation at this stage. It is not possible to ascertain the outcome or potential loss, however, at this juncture the undersigned believes that the remainder of this case should be successfully dismissed after discovery by summary judgement motion. Most of the causes of action against this defendant were already defeated. Since Plaintiff is purportedly seeking a \$6.4 million dollar settlement, it can only be speculated that this may be within the range of potential loss as it relates to all of the defendants.

J. Valmir Xhemajli v. County of Bergen, et. al.

Plaintiff alleges that on October 21, 2021, he was assaulted by two (2) corrections officers employed by the County of Bergen while he was in custody at the Bergen County Jail. In addition to his assault and battery claims directly against the individual corrections officers, Plaintiff is asserting claims against the County for negligent infliction of emotional distress, intentional infliction of emotional distress, and a claim under the New Jersey Civil Rights Act.

NOTE 22. PROPERTY TAX CALENDAR

Property tax revenues are collected, from individual municipalities, in quarterly installments due February 15, May 15, August 15, and November 15. The amount of tax levied includes the amount required in support of the County's annual budget. The County has a 100% collection rate. The County's tax levy for December 31, 2023 and 2022 was \$481,023,278 and \$448,377,089, respectively.

NOTE 23. PROPERTY AND EQUIPMENT ACQUIRED BY SUBGRANTEES

The U.S. Department of Housing and Urban Development (HUD) requires the County to record the value of property and equipment acquired by subrecipients with Community Development Block Grant (CDBG) funds (CFR, 24 Part 85, Sections 85.31 and 85.32). The County does not hold title to this property and equipment, nor is this property and equipment considered to be County assets. Should the subrecipients sell or dispose of this property and equipment, the proceeds are due the County to be reprogrammed for other purposes.

COUNTY OF BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(continued)

NOTE 23. PROPERTY AND EQUIPMENT ACQUIRED BY SUBGRANTEES (continued)

Exceptions are for property and equipment valued at \$5,000 or less or held for 20 years or more. The estimated value of property and equipment acquired with CDBG funds as of December 31, 2023 and 2022 are \$28,243,390 and \$28,243,390, respectively, based upon information provided by the subgrantee.

NOTE 24. MORTGAGES RECEIVABLE

The County operates a Home Improvement Program through its Community Development Block Grant. Qualified homeowners apply for lines of credit, and improvement loans against these lines of credit are secured by mortgages on the improved property. Mortgage payments by homeowners are considered program income.

NOTE 25. OTHER MATTERS

On March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 into effect. This plan, among other things, provides direct federal funding to aid county and municipal governments to help offset revenue losses and cover increased costs incurred during the coronavirus pandemic response and to make necessary investments in water, sewer or broadband infrastructure. The amount of federal aid available to the County of Bergen is \$261,035,747 million which will be available for use until December 31, 2024.

NOTE 26. SUBSEQUENT EVENTS

A subsequent event is an event or transaction occurring after the balance sheet date, but before the financial statements are either issued or available to be issued. A review of the County's operating activity has been performed to identify events that provide evidence about conditions that did not exist as of the balance sheet date; instead, they arose subsequent to that date.

The County has evaluated subsequent events through June 5, 2024, the date which the financial statements were available to be issued and no other items were noted for disclosure.

COUNTY OF BERGEN
CONDENSED COMPARATIVE BALANCE SHEETS
CURRENT FUND

	DECEMBER 31,				
<u>ASSETS</u>	(Unaudited)				
	2024	2023	2022	2021	2020
Cash and Cash Equivalents	171,355,988	214,538,157	246,625,702	185,507,308	100,212,409
Imprest and Change Funds	9,460	9,460	9,460	8,960	36,570
	171,365,448	214,547,617	246,635,162	185,516,268	100,248,979
Due From State					361,058
Receivables with Full Reserves:					
Prepaid Payroll Taxes	5,448	75,313	95,403	362,367	83,938
Interfunds	47,832	5,925	131,639		
Due From State of New Jersey	8,685		2,302	9,674	631
Due From Federal and State Grant Fund					
Taxes Receivable				894,487	
P Card Receivable	6,947				
Due From Bergen County Improvement Authority	1,938,725	1,938,725	2,725,000	2,725,000	2,725,000
Due From Bergen County Community College			100,000		
	2,007,637	2,019,963	3,054,344	3,991,528	2,809,569
Deferred Charges					26,500,000
	173,373,085	216,567,580	249,689,506	189,507,796	129,919,606
Federal and State Grant Fund:					
Cash				131,600	211,454
Due from Current Fund	16,043,957	66,564,759	126,194,646	70,467,077	19,642,867
Federal and State Grants Receivable	46,537,261	61,509,501	59,259,336	59,628,598	37,500,062
	235,954,303	344,641,840	435,143,488	319,735,071	187,273,989
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>					
Liabilities:					
Appropriation Reserves	37,105,975	40,198,825	24,441,444	27,642,041	32,561,044
Contracts Payable	123,048	9,691,731	9,453,278	9,843,387	3,252,658
Miscellaneous Liabilities	4,276,368	3,374,680	3,529,472		2,860,716
Encumbrances Payable	19,931,964	7,163,746	7,000,352	7,768,303	8,029,090
Due to Bergen County Technical Schools					126,000
Reserve for Jail Expansion	6,877,043	6,713,296	4,048,196		
Reserve fro P-Card			9,288		
Reserve for Rockleigh ICF Closing	769,413	982,097	548,901		
Reserve for Election	5,098	933,566			
Deferred Revenue		130,501		280,871	16,047
Interfunds	16,043,957	66,565,735	127,625,229	70,677,250	19,642,867
Reserve for Sale of County Property				4,806,318	
	85,132,866	135,754,177	176,656,160	121,018,170	66,488,422
Reserve for Receivables	2,007,637	2,019,963	3,054,344	3,991,528	2,809,569
Fund Balance	86,232,582	78,793,440	69,979,002	64,498,098	60,621,615
	173,373,085	216,567,580	249,689,506	189,507,796	129,919,606
Federal and State Grant Fund:					
Encumbrances Payable	25,472,601	22,237,083	33,857,908	32,410,110	1,186,014
Reserve for Federal and State Grants	36,949,287	105,634,445	151,458,631	97,583,153	33,371,260
Unappropriated reserves	159,330	202,732	137,443	234,012	
Due to Current Fund					22,797,109
	62,581,218	128,074,260	185,453,982	130,227,275	57,354,383
	235,954,303	344,641,840	435,143,488	319,735,071	187,273,989

COUNTY OF BERGEN

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

	DECEMBER 31,				
	(Unaudited)				
	2024	2023	2022	2021	2020
Revenue and Other Income Realized:					
Fund Balance Utilized	35,304,779	36,698,617	29,763,022	24,443,265	25,000,000
Miscellaneous Revenue Anticipated	200,978,298	185,388,492	253,282,200	302,465,239	301,804,404
Receipts from Current Taxes	504,788,603	481,023,278	448,377,089	447,482,602	436,099,976
Receipts from Delinquent Taxes			894,486		
Non-Budget Revenue	8,587,058	22,852,843	5,928,330	5,994,477	7,642,424
Other Credits to Income:					
Unexpended Balance of Appropriation Reserve	21,868,818	12,429,764	16,498,961	13,756,759	6,980,641
Contracts Payable Cancelled	24	32,258	73,169	77,792	30,742
Interfunds Returned	710,210	131,639			8,100,000
Other		2,489,054	6,550,566	7,999,322	27,766,227
	<u>772,237,790</u>	<u>741,045,945</u>	<u>761,367,823</u>	<u>802,219,456</u>	<u>813,424,414</u>
Expenditures:					
Budget Appropriation	728,970,714	691,811,790	719,507,155	765,291,325	766,698,535
Interfunds Advanced		5,925	373,198		7,025,000
Miscellaneous	523,155	3,715,175	6,243,544	8,608,383	1,236,876
	<u>729,493,869</u>	<u>695,532,890</u>	<u>726,123,897</u>	<u>773,899,708</u>	<u>774,960,411</u>
Excess in Revenue	42,743,921	45,513,055	35,243,926	28,319,748	38,464,003
Adjustments to Income before Surplus:					
Expenditures included above which are by statute Deferred Charges to Budget of succeeding year:					
Overexpenditures					
Statutory excess to Surplus	42,743,921	45,513,055	35,243,926	28,319,748	38,464,003
Fund Balance, January 1	<u>78,793,440</u>	<u>69,979,002</u>	<u>64,498,098</u>	<u>60,621,615</u>	<u>47,157,612</u>
	121,537,361	115,492,057	99,742,024	88,941,363	85,621,615
Utilized as Anticipated Revenue	<u>35,304,779</u>	<u>36,698,617</u>	<u>29,763,022</u>	<u>24,443,265</u>	<u>25,000,000</u>
Fund Balance, December 31	<u><u>86,232,582</u></u>	<u><u>78,793,440</u></u>	<u><u>69,979,002</u></u>	<u><u>64,498,098</u></u>	<u><u>60,621,615</u></u>

COUNTY OF BERGEN
CONDENSED COMPARATIVE BALANCE SHEETS
GENERAL CAPITAL FUND

	DECEMBER 31,				
	(Unaudited) 2024	2023	2022	2021	2020
<u>ASSETS</u>					
Cash	60,386,181	43,097,171	46,661,417	42,383,171	37,594,603
Accounts Receivable	146,231,451	112,285,314	111,076,065	118,713,627	100,781,457
Deferred Charges to Future Taxation:					
Funded	602,137,000	566,585,000	547,076,000	574,718,802	586,007,715
Unfunded	456,067,673	418,700,053	442,288,375	349,041,877	382,317,179
Total Assets	<u>1,264,822,305</u>	<u>1,140,667,538</u>	<u>1,147,101,857</u>	<u>1,084,857,477</u>	<u>1,106,700,954</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>					
General Serial Bonds	602,137,000	566,585,000	547,076,000	574,347,000	585,081,000
Bond Anticipation Notes	114,253,000	117,459,000	125,180,000	127,500,000	105,690,000
Capital Improvement Fund	16,843,494	1,002,038	3,136,989	4,378,392	3,220,977
Improvement Authorizations:					
Funded	151,245,745	113,131,832	118,318,164	104,687,865	105,567,581
Unfunded	267,981,497	252,904,347	262,474,095	184,509,387	232,326,332
Reserve for Interest					26,127
Encumbrances Payable	94,347,465	74,882,337	78,460,980	78,697,745	60,932,377
Environmental Infrastructure Trust Loans				371,802	926,715
Reserve for Payment of Notes	1,452,078	1,469,327	1,474,327	1,488,361	1,789,862
Reserve for State Aid	665,386	668,592	668,592	668,592	668,592
Reserve for Preliminary Expenses		1,434	1,434	1,434	1,434
Fund Balance	<u>15,896,640</u>	<u>12,563,631</u>	<u>10,311,276</u>	<u>8,206,899</u>	<u>10,469,957</u>
Total Liabilities, Reserves and Fund Balance	<u>1,264,822,305</u>	<u>1,140,667,538</u>	<u>1,147,101,857</u>	<u>1,084,857,477</u>	<u>1,106,700,954</u>

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APPENDIX B

FORM OF APPROVING OPINION OF BOND COUNSEL

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WATERS, McPHERSON, McNEILL

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[FORM OF APPROVING OPINION]

May __, 2025

County of Bergen
Hackensack, New Jersey

Ladies and Gentlemen:

We have examined a record of proceedings relating to the issuance of \$19,546,000 General Obligation Bonds, Series 2025 consisting of \$12,060,000 General Improvement Bonds, Series 2025A (the “Series 2025A Bonds”), \$2,858,000 County Vocational/Technical Schools Bonds, Series 2025B (the “Series 2025B Bonds”), \$842,000 County College Bonds, Series 2025C (the “Series 2025C Bonds”), \$1,893,000 County College Bonds, Series 2025D (the “Series 2025D Bonds”), and \$1,893,000 County College Bonds, Series 2025E (County College Bond Act, P.L. 1971 c.12) (the “Series 2025E Bonds, and together with the Series 2025A Bonds, Series 2025B Bonds, Series 2025C Bonds and Series 2025D Bonds, the “Bonds”) of the County of Bergen, a body corporate and politic of the State of New Jersey (the “County”) dated May __, 2025. The Bonds are issued pursuant to the Local Bond Law of the State of New Jersey. The Bonds are authorized by: Resolution No. 488-25 of the County adopted on April 16, 2025, and the bond ordinances referred to therein, each in all respects duly approved and published as required by law; Resolution No. 379-24 of the County adopted on April 16, 2025; and Bond Ordinance No. 25-10 of the County finally adopted on April 2, 2025 and in all respects duly approved and published as required by law (the “Authorization Proceedings”).

The Bonds are issued in fully registered form to The Depository Trust Company, New York, New York (“DTC”), and registered in the name of DTC’s nominee, Cede & Co. One bond certificate is issued for each year of maturity of the Bonds, numbered GI-1 to GI-10 in order of maturity for the Series 2025A Bonds; VTS-1 to VTS-10 in order of maturity for the Series 2025B Bonds; CCC-1 to CCC-6 in order of maturity for the Series 2025C Bonds; CCD-1 to CCD-10 in order of maturity for the Series 2025D Bonds; and CCE-1 to CCE-10 in order of maturity for the Series 2025E Bonds.

The Bonds mature on March 1 of each year until maturity, in the principal amounts, and bear interest at the interest rates per annum payable on September 1, 2025 and semiannually thereafter on March 1 and September 1 of each year until maturity, as follows:

<u>Year</u>	<u>Combined Maturity Schedule</u>	<u>General Improvement Bonds, Series 2025A</u>	<u>County Vocational / Technical Schools Bonds, Series 2025B</u>	<u>County College Bonds, Series 2025C</u>	<u>County College Bonds, Series 2025D</u>	<u>County College Bonds, Series 2025E</u>	<u>Interest Rate</u>
2026	\$1,600,000	\$ 965,000	\$210,000	\$125,000	\$150,000	\$150,000	%
2027	\$1,680,000	\$1,015,000	\$225,000	\$130,000	\$155,000	\$155,000	
2028	\$1,760,000	\$1,065,000	\$240,000	\$135,000	\$160,000	\$160,000	
2029	\$1,845,000	\$1,115,000	\$255,000	\$145,000	\$165,000	\$165,000	
2030	\$1,935,000	\$1,165,000	\$270,000	\$150,000	\$175,000	\$175,000	
2031	\$2,027,000	\$1,215,000	\$285,000	\$157,000	\$185,000	\$185,000	
2032	\$1,985,000	\$1,265,000	\$300,000		\$210,000	\$210,000	
2033	\$2,075,000	\$1,315,000	\$320,000		\$220,000	\$220,000	
2034	\$2,215,000	\$1,415,000	\$340,000		\$230,000	\$230,000	
2035	\$2,424,000	\$1,525,000	\$413,000		\$243,000	\$243,000	

The Bonds maturing on or after March 1, 2033 will be redeemable at the option of the County in whole or in part on any date on or after March 1, 2032 at a redemption price equal to the principal amount thereof, plus accrued interest to the date fixed for redemption.

In our opinion, the Authorization Proceedings have been validly adopted, executed and delivered, and are in full force and effect. The Bonds are valid and legally binding general obligations of the County, enforceable in accordance with its terms and the Authorization Proceedings, except insofar as the enforcement thereof may be limited by any applicable bankruptcy, moratorium or similar laws relating to the enforcement of creditors' rights. The County has the power and is obligated to levy *ad valorem* taxes upon all the taxable real property within the County for the payment of the Bonds and the interest thereon without limitation as to rate or amount. The Series 2025B Bonds are further secured under the provisions of the New Jersey School Bond Reserve Act (N.J.S.A. 18A:56-17 et seq.). The Series 2025E Bonds are also entitled to the benefits of N.J.S.A. 18A:64A-22.1 et seq. which provides for appropriations of State aid for payment of 1/2 the debt service on bonds issued for county college capital projects.

The County has covenanted to comply with any continuing requirements that may be necessary to preserve the tax exempt status of the Bonds under the Internal Revenue Code of 1986, as amended (the "Code"). In the event that the County continuously complies with its covenant, it is our opinion that interest on the Bonds is not includable in gross income for federal income tax purposes under the current law. It is also our opinion that interest on the Bonds is also not an item of tax preference under Section 57 of the Code when calculating the federal alternative minimum tax on individuals. However, interest on the Bonds is included in computing adjusted financial statement income of those corporations subject to the corporate alternative minimum tax. The Bonds are not "private activity bonds" as defined in the Code. We express no opinion regarding other federal tax consequences or other federal taxes arising with respect to the Bonds.

Further, in our opinion, under current law interest on the Bonds, and any gain on the sale thereof, is not includable as gross income under the New Jersey Gross Income Tax Act.

Our engagement by the County with respect to the opinions expressed herein does not require, and shall not be construed to constitute, a continuing obligation on our part to notify or otherwise inform the addressee hereof of the amendment, repeal or other modification of the applicable laws or judicial decisions that served as the basis for this opinion letter or of any laws or judicial decisions hereafter enacted or rendered that impact on this opinion letter.

This opinion letter is being furnished solely to the party to whom it is addressed, and it may not be relied upon by any other person or quoted in whole or in part or otherwise referred to without our express prior written consent.

Very truly yours,

WATERS, McPHERSON, McNEILL, P.C.

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APPENDIX C

FORM OF SECONDARY MARKET DISCLOSURE UNDERTAKING

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FORM OF SECONDARY MARKET DISCLOSURE UNDERTAKING

This UNDERTAKING is made as of May 1, 2025 by the County of Bergen, a body corporate and politic of the State of New Jersey (the “Issuer”) in order to comply with the secondary market disclosure requirements contemplated by Rule 15c2-12 adopted by the United States Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934 (the “Rule”). Defined terms used in this UNDERTAKING shall have the definitions set forth in the Rule unless the context of this UNDERTAKING clearly indicates otherwise.

Section 1. The obligations with respect to which this UNDERTAKING applies are the Issuer’s \$19,546,000 General Obligation Bonds, Series 2025, consisting of \$12,060,000 General Improvement Bonds, Series 2025A, \$2,858,000 County Vocational/Technical Schools Bonds, Series 2025B, \$842,000 County College Bonds, Series 2025C; \$1,893,000 County College Bonds, Series 2025D, and \$1,893,000 County College Bonds, Series 2025E described in Appendix A hereto (collectively, the “Municipal Securities”).

Section 2. The term of this UNDERTAKING is from the date of delivery of the Municipal Securities to the date of the last payment of the principal amount or redemption price, if any, and interest to accrue thereon, of the Municipal Securities.

Section 3. The Issuer is the only Obligated Person with respect to the Municipal Securities.

Section 4. The Issuer undertakes to provide the following Annual Financial Information and Operating Data to the Municipal Securities Rulemaking Board in an electronic format to be filed with the Electronic Municipal Market Access system (“EMMA”, www.emma.msrb.org) for each fiscal year ending on or after December 31, 2025:

- (1) Audited Financial Statements (or Unaudited Financial Statements as set forth in Section 5(1) of this UNDERTAKING);
- (2) Property Valuation;
- (3) Tax Rate;
- (4) Tax Levy and Collection Data;
- (5) New Debt; and
- (6) Litigation.

Section 5. The Issuer shall file the Annual Financial Information and Operating Data with EMMA on or before October 1 following the close of the Issuer’s fiscal year ending on the preceding December 31.

- (1) If the Issuer's Audited Financial Statements are not available by the October 1 filing deadline, the Issuer shall file its Unaudited Financial Statements on or before the October 1 filing deadline and thereafter file its Audited Financial Statements as soon as it becomes available.
- (2) If the Issuer fails to file the Annual Financial Information and Operating Data with EMMA by the October 1 filing deadline, the Issuer shall file a notice with EMMA of such failure on October 2, and thereafter file the Annual Financial Information and Operating Data with EMMA as soon it becomes available.
- (3) If the fiscal year of the Issuer changes, notice of such change and of the subsequent change in the aforementioned filing deadlines shall be filed with EMMA within 10 days after such occurrence.

Section 6. The accounting principles followed by the Issuer are the New Jersey Accounting Principles, as promulgated by the Division of Local Government Services in the Department of Community Affairs of the State of New Jersey. If the Issuer is required by law or regulation to adopt different accounting principles, notice of such change shall be provided at the time the Issuer files its next succeeding Annual Financial Information and Operating Data.

Section 7. The Issuer undertakes to file notices with EMMA of the occurrence of any of the following events of which it has direct knowledge with respect to the Municipal Securities, within 10 days after such occurrence:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or of 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 Municipal Securities, or other material events affecting the tax status of the Municipal Securities;
- (7) Modifications to the rights of the holders of the Municipal Securities, if material;
- (8) Bond calls, if material, and tender offers;

- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the Municipal Securities, if material;
- (11) Rating changes of the Issuer, but not of a credit enhancement provider such as a Bond Insurer, if any, for the Municipal Securities, unless the Issuer has direct knowledge of such ratings changes;
- (12) Bankruptcy, insolvency, receivership or similar event of the Issuer;
- (13) The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) Appointment of a successor or additional trustee, or the change of name of a trustee, if material;
- (15) The incurrence of a financial obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Issuer, any of which affect security holders, if material; and
- (16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Issuer, any of which reflect financial difficulties.

The Issuer, from time to time, may choose to file notices with EMMA of the occurrence of any event, in addition to those listed above. Nevertheless, the Issuer does not undertake to file any such notice with EMMA of the occurrence of any event except those events set forth and enumerated (1) through (16) above. Notices filed with EMMA pursuant to this UNDERTAKING shall be drafted substantially in the form set forth in Appendix B hereto.

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

Section 8. This UNDERTAKING is made for the benefit of the holders or beneficial owners of the Municipal Securities and may be enforced by any such holder or beneficial owner. The sole remedy of any such holder or beneficial owner shall be for specific performance of this UNDERTAKING and not for money damages in any amount.

Section 9. The Issuer designates the County Chief Financial Officer as the person charged with the responsibility to execute the obligations set forth in this UNDERTAKING. The Issuer, from time to time, may hereafter designate an Agent with such responsibility by resolution of its governing body.

Section 10. The Issuer may amend any provision of this UNDERTAKING if the Issuer's bond counsel issues an opinion supporting a determination that:

- (1) This UNDERTAKING, as amended, would have complied with the requirements of the Rule at the time of the primary offering of the Municipal Securities, after taking into account any amendments or interpretations of the Rule; and
- (2) The amendment does not materially impair the interests of the holders or beneficial owners of the Municipal Securities.

Notice of any amendment to this UNDERTAKING shall be filed with EMMA in a timely manner.

Section 11. The Issuer may rely on an opinion of its bond counsel when determining questions of materiality relating to any provision of this UNDERTAKING and the Rule.

IN WITNESS WHEREOF, the County of Bergen has caused this UNDERTAKING to be executed in its name by the County Chief Financial Officer, and its official seal to be affixed hereon and attested to by the Clerk of the Board of County Commissioners, all as of the date set forth herein above.

[SEAL]

COUNTY OF BERGEN

Lara Pollitt
Clerk to the Board of County Commissioners

By: _____
Jon Rheinhardt
Chief Financial Officer

Appendix A

DESCRIPTION OF THE MUNICIPAL SECURITIES

Appendix B

FORM OF
NOTICE TO MUNICIPAL SECURITIES RULEMAKING BOARD
OF FAILURE TO FILE VIA
ELECTRONIC MUNICIPAL MARKET ACCESS

Name of Issuer/
Obligated Person: COUNTY OF BERGEN

NOTICE IS HEREBY GIVEN that the Issuer/Obligated Person failed to file, in a timely manner, as required pursuant to its prior secondary market disclosure undertakings: (1) Annual Financial Information for the fiscal years ending December 31, _____ and _____; and (2) Operating Data for the fiscal years ending December 31, _____, and _____. The Issuer/Obligated Person has subsequently filed the required information.

DATED: _____

COUNTY OF BERGEN
STATE OF NEW JERSEY