

PRELIMINARY OFFICIAL STATEMENT DATED MAY 18, 2026

NEW ISSUES
SERIAL BONDS

RATING: Moody's: "Aaa"

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

\$29,250,000*
COUNTY OF UNION, NEW JERSEY
\$19,980,000* General Improvement Bonds of 2026
\$1,270,000* County Vocational-Technical School Bonds of 2026
(New Jersey School Bond Reserve Act)
\$4,000,000* County College Bonds of 2026 (Series A)
(Chapter 12 State Aid)
\$4,000,000* County College Bonds of 2026 (Series B)
(Book-Entry Only) (Callable)

Dated: June 1, 2026

Due: March 1, as shown on the inside cover page

The General Improvement Bonds of 2026 (the "General Improvement Bonds"), the County Vocational-Technical School Bonds of 2026 (New Jersey School Bond Reserve Act) (the "County Vocational-Technical School Bonds"), the County College Bonds of 2026 (Series A) (Chapter 12 State Aid) (the "County College Bonds (Series A)") and the County College Bonds of 2026 (Series B) (the "County College Bonds (Series B)") (collectively, the "Bonds") of the County of Union, New Jersey (the "County"), will be issued as fully registered bonds registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"), as registered owner of the Bonds, with the Bonds immobilized in the custody of DTC. Owners of beneficial interests in the Bonds will not receive physical delivery of bond certificates, but are to receive statements or other evidence of such ownership of beneficial interests from sources from which such interests were purchased. Investors may purchase beneficial interests in the Bonds in book-entry form in the denomination of \$5,000 or any integral multiple thereof. See "THE BONDS – Book-Entry Only System" herein. So long as DTC or its nominee, Cede & Co., is the registered owner of the Bonds, payments of the principal of and interest on the Bonds will be made directly to DTC or its nominee, Cede & Co., which will remit such payments to the DTC Participants, which will, in turn, remit such payments to the owners of beneficial interests in the Bonds. Principal of the Bonds is payable on March 1 of each of the years set forth on the inside cover page, and interest on the Bonds is payable on each March 1 and September 1, commencing March 1, 2027, in each year until maturity or prior redemption.

The Bonds are subject to redemption prior to their stated maturities at the prices, at the times and in the manner described herein. See "THE BONDS – Prior Redemption" herein.

The Bonds are general obligations of the County and are secured by a pledge of the full faith and credit of the County for the payment of the principal thereof and the interest thereon. The County is authorized and required by law to levy *ad valorem* taxes upon all the taxable real property within the County for the payment of the principal of and interest on the Bonds, without limitation as to rate or amount. The County Vocational-Technical School Bonds only are also secured under the provisions of the New Jersey School Bond Reserve Act, P.L. 1980, c. 72, as amended. The County College Bonds (Series A) only are also entitled to the benefits of Chapter 12 of the Laws of 1971 of New Jersey, as amended (N.J.S.A. 18A:64A-22.1 *et seq.*).

The Bonds are offered for sale upon the terms of the notice of sale and subject to the final approving opinion of Rogut McCarthy LLC, Cranford, New Jersey, Bond Counsel. It is anticipated that the Bonds in definitive form will be available for delivery to DTC in Brooklyn, New York, on or about June 11, 2026.

**ELECTRONIC BIDS VIA PARITY AND
SEALED PROPOSALS WILL BE RECEIVED
UNTIL 11:00 O'CLOCK A.M. ON MAY 27, 2026
AT THE BOARD OF COMMISSIONERS' MEETING ROOM
6TH FLOOR, COUNTY ADMINISTRATION BUILDING
ELIZABETHTOWN PLAZA, ELIZABETH, NEW JERSEY 07207**

* Preliminary, subject to change.

This is a Preliminary Official Statement "deemed final" within the meaning of, and with the exception of certain information permitted to be omitted by, Rule 15c2-12 of the Securities and Exchange Commission, and the information contained herein is subject to completion or amendment in accordance with applicable law. The Issuer will deliver a final Official Statement in compliance with Rule 15c2-12. This Preliminary Official Statement shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, qualification or exemption under the securities laws of any such jurisdiction.

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

<u>Year</u>	<u>Bond Principal*</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP Number**</u>
2027	\$1,395,000	%	%	
2028	1,495,000			
2029	1,605,000			
2030	1,715,000			
2031	1,825,000			
2032	1,935,000			
2033	1,995,000			
2034	2,105,000			
2035	2,205,000			
2036	2,255,000			
2037	1,200,000			
2038	1,250,000			
2039	1,300,000			
2040	1,350,000			
2041	1,400,000			
2042	1,400,000			
2043	1,400,000			
2044	1,420,000			

(plus accrued interest from June 1, 2026)

* Preliminary, subject to change.

** Registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, which is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. The CUSIP numbers listed above are being provided solely for the convenience of Bondholders only at the time of issuance of the Bonds and the County does not make any representation with respect to such numbers or undertake any responsibility for their accuracy now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

**COUNTY OF UNION, NEW JERSEY
BOARD OF COUNTY COMMISSIONERS**

NAME	TITLE	EXPIRATION DATE OF TERM
Joseph Bodek	Chairman	December 31, 2026
Rebecca Williams	Vice Chairman	December 31, 2028
James E. Baker, Jr.	Commissioner	December 31, 2027
Michèle S. Delisfort	Commissioner	December 31, 2026
Lourdes M. Leon	Commissioner	December 31, 2026
Alexander Mirabella	Commissioner	December 31, 2027
Stanley J. Neron	Commissioner	December 31, 2028
Kimberly Palmieri-Mouded	Commissioner	December 31, 2027
Joseph Signorello III	Commissioner	December 31, 2028

COUNTY OFFICIALS

Edward T. Oatman	County Manager	Indefinite
Bruce H. Bergen, Esq.	County Counsel	*
James E. Pellettiere	Clerk of the Board of County Commissioners	January 31, 2027
Dr. Bibi Taylor	Director of Finance/County Treasurer	*
Julie Origliato	Deputy Treasurer	*

* At the Pleasure of the County Manager

Wielkotz & Company, LLC
County Auditors

Rogut McCarthy LLC
Bond Counsel

No dealer, broker, salesperson or other person has been authorized by the County to give any information or to make any representations 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 County. The information set forth herein has been provided by the County and by other sources believed to be reliable by the County, but such information provided by sources other than the County is not guaranteed as to its accuracy or completeness by the County and is not to be construed to be a representation of the County. All of the summaries of the statutes, documents, ordinances and resolutions contained in this Official Statement are made subject to all of the provisions of such statutes, documents, ordinances and resolutions. These summaries do not purport to be complete statements of such provisions and reference is made to such documents for further information. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the County since the date hereof. This Official Statement is submitted in connection with the sale of the securities referred to herein and may not be reproduced or used in whole or in part for any other purpose.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT LEVELS ABOVE THOSE THAT MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE COUNTY AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

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**OFFICIAL STATEMENT
OF THE COUNTY OF UNION, NEW JERSEY
Relating to \$29,250,000* Bonds
Consisting of
\$19,980,000* General Improvement Bonds of 2026
\$1,270,000* County Vocational-Technical School Bonds of 2026
(New Jersey School Bond Reserve Act)
\$4,000,000* County College Bonds of 2026 (Series A) (Chapter 12 State Aid)
\$4,000,000* County College Bonds of 2026 (Series B)**

INTRODUCTION

This Official Statement (the "Official Statement"), which includes the cover page and the appendices attached hereto, has been prepared by the County of Union (the "County"), New Jersey (the "State"), in connection with the sale and issuance of its \$29,250,000* Bonds consisting of \$19,980,000* General Improvement Bonds of 2026, \$1,270,000* County Vocational-Technical School Bonds of 2026 (New Jersey School Bond Reserve Act), \$4,000,000* County College Bonds of 2026 (Series A) (Chapter 12 State Aid), and \$4,000,000* County College Bonds of 2026 (Series B), each issue dated June 1, 2026 (individually, the "General Improvement Bonds", the "County Vocational-Technical School Bonds", the "County College Bonds (Series A)" or the "County College Bonds (Series B)"; collectively, the "Bonds").

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

THE BONDS

General Description

The Bonds shall be dated June 1, 2026 and will mature on March 1 in the years and in the principal amounts shown on the cover page hereof. The Bonds shall bear interest from their date, payable on each March 1 and September 1, commencing March 1, 2027 (each, an "Interest Payment Date"), in each year until maturity or prior redemption at the rates shown on the cover page hereof. Principal of and interest on the Bonds will be paid to The Depository Trust Company, New York, New York ("DTC"), acting as securities depository, by the Director of Finance/County Treasurer, acting as Bond Registrar/Paying Agent. Interest on the Bonds will be credited to the participants of DTC as listed on the records of DTC as of the fifteenth day of the month preceding the month in which such Interest Payment Date occurs (the record dates for the payment of interest on the Bonds).

The Bonds are issuable as fully registered book-entry bonds in the form of one certificate for each maturity of each issue and in the principal amount of such maturity. The Bonds will be issued in book-entry form only. Investors may purchase beneficial interests in the Bonds in the denomination of \$5,000 or any integral multiple thereof. So long as DTC or its nominee, Cede & Co. (or any successor or assign), is the registered owner of the Bonds, payments of the principal of and interest on the Bonds will be made by the Bond Registrar/Paying Agent directly to Cede & Co. (or any successor or assign), as nominee for DTC. Disbursement of such payments to the participants of DTC is the responsibility of DTC. Disbursement of such payments to the beneficial owners is the responsibility of the DTC participants. See "Book-Entry Only System" below.

* Preliminary, subject to change.

Book-Entry Only System

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

DTC, the world's largest 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 regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

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

Redemption notices shall be sent to DTC. If less than all of the Bonds within 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 the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the 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 Bonds are credited on the Record Date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and principal and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the County or the paying agent, if any, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participant and not of DTC, the paying agent, if any, or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County or the paying agent, if any, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

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

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the County believes to be reliable, but the County takes no responsibility for the accuracy thereof.

Prior Redemption

The Bonds maturing on or before March 1, 2033 are not subject to redemption prior to their stated maturities. The Bonds maturing on or after March 1, 2034 are subject to redemption at the option of the County prior to maturity, in whole on any date or in part on any Interest Payment Date, on or after September 1, 2033, upon notice as hereinafter set forth, at a redemption price of 100% of the principal amount being redeemed, plus accrued interest to the date fixed for redemption.

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

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

SECURITY FOR THE BONDS

General

The Bonds are direct and general obligations of the County for which the full faith and credit of the County will be pledged. The County is authorized and required by law to levy ad valorem taxes on all taxable real property within the County for the payment of the principal of and interest on the Bonds, without limitation as to rate or amount.

Enforcement of a claim for the payment of principal of or interest on the Bonds will be subject to applicable provisions of Federal bankruptcy laws and to the provisions of any statute heretofore and hereafter enacted by the Congress of the United States or by the Legislature of the State affecting creditors rights. Under State law, a county, municipality or other political subdivision may file a petition under Federal bankruptcy laws and a plan for readjustment of its debt, but only after first receiving the approval of the State Municipal Finance Commission, whose powers have been vested in the Local Finance Board, Division of Local Government Services, New Jersey Department of Community Affairs (the "Local Finance Board").

Additional Security for County Vocational-Technical School Bonds Only

New Jersey School Bond Reserve Act. The County Vocational-Technical School Bonds only are also entitled to the benefits of the provisions of the New Jersey School Bond Reserve Act, P.L. 1980, c. 72 (N.J.S.A. 18A:56-17 et seq.), as amended, and, accordingly, the County Vocational- Technical School Bonds will bear the following legend as required thereby:

“Payment of this obligation is secured under the provisions of the ‘New Jersey School Bond Reserve Act’ in accordance with which an amount equal to 1% of the aggregate outstanding bonded indebtedness (but not to exceed the moneys available in the fund), of New Jersey counties, municipalities and school districts for the school purposes as of September 15 of each year, is held within the State Fund for the Support of Free Public Schools as a school bond reserve pledged by law to secure payments of principal and interest due on such bonds in the event of the inability of the issuer to make payment.”

The New Jersey School Bond Reserve Act provides that the school bond reserve shall be composed entirely of direct obligations of the United States Government or of obligations guaranteed by the full faith and credit of the United States Government. Securities representing at least one-third of the minimum market value to be held in the school bond reserve shall be due to mature within one year of issuance or purchase. The trustees for the State Fund for the Support of Free Public Schools, which consist of the Governor, the Attorney General, the Secretary of State, the State Comptroller, the State Treasurer and the Commissioner of Education, are to determine on or before September 15 of each year, the aggregate amount of school purpose bonds issued and outstanding. The trustees shall also maintain the school bond reserve for the ensuing year at an approximate level based upon market valuations of the obligations in the reserve. The funds that are set aside constitute a reserve for the prompt payment to holders of bonds issued for school purposes by counties, municipalities and school districts of the principal of and the interest on bonds issued for school purposes in the event of the inability of the issuer to make payment.

The New Jersey School Bond Reserve Act does not contain a covenant by the State to refrain from repealing, revoking, rescinding, modifying or amending the provisions of that Act.

Additional Security for County College Bonds (Series A) 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 the 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 (N.J.S.A. 18A:64A-22.1 et seq.), be made available to counties in which county colleges are located for the payment of principal and interest on bonds entitled to the benefits of the County College Bond Act and interest on notes issued in anticipation thereof, provided that the total principal amount of such bonds and notes shall not exceed \$265,000,000.

Since the adoption of the County College Bond Act in 1971, the State has made annual appropriations sufficient to provide for the debt service when due on all bonds and notes entitled to benefits of the 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 in the following manner. Whenever the State Treasurer shall determine that he is unable to provide State support for capital projects 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 he determines additional support is necessary or desirable, the State Treasurer shall then certify to the Board of County Commissioners 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, which amount shall not exceed the amount of bonds entitled to the benefits of such Act and not therefore allocated to another capital project. The State Treasurer has certified to the County that the State will provide debt service support for one-half of the debt service on the Bonds.

At any time within one year of the certification by the State Treasurer to the Board of County Commissioners referred to in the preceding paragraph, such county is authorized to issue bonds, or notes in anticipation thereof, in an aggregate amount not exceeding the amount set forth in such certification. Such bonds shall be in addition to the sums authorized to be borrowed by the Board of County Commissioners pursuant to N.J.S.A. 18A:64A-19 for the purpose of funding the county share of such capital projects.

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 one-half of the principal and interest due on the 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 and interest on the 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 being issued for (i) a current refunding of \$25,250,000 of bond anticipation notes maturing June 12, 2026 and (ii) a new money borrowing of \$4,000,000 for County College projects. There is a total of \$49,280,000 of Bond Anticipation Notes due June 12, 2026. See "COUNTY INDEBTEDNESS AND DEBTS LIMITS-Future Financing of the County" herein. The Bonds have been authorized by and are being issued pursuant to the laws of the State, including the Local Bond Law (N.J.S.A. 40A:2-1 et seq.) (the "Local Bond Law"). The Bonds are authorized by various bond ordinances and resolutions adopted by the Board of County Commissioners of the County. The bond ordinances were published in full or in summary form after their adoption along with the statement required by the Local Bond Law that the twenty day period of limitation within which a suit, action or proceeding questioning the validity of the bond ordinance can be commenced began to run from the date of the first publication of such estoppel statement. The Local Bond Law provides that after issuance all obligations of the County 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, execution or delivery of the obligations by the County.

Maturity Schedule *

Year	Total Bonds	General Improvement Bonds	Vocational Technical School Bonds	County College Series A Bonds	County College Series B Bonds
2027	\$1,395,000.00	\$710,000.00	\$85,000.00	\$300,000.00	\$300,000.00
2028	\$1,495,000.00	\$750,000.00	\$95,000.00	\$325,000.00	\$325,000.00
2029	\$1,605,000.00	\$800,000.00	\$105,000.00	\$350,000.00	\$350,000.00
2030	\$1,715,000.00	\$850,000.00	\$115,000.00	\$375,000.00	\$375,000.00
2031	\$1,825,000.00	\$900,000.00	\$125,000.00	\$400,000.00	\$400,000.00
2032	\$1,935,000.00	\$950,000.00	\$135,000.00	\$425,000.00	\$425,000.00
2033	\$1,995,000.00	\$1,000,000.00	\$145,000.00	\$425,000.00	\$425,000.00
2034	\$2,105,000.00	\$1,050,000.00	\$155,000.00	\$450,000.00	\$450,000.00
2035	\$2,205,000.00	\$1,100,000.00	\$155,000.00	\$475,000.00	\$475,000.00
2036	\$2,255,000.00	\$1,150,000.00	\$155,000.00	\$475,000.00	\$475,000.00
2037	\$1,200,000.00	\$1,200,000.00			
2038	\$1,250,000.00	\$1,250,000.00			
2039	\$1,300,000.00	\$1,300,000.00			
2040	\$1,350,000.00	\$1,350,000.00			
2041	\$1,400,000.00	\$1,400,000.00			
2042	\$1,400,000.00	\$1,400,000.00			
2043	\$1,400,000.00	\$1,400,000.00			
2044	\$1,420,000.00	\$1,420,000.00			
	<u>\$29,250,000.00</u>	<u>\$19,980,000.00</u>	<u>\$1,270,000.00</u>	<u>\$4,000,000.00</u>	<u>\$4,000,000.00</u>

*Preliminary subject to change

**GENERAL IMPROVEMENT BONDS
PURPOSES OF ISSUE**

ORD.	DATE OF ORD.	IMP. NO.	TITLE	BONDS	
671	Q	10/9/2008	915-505	Corrections-Security Fencing	2,650.00
723	V	8/25/2011	915-511	Corrections-Equipment & Machinery	7,735.00
740	B	9/13/2012	902-926	Info Tech and Telecommunications Equipment	88,368.00
740	X	9/13/2012	916-622	Sheriff IT Equipment and Vehicles	7,619.00
759	J	9/11/2014	909-933	Upgrades to fire alarm systems and sprinklers	139,795.00
759	W	9/11/2014	913-325	New communication and signal systems equipment-radio enhancement systems	5,834.00
776	M	8/18/2016	914-663	New additional replacement equipment	50,977.00
776	P	8/18/2016	918-810	Clerk-office renovations	43,696.00
787	T	8/17/2017	910-708	Removal and replacement of under and above ground storage tanks	202,989.00
787	V	8/17/2017	910-714	Motor Vehicles-New automotive equipment	58,122.00
787	R	8/17/2027	911-781	Park Maintenance-Various park improvements	284,343.00
787	S	8/17/2017	911-793	Park Maintenance-Paving & Curbing	57,452.00
787	P	8/17/2017	912-312	Parks & Recreation-Ash Brook clubhouse & equipment	5,797.00
787	X	8/17/2017	914-638	Public Safety-Various equipment	9,437.00
787	EE	8/17/2017	917-656	Prosecutors-Furnishing and equipment	891.00
795	D	9/13/2018	908-940	Engineering-Professional Services	188,477.00
795	N	9/13/2018	909-990	Acquisition of new furniture, flooring, window treatments	34,908.00
795	V	9/13/2018	910-732	Removal and replacement of under and above ground storage tanks	181,975.00
795	W	9/13/2018	910-735	Motor Vehicles-New automotive vehicles and replacement equipment	197,240.00
795	U	9/13/2018	911-808	Undertaking of paving, curbing and sidewalks at various parks	145,824.00
795	Q	9/13/2018	912-327	Acquisition of new additional replacement equipment	61,837.00
795	R	9/13/2018	912-330	Various equipment for Ash Brook Club House	11,894.00
795	Y	9/13/2018	913-613	Acquisition of new communication and signal systems equipment consisting of various communications equipment	17,293.00
795	Z	9/13/2018	913-616	Public Safety-Equipment	105,520.00
795	X	9/13/2018	914-694	Acquisition of new additional or replacement equipment	33,826.00
808	S	7/25/2019	906-834	New furnishings and computer equipment	71,950.00
808	E	8/21/2019	908-963	Acquisition of new info technology and telecommunications equipment	11,939.00
808	J	7/25/2019	909-107	Undertaking of various engineering, architectural and other services	43,147.00
808	K	8/21/2019	909-109	Acquisition of modular trailers	27,998.00
808	L	8/21/2019	909-112	Acquisition of new furniture, flooring, window treatments	173,844.00
808	T	7/25/2019	910-750	Acquisition of new automotive vehicles and equipment	67,454.00
808	P	7/25/2019	911-815	Undertaking of various park and recreation improvements	397,997.00

808	V	8/21/2019	913-619	Acquisition of new communication and signal systems equipment consisting of various communications equipment	42,443.00
808	U	8/21/2019	914-698	Acquisition of new additional or replacement equipment	17,049.00
810	A	12/5/2019	913-622	Public Safety-Renovations to Dispatch control center	142,500.00
820	E	11/5/2020	909-115	Replacement of rooftop air conditioning chiller unit JDC Linden	62,509.00
820	G	11/5/2020	911-829	Undertaking of various park and recreation improvements	61,047.00
834	B	12/2/2021	902-962	Acquisition of new information technology equipment	35,349.00
834	S	12/2/2021	906-838	Acquisition of property at 921-923 Elizabeth Ave. (One Stop Career Center)	6,395,213.00
834	C	12/2/2021	908-100	Undertaking of various road, intersection, bridge and culvert improvement projects	480,986.00
834	D	12/2/2021	908-108	Various engineering, architectural and other services	574,234.00
834	E	12/2/2021	908-110	New information technology and telecommunication equipment	7,093.00
834	J	12/2/2021	909-123	Various engineering, architectural and other services	10,684.00
834	L	12/2/2021	909-128	Acquisition of new furniture, flooring, window treatments	377,014.00
834	M	12/2/2021	909-131	Acquisition of new information technology equipment	4,028.00
834	P	12/2/2021	911-834	Acquisition of new additional or replacement equipment and machinery	636,866.00
834	Q	12/2/2021	911-845	Various Park & Recreation Improvements	158,489.00
834	O	12/2/2021	912-351	Acquisition of new additional or replacement equipment	467,849.00
834	V	12/2/2021	913-626	Radio system enhancement project	852,036.00
834	X	12/2/2021	913-632	Acquisition of Roselle Park EMS Building	729,152.00
834	U	12/2/2021	914-701	New additional or replacement equipment	4,864.00
839	E	9/15/2022	908-126	Undertaking of various engineering and architectural services	235,781.00
839	Q	9/15/2022	910-795	New automotive vehicles and equipment	53,906.00
839	K	9/15/2022	911-857	New additional or replacement equipment	493,987.00
839	L	9/15/2022	911-863	Undertaking of paving and curbing various locations	6,619.00
839	M	9/15/2022	911-866	Various park and recreation improvements	223,295.00
839	N	9/15/2022	912-357	Ash Brook Clubhouse and Oak Ridge Concessions	93,138.00
839	V	9/15/2022	913-641	New information technology and telecommunication equipment	63,111.00
839	R	9/15/2022	914-705	New information technology and telecommunication equipment	154,411.00
839	S	9/15/2022	914-711	New Information technology and telecommunication equipment	287,850.00
839	X	9/15/2022	916-747	Security upgrades at various offices	4,569,669.00
Total					19,980,000.00

**VOCATIONAL-TECHNICAL SCHOOL BONDS
PURPOSES OF ISSUE**

ORD.		DATE OF ORD.	IMP. NO.	TITLE	BONDS
752	CC	8/22/2013	921-138	Various renovations and improvements to facilities, new replacement equipment, instructional and non-instructional	269,490.00
759	BB	9/11/2014	921-144	Sewer eject. Pits West Hall, upgrades to fitness center, construction meeting room West Hall	196,209.00
765	S	7/16/2015	921-153	Drainage, district-wide renovations, campus covered walkways	2,639.00
787	HH	8/17/2017	921-176	District-wide improvements	54,112.00
787	JJ	9/15/2017	921-182	District-wide upgrades for computers and furnishings	1,739.00
795	EE	9/13/2018	921-186	District-wide renovations and improvements	203,461.00
795	GG	9/13/2018	921-193	Acquisition of new additional furnishings	24,454.00
820	J	11/5/2020	921-210	District-wide safety and security upgrades	318,996.00
834	CC	12/2/2021	921-221	Various security upgrades district-wide	198,900.00

Total

1,270,000.00

**COUNTY COLLEGE BONDS (SERIES A - Ch. 12)
PURPOSES OF ISSUE**

ORD.		DATE OF ORD.	IMP. NO.	PURPOSE	BONDS
858	W	8/20/2025	922-248	Ch. 12 roof replacements and parking lot improvements	4,000,000.00

TOTAL 4,000,000.00

**COUNTY COLLEGE BONDS (SERIES B)
PURPOSES OF ISSUE**

ORD.		DATE OF ORD.	IMP. NO.	PURPOSE	BONDS
759	DD	9/11/2014	922-145	Various improvements district-wide	901,949.00
776	Z	8/18/2016	922-172	Various renovations and improvements	441,134.00
776	AA	8/18/2016	922-175	Acquisition of new additional or replacement equipment	22,539.00
776	BB	8/18/2016	922-178	Acquisition of new information technology and telecommunications equipment	15,468.00
787	LL	8/17/2017	922-212	Various renovations and improvements to Cranford, Elizabeth and Plainfield Campuses	1,137,133.000
787	MM	8/17/2017	922-215	Acquisition of new additional or replacement equipment	139,997.00
787	NN	8/17/2017	922-218	Acquisition of new info technology and telecommunications equipment	566,407.00
795	II	9/13/2018	922-227	Acquisition of new info technology and telecommunications equipment	701,857.00
838	A	5/12/2022	922-236	Renovation and expansion of the physical education facility (Cranford)	23,479.00
839	CC	9/15/2022	922-239	Renovation and expansion of the physical education facility (Cranford)	42,640.00
844	T	9/7/2023	922-242	Renovation and expansion of the physical education facility (Cranford)	7,397.00

TOTAL 4,000,000.00

DEMOGRAPHIC AND ECONOMIC CHARACTERISTICS

General Information

The following is a brief description of economic factors affecting the County including information concerning population, employment, commercial activity, construction activity and general economic conditions.

The County was incorporated in 1857, and is a suburban political subdivision located in the northeast portion of the State. It is located within the New York Metropolitan Region and along the Boston-Washington Corridor, which is the area of the heaviest accumulation of population and industry in the nation. The County is bounded by Essex County to the north, Morris and Somerset Counties to the west, Middlesex County to the south, and the Arthur Kill to the east. The County comprises an area of about 103 square miles. It is unique in its economic diversification due to its location and excellent infrastructure, including a system of Interstate and State Highways, rail lines, and one of the largest container terminals in the world. Newark Liberty International Airport, located in both Union and Essex counties, is one of the region's busiest airports.

Population

The Union County population based on 2020 United States Census data is 575,345 which represents an increase of 7.24% compared to the County's population in the 2010 Census. The County population compared to the State Population in the same comparative period shows the County's population increasing by 1.58% higher rate compared to the overall state which is attributable to the urban and suburban nature of the County. Union County, based on 2024 population estimate data from the U.S. Census, shows an increase in total population by about 3.3% over the 2020 US Census population data. The State of New Jersey's estimated population for 2024 compared to the 2020 Census Data shows an increase of about 2.3 percent. Based on 2024 US Census population estimates, the County population density is 5,781.5 persons per square mile which is about 3.3 percent higher compared to 2020 Census data's County population density. The New Jersey 2024 estimated population density, based on Census data, is 1,291.8 persons per square mile or about 22.34% of the County density. The median age of County residents is 39.5 years compared to median age of 40.4 years for New Jersey residents based on 2023 American Community Survey data, US Census Bureau.

The County has 21 municipalities consisting of five cities, eight townships, seven boroughs and one town. According to the 2020 Census, the population of these municipalities ranged from Winfield at 1,423 persons to Elizabeth at 137,298 persons. According to the 2024 American Community Survey Census data, the population for the two aforementioned municipalities is 1,479 persons in Winfield and 140,401 persons in Elizabeth which reflects a population increase of 3.94% and 2.26%, respectively, compared to 2020 Census data.

Population Comparison

The following is a table of the population trend of the County, the State and the United States.

Year	Union County	New Jersey	United States
1930	305,209	4,041,334	123,203,000
1940	328,344	4,160,165	132,165,000
1950	398,138	4,835,329	151,326,000
1960	504,255	4,076,412	179,323,000
1970	543,116	7,168,164	203,213,000
1980	504,094	7,364,158	226,504,025
1990	493,819	7,730,188	248,709,873
2000	522,541	8,414,350	281,421,906
2010	536,499	8,791,894	308,745,538
2015*	548,744	8,904,413	316,515,021

2016*	550,436	8,915,456	318,558,162
2017*	563,892	8,888,543	327,147,121
2018*	558,067	8,908,520	327,167,439
2019*	556,341	8,882,190	328,239,523
2020	575,345	9,288,994	331,449,281
2021*	571,963	9,267,130	331,893,745
2022*	570,417	9,260,817	333,271,411
2023*	572,726	9,290,841	334,914,895
2024*	594,160	9,500,851	340,110,988

Source: US Census Bureau; 2020 Census; * US Census - American Community Survey Population Estimates - July, 2024.

Economic Development

One of the key responsibilities of the Department of Economic Development is to work toward strengthening Union County's economy and positioning the County to compete in a global marketplace by stimulating and creating new jobs, retaining existing businesses, and facilitating economic growth and development in partnership with public/private sectors.

To meet these goals, the Board of Commissioners is committed to a skilled workforce, availability of resources for business owners/managers to help them succeed in a challenging economy, and the development of strong partnerships with key local stakeholders in business and higher education. This commitment is evidenced by:

- The “Union County Means Business” initiative is a continuing series of networking breakfast programs designed to connect the business community with government resources and information to foster growth and job creation. Since its inception in 2012, thousands of members of the business community have gained information on such topics as financing, workforce training, public-private partnerships, e-commerce, and the Affordable Care Act.
- The Union County Women Mean Business (UCWMB) event evolved from the Union County Means Business initiative. This annual UCWMB Summit takes place in the Spring at the Galloping Hill Golf Course. This highly participated event brings together over 250 women from Union County and neighboring areas. It provides a valuable platform for networking, mentorship, resource acquisition, exchanging of ideas, addressing challenges, empowerment, and honoring successful women in business.
- The Union County Workforce Investment Board (WIB), which reviews and approves all applications for government funding of workforce training programs in both private and public sectors, develops overall plans for coordination of workforce training programs receiving government funding. They work closely with area businesses and institutions of higher learning to develop training programs in high demand employment areas helping both unemployed/underemployed residents and growing area businesses.
- The Union County College Industry Business Institute works alongside the County to develop workforce training, continuing education and curriculum to address the needs of the County’s diverse population.
- The Union County Economic Development Corporation, a private, non-partisan organization and strategic Union County partner, specializes in business retention and expansion activities such as technical assistance services to small and medium sized firms. They also offer extensive training in many areas such as procurement, providing significant growth opportunities for area businesses.

The County, together with its municipalities, has completed several economic development projects over the years such as the Midtown Elizabeth Parking/Mixed Use Facility which provides 1500 parking spaces in the Midtown area serving retail customers, government employees and Union County College students and staff. This parking facility was constructed and became fully operational at the start of 2012. This parking facility was developed by the Elizabeth Parking Authority in cooperation with Union County, the Elizabeth Development Corporation and the City of Elizabeth. Besides creating an aggregated parking facility, one of the other key objectives of this collaboration was to free up former parking areas for redevelopment. One example is the newly constructed County Family Court Building on Rahway Avenue and Cherry Street in Elizabeth opened in 2017. The County, through the Union County Improvement Authority, is in the process of constructing a new Union County Government Complex located on West Grand Street in Elizabeth. This complex is proposed to consist of two office buildings totaling approximately 225,000 square feet at a cost of \$150.3 Million.

The County also collaborated with the City of Elizabeth to secure Federal Recovery Zone Facility Bonds to help retain and expand the Wakefern Facility which broke ground in May 2012 and opened for operation on April 18, 2014. The County, City and State helped secure \$44 million in Facility Bonds and the City of Elizabeth added \$2.5 million in a low-interest loan through its Urban Enterprise Zone. The project replaced a 491,775 square foot warehouse with a “state-of-the-art” 524,000 square foot warehouse. This project helped retain 345 employees and will add approximately 350 jobs over the next twenty years. The total project cost is over \$70 million. The County helped recruit people to fill 500 full-time positions at the new 495,000 square foot warehouse for the meal kit delivery company, Blue Apron, located in Linden. The Blue Apron warehouse opened in April 2017 and brought 2,000 employees to its Linden facility.

Employment

Based on New Jersey State Department of Labor and Workforce Development (DOL) annual average data, the estimated labor force in 2025 for the County of Union is 302,645 compared to the State’s labor force of 4,897,860. The County of Union had an estimated annual average unemployment rate of 5.4% compared to the State of New Jersey’s rate of 5.1% for 2025. This unemployment rate when compared to 2024 data represents about an 8.6% increase in unemployment for Union County and a 9.6% increase in the State of New Jersey unemployment rate. Based on the December 2025 unemployment data, Union County had average of 16,301 unemployed persons while the State had about 248,698 unemployed persons which represents a 10.8% and 10.68% reduction in employed persons respectfully compared to 2024. These changes are mainly attributable to business downsizing and an unsteady market causing an increase in unemployment over the past year. However, recent changes in the Federal government may continue with more unemployment and reduced hiring as businesses continue to shrink and technologies, such as artificial technology.

Based on a press release from DOL, 2025 NJ Employment Situation, released on January 22, 2026, reports that a labor participation rate of 63.7% and an employment to population ratio of 60.3% in New Jersey. The employment changes, year-over-year, in New Jersey had the following results: Increases in jobs related to Education and Health Services (+3.5% or approximately 28,000) between December 2024 and December 2025: Professional and Business Services saw a 1.3% increase year-to-year while Leisure and Hospitality had zero growth: Financial Activities had a 0.1% decrease; Manufacturing had a 0.2% decrease, Information Services had a 4.6% decrease; Construction had a 6.2% decrease; and Trade/Transportation/Utilities had a 1.1% decrease from this time period. As the economy has continued to become more unstable and as job loss outpace job creation, it is likely that in 2026 more decreases in various employment categories are possible.

Housing in the County

Union County, based on US Census Bureau’s American Community Services (ACS) 2024 Estimates indicate that the County has 214,673 housing units with a homeownership rate of 57% which is less than 7% lower compared to the State of New Jersey’s homeownership rate of 64%. The median value of owner-occupied housing in Union County based on 2024 ACS data is \$610,600 which is about 25% higher than the State’s median owner-occupied housing value of \$496,000. The County has about 2.9 persons per household compared to about 2.6 persons per household in New Jersey. Based on 2025 data from the New Jersey Department of Treasury’s Division of Taxation, Summit has the highest average sale price at \$1,606,165; Summit also has the highest average property taxes at \$19,701.

Businesses in the County

The County of Union has a diverse business base and population. The County's major businesses includes pharmaceutical companies, such as, Merck and Celgene and a major port (Port of Elizabeth and Newark) facility with a variety of companies that provide a significant number of jobs in a variety of fields including warehousing, shipping, trucking, rail, air cargo, and related businesses, such as, aviation support and associated maintenance. Other major businesses include warehousing, light industrial, and commercial. Major employers in the County also include medical facilities, government, and higher education facilities.

The business with the most employees, based on the 2025 Major Employers Report by the Union County Economic Development Corporation (UCEDC), in the County is Merck with approximately 4,000 employees in various labs and offices in Rahway. Due to market changes, Merck facilities in Union Township and Summit closed in 2014. These closings were offset by Merck's decision to relocate its headquarters from Hunterdon County to Kenilworth. It was announced in the Spring of 2020 that Merck intended to consolidate its campuses and move its New Jersey operations to a single Rahway headquarters by the end of 2023. Onyx Equities LLC and Machine Investment Group which acquired the 108-acre Kenilworth campus in February 2023 has been collaborating with Outshine Properties on the renovation and leasing strategy of the site. The former Merck site in Kenilworth is now known as the Northeast Science & Technology Center (NEST). To date NEST has secured the following tenants; CoreWeave which provides cloud computing services, NJIT (the first academic partner) which will use its space to focus on cutting edge research in various areas of science and Revlon which has relocated its science and innovation lab to the NEST site where it will continue to develop advanced consumer inspired products across its range of beauty and personal care brands. It was announced in August 2025 that CoreWeave purchased the data center it was leasing at NEST as well as a neighboring 27-acre parcel. Onyx Equities and Machine Investment Group will continue to own and operate the balance of the site. The former Summit location of Merck was acquired by biopharmaceutical company, Celgene, which was subsequently acquired by Bristol Myers Squibb in the Fall of 2019. Kenvue, a spinoff of Johnson & Johnson, is now located in a 46- acre research & development facility in Summit. On March 19, 2025 an official ribbon cutting ceremony took place to mark the opening of the new 290,000 square foot Kenvue global headquarters in Summit.

Another major employer in the County is Nokia (formerly Alcatel-Lucent) in New Providence, which sold its property to Vision Real Estate Partners and Woodmont Properties in 2023. The new owners have not announced plans for the property as they will wait for Nokia to complete their relocation in 2028. Nokia will leave its New Providence headquarters over the next five years and relocate to a state-of-the-art facility in New Brunswick. Other major employers include Maher Terminals in Elizabeth; Children's Specialized Hospital in Mountainside; Kean University in Union; Union County College in Cranford, Elizabeth and Plainfield; Summit Health in Berkeley Heights; Trinitas Regional Medical Center, in Elizabeth; and Overlook Medical Center in Summit.

Industrial, Commercial, & Office Price Per Square Foot

Property Type	Price per Square Foot		High & Low For	
	Lease (\$)	Sale (\$)	Town	Associated Towns
Industrial	-----	770	Hillside	High
	-----	70	Garwood	Low
	27	-----	Rahway	High
	<10	-----	Mountainside	Low
Office	-----	800	Hillside	High
	-----	180	Linden	Low
	200	-----	Linden	High
	15	-----	Kenilworth	Low
Retail	-----	1,450	Linden	High
	-----	100	Scotch Plains	Low
	82	-----	Elizabeth/Linden	High
	18	-----	Kenilworth	Low

2025 UCEDC – Union County Real Estate Report

State and County offices in Elizabeth along with County and municipal government agencies are large employers in the County. The following tables and lists outline leading businesses, industrial parks, and office parks in the County. Also included is a list of major commercial development and public improvement projects proposed throughout the County.

LEADING COUNTY PRIVATE BUSINESSES

Firm	Location	Nature of Business	# of Employees
Merck & Co.	Kenilworth, Rahway	Pharmaceuticals	4,000
Overlook Hospital	Summit	Hospital	3,775
Blue Apron	Linden	Meal Service	2,343
Trinitas Hospital	Elizabeth	Hospital	2,305
Nokia	New Providence	Telecommunication	1,800
Summit Medical Group	Various	Medical	1,000

Source: Major Employers Report, UCEDC, 2025

Industrial/Office Parks

Liberty Hall Corporate Center
Morris and North Avenues, Union; managed by JLL Properties

Connell Corporate Park I - IV
200 Connell Drive, Berkeley Heights; managed by Connell Realty and Development Co.

Cranford Business Park I and II
14-25 Commerce Drive, Cranford, and 65 Jackson Drive, Cranford, managed by Regus

Cranford Office and Industrial Park
Commerce Drive, Cranford; managed by Signature Acquisitions

Office Evolution – Clark
100 Walnut Avenue, Clark, managed by Office Evolution

Office Evolution – Summit
350 Springfield Avenue, Summit, managed by Office Evolution

Source: Union County Economic Development Corporation (UCEDC) – Union County, NJ Profile 2025

UNION COUNTY MAJOR COMMERCIAL AND PUBLIC DEVELOPMENT PROJECTS

<u>Municipality</u>	<u>Project Name</u>	<u>Value in Million \$</u>	<u>Jobs</u>	<u>Status</u>	<u>Proposed Use</u>
Berkeley Heights	The District	400	n/p	In Progress	Mixed Use with 328 units
Clark	L'Oreal New Research & Development Center	200	n/p	In Progress	240,000 sq. ft. Industrial
Clark	52 Westfield Avenue (Old A&P)	30	n/p	Proposed	Mixed Use with 75 units
Cranford	Walnut Ave & Chestnut Street	n/p	n/p	In Progress	Mixed Use with 250 units
Elizabeth/Newark	Newark Int'l Airport Terminal A project	2.7 B	1,000	In Progress	Terminal A Redevelopment
Elizabeth	Vinty-Faros-Mas, LLC	100	n/p	Completed	Mixed Use with 267 units
Garwood	Vermella at Garwood Station	n/p	n/p	In Progress	Mixed Use with 298 units
Garwood	2 North Avenue	1.3	n/p	In Progress	Mixed Use with four units
Linden	Legacy Development (Former GM)	550	2,400	In Progress	Mixed Use retail and Warehousing
Linden	Linden Logistics Center	n/p	n/p	In Progress	4.1 Million sq. ft. Warehouse/Distribution
Linden	Merida at 1001 West Elizabeth	90	n/p	In Progress	Mixed Use
New Providence	PBK44 NP LLC	n/p	n/p	Proposed	Mixed Use with 8 units
Plainfield	701 West Seventh Street	5	n/p	Proposed	Mixed Use with 14 residential units
Plainfield	719-731 West Front Street	3.5	16	Proposed	Mixed Use with 20 residential units
Plainfield	Front Street Offices – Landmark Developers	4.8	12	Proposed	Mixed Use with 12 units, Retail & Daycare
Plainfield	The Bank on the Park	4.8	16	Proposed	Retail & Banquet
Plainfield	101-209 West Second Street Commons	5	16	Proposed	Mixed Use with 148 units & 12,300 sq. ft. Retail
Roselle Park	County Educators Federal Credit Unit	4.8	n/p	In Progress	Commercial Building
Roselle Park	Roselle Park Urban Renewal- Fermmoor	14.3	n/p	In Progress	Residential Building with 218 units
Roselle Park	Meridia at Park Square	140	n/p	In Progress	Mixed Use with 341 units & 16,000 sq. ft. Retail
Springfield	The Metropolitan	50	20	In Progress	Mixed Use with 223 units & 5,215 sq. ft. Retail
Union Township	Centurion Union Center	n/p	n/p	In Progress	Mixed Use with 320 units & 27,000 sq. ft. Retail
Westfield	440 North Avenue E LLC	1.4	n/p	Proposed	Mixed Use with 10 units
Westfield	Greene Building	1.4	n/p	Proposed	Commercial Addition

Source: 2024 UCEDC Major Development Report

Transportation

The economy of Union County is centered upon its strengths in its diverse labor force, regional location and transportation access. The County is a major transportation nexus, served by eight railroad lines and major highways, such as, the NJ Turnpike with two exits, the Garden State Parkway with eight exits, Interstate Highways 78 with eight exits, and 278 with two exits, US Routes 1 & 9, and US Route 22. The County has 1,427 miles of roads and 170 miles of these roads are County roads. The County has two airports; Newark Liberty International Airport (partially in Union County and one of the largest airports in the country with extensive domestic and international destinations) and Linden Airport (provides local aviation and helicopter support). Newark Liberty Airport's international service also includes non-stop service to major Asian and European cities. The Port of New York and New Jersey serves as a significant employment center and hub for freight in the region with access to the waterways, access to major highways in Elizabeth/Newark area, access to Newark Liberty International Airport, and access to railways within the County's boundaries.

The sections below outline transportation related services and activities that relate to Union County as follows: Port Activity, Airport, Rail, Bus, Roadways and transportation improvement projects.

Port Activity

The Port of New York and New Jersey (PONYNJ) is the largest port on the East Coast of North America, third largest in the nation and a major creator of jobs and economic activity. Based on 2024 activity, it supports more than 580,000 regional jobs, and generates more than \$57.8 billion in personal income, \$163.7 billion in business income and close to \$18.1 billion in local, state and federal tax revenues. Through an integrated freight network with more destinations than any other US port, this gateway serves 46 million consumers within 4-hours and approximately 136 million people within a 36-hour reach.

The PONYNJ has port tenants in many sectors of the maritime industry including container terminals, auto processing centers, liquid and dry bulk entities, warehousing operations, truck depots, intermodal rail facilities, a cruise terminal and the region's only dry dock facility. The Port facilities of Newark, Elizabeth, Port Jersey, Greenville Yards and Howland Hook provide approximately 44,000 linear feet of berthing space.

The Port Authority's Port Department manages approximately 2,700 acres of maritime waterfront property dispersed throughout the New York Harbor, located within the two states over four counties and five municipalities and facilitates the transport of billions of dollars in cargo that move through those facilities. The port facilities include five container terminals, four on/near dock rail terminals, chassis and container depots, warehousing and distribution space, bulk cargo facilities, automobile receipt, delivery and processing facilities and other port support services.

Through year end 2025, the Port handled 8,897,531 - 20-foot equivalent units (TEUs) and captured over 35% of the North American East Coast market share. The Port is equipped to deal with virtually every type of cargo, including vehicles, containers, liquid and dry bulk loads, and much more. Also, through year end 2025, auto volumes were at 365,003 units, a decrease of 11% from the same period in 2024. The total value of all cargo handled in 2025 was approximately \$246 billion, a 3.3% increase over 2023.

ExpressRail, the Port Authority's ship-to-rail system, handled 718,942 lifts through December 2025, representing a 12.4% increase from 2024. ExpressRail accounts for approximately 14.7% of all container lifts at the Port through December 2025. The agency has invested more than \$600 million in its intermodal rail infrastructure – including the ExpressRail Elizabeth intermodal rail facility – the first of four rail terminals in the Port's ExpressRail network which has the capacity for 1.5 million rail lifts a year. Getting goods into the hands of consumers as quickly as possible through an efficient and reliable transportation network is the cornerstone of the port's competitive edge with global markets. ExpressRail enhances service reliability and operational efficiency, improves the environment and reduces congestion, generates jobs and economic activity, increases access to inland cargo markets and helps capture a higher percentage of East Coast market share.

In June 2017, the Bayonne Bridge “Raise the Roadway” Project was completed seven months ahead of schedule. The bridge raising project enables today’s larger, more efficient and more environmentally beneficial container ships to pass beneath the Bayonne Bridge when traveling to Port Newark and Elizabeth - Port Authority Marine Terminal and Howland Hook, Staten Island. The U.S. Coast Guard certified the bridge’s new navigational clearance at 215 feet, equivalent to the Verrazano-Narrows Bridge, from previous 151 feet— allowing vessels up to 18,000 TEUs from previous maximum of 9,500 TEU vessels to travel underneath it to port terminals. In 2025, 47.7% of cargo was carried in vessels that would have been unable to transit under the Bayonne Bridge prior to the raising of the bridge.

Newark Liberty International Airport – Passenger and Cargo Activity

Newark Liberty International Airport (NLI) had over 47 million passengers in year over year totals for 2025, which represents a 4.1 % decrease compared to 2024 (48.9 million passengers) based on the PONYNJ Airport Traffic Dashboard (ATD). Based on the 2024 Air Traffic Report (ATR), the Newark Airport employs 21,700 people and supports about 105,000 total jobs with 10.4 billion in payroll and contributes 24.8 billion in economic activity to the New York/New Jersey metro area. The Port Authority built a new one million square foot Terminal A, essentially completed in 2023, with 33 gates and also built a new parking facility that year consisting of 2,700 public parking spaces and 3,360 in rental parking spaces. Since 1948, the Port Authority has invested 8.7 billion to the NLI.

The NLI airport cargo facility consists of 290 acres and has nearly 1 million square feet of cargo space in modern buildings. The NLI serves more than 45 air carriers with nearly 1200 daily arrivals and departures to domestic and international destinations. The express carriers include FedEx, UPS, and DHL. In 2025, the total mail moved at NLI was 58,211 short tons which represents a 50.3% increase compared to 2024 (38,726 short tons of mail). Based on ATR data, Newark Airport in 2025 handled 679,097 short tons of freight which represents a reduction of 4.7% compared to 2024 (711,257 total short tons).

Airport Rail Access & Parking

Based on the ATR, in 2024 an engineering firm was selected to design the new maintenance and control facility and the pedestrian connectors, and to decommission the existing AirTrain. In November 2024, the PONYNJ Board of Commissioners reauthorized the AirTrain replacement program at a total project cost of \$3.5 billion, an increase of approximately \$1.45 billion from the previously authorized amount of \$2.05 billion to build a new Airtrain at the airport. Newark Liberty International Airport’s AirTrain system provides connections to NJ Transit and Amtrak rail links for connections between the airport and New York City, Philadelphia, points across New Jersey, and destinations beyond. Thousands of daily riders also use AirTrain Newark to travel between passenger terminals and to connect to parking lots and rental car areas. Construction was proposed to begin on the new AirTrain Newark system in 2025, with passenger service expected in 2030. The airport offers more than 14,250 parking spaces and a short-term surface lot in the CTA (Short-Term Parking B) and a long-term Economy Parking lot (P6), EWR has three parking garages: a newly built Consolidated Rent-a-Car Center and Public Parking facility (ConRAC garage, also referred to as Short-Term Parking A), boasting the single largest solar canopy at any airport in the country, with three upper levels designated for public parking and over 150 charging stations for electric vehicles (EV); the Daily Parking garage (P4), a six-level facility connected to an AirTrain station and offering 13 EV charging stations; and the C garage located across from Terminal C.

In 2024 the total number of passengers, based on the 2024 ATR, accessing Newark Airport by bus (motorcoach) was 411,151 which is an 11.28% increase from 2023 and passengers accessing the Airport by Rail was 7,391,395 which is a 14.03% decrease compared to 2023. The number of passengers by paid parking in NLI parking facilities totaled 1,812,641 in 2024 which represents a 16.09% increase over 2023. Passengers accessing NLI in 2024 by taxi totaled 599,599 which represents an 18.3% reduction compared to 2023.

Linden Airport

In addition to Newark Liberty International Airport, the County has one local general aviation airport in Linden. In recent years, this airport had been redeveloped with totally new facilities (i.e., FBO hangar, Tee hangars, fuel farm, etc.) The Linden Airport hosts approximately 43,000 flights per year or about 120 flights per day. The airport consists of a 188-acre facility with one (two direction) runway, at a length of 4,137 feet. This airport is the home base for approximately 143 aircraft, including a number of area television station helicopters and private airplane services.

Freight Rail Service

In addition to passenger rail services, there is rail freight service on the four passenger train routes and other lines provided by CONRAIL Shared Assets Organization (CSAO), making up a total of approximately 53.58 miles of railroad right-of-way traversing the County. This rail switching company is a joint venture of Norfolk Southern Corporation and CSX Corporation. Thus, Union County businesses have access to both of these major rail freight systems. In addition, the Canadian Pacific Railroad has intermodal freight facilities in nearby Essex County that are available to Union County businesses. In the port district, the Port Authority of New York and New Jersey continues improving its on-dock rail terminals, port equipment and services it provides in the Port Elizabeth area.

Fourteen miles of non-service rail freight lines (former Rahway Valley and Staten Island Railroads) within the County were purchased by the State of New Jersey Department of Transportation in 1994 for potential future freight activity. Union County took responsibility for these lines with cooperation from NJDOT in 2000 and contracted a rail company to reactivate freight service on these lines in order to foster economic development along these corridors. Parts of the Staten Island Railroad section of the line were refurbished. The County continues to maintain the two freight lines but the project has been placed on hold by NJDOT. Attempts by DOT to find a new rail company to complete and operate these lines have not materialized and the County's contract for these rail lines with NJDOT will expire before the end of July 2023. These rail lines would have helped adjacent businesses move and receive products however in the end the lack of support by the State and local opposition helped diminish the viability of the project. NJDOT is considering the use of parts of these former freight lines for pedestrian and bicycle recreation with associated municipalities in the County.

Passenger Rail Services

Union County is served by four major rail passenger lines that are operated by NJ Transit Corporation, the nation's first statewide mass transit operating authority. These are the Northeast Corridor Line (NEC), North Jersey Coast Line (NJCL), Raritan Valley Line (RVL) and the Morris and Essex Line (M&E), the latter of which is composed of the Morristown Line and the Gladstone Branch.

Improvements to the rail system that have already been made or are being engineered directly benefit the County. The communities of Summit, New Providence and Berkeley Heights on the Morris & Essex Line (M&E) have a direct ride into New York City as a result of the Kearny Connection completed in 2004. This is in addition to Elizabeth, Linden and Rahway along the Northeast Corridor Line (NEC) which has an existing connection to Newark/New York. The Raritan Valley Line began offering 12 "one seat" rides a day during off peak hours in January 2015 which is an expansion of the one seat rides offered since 2014 along this rail line.

A new station in Union Township was successfully added to the Raritan Valley Line in 2003. The addition of the Union Township Station has attracted several housing projects adjacent to the transit facility and Kean University. The train stations in Union County that were improved over the past twenty years included Rahway Station, on the Northeast Corridor Line (NEC), and Cranford on the Raritan Valley Line. On the Northeast Corridor (NEC), the Rahway station improvements a 524-parking space garage opened January 2005 by the Rahway Parking Authority.

The City of Elizabeth and County of Union convinced New Jersey Transit to consider rebuilding the Midtown Elizabeth Train Station Area which initiated a study on the rail station by NJ Transit in 2011. The Elizabeth Midtown Train Station project by NJ Transit was projected to cost \$71 Million and was scheduled to start in 2019 and be completed by 2022. However, due to the Pandemic and general economy, this project fell behind schedule. This project includes new train station buildings, associated platform improvements, elevator and staircase improvement, and renewed plaza while allowing train service to remain in operation without interruption. The Mid-town Elizabeth Train Station project was completed in June 2024.

Transit Villages

The County of Union currently has six municipalities that are designated Transit Villages by the New Jersey Department of Transportation:

- Rahway- Designated in 2002
- Cranford-Designated in 2003
- Elizabeth (Midtown)-Designated in 2007
- Linden-Designated in 2010
- Summit-Designated in 2013
- Plainfield-Designated in 2014

The Transit Village designation is recommended by an interagency Transit Village Task Force for municipalities demonstrating a commitment to revitalize and redevelop an area surrounding a transit facility promoting mixed-uses communities. The benefits of a designated transit village is the coordination of various state agencies and priority funding from these agencies along with technical assistance and eligibility for NJDOT grants. In 2007, the County completed a Transit Oriented Development Study funded by the New Jersey Office of Smart Growth. In Cranford, Garwood, Westfield and other County municipalities with rail stations, multiple mixed-use developments within a short distance of the associated rail stations have been completed or are under construction.

Associated Rail Lines and Station Data

Union County residents along the Northeast Corridor, North Jersey Coast, Morris & Essex, and Raritan Valley rail lines have access through the Newark Penn Station and Secaucus Junction to New York City and Hudson County. Beginning in March 2014, one-seat ride service was available on the Raritan Valley Line on weekdays during off-peak hours. Hudson County can be accessed via connections at Newark Penn Station (e.g. PATH, Hudson-Bergen Light Rail, etc.). The Port Authority indicated it will explore the potential to extend the PATH into Union County. Secaucus Junction station also provides train passengers from Union County access to Passaic County, Bergen County, and New York City.

Based on New Jersey Transit data for average weekly passenger boardings for Fiscal Year (FY) 2025 are shown in a table below for the three rail lines by associated stations in noted Union County municipalities:

Station Name	Rail Line	Average Weekday Boarding
Elizabeth	Northeast Corridor	2,984
North Elizabeth	NEC	698
Linden	NEC	1,838
Rahway	NEC	2,185
Cranford	Raritan Valley Line	760
Fanwood	RVL	592
Garwood	RVL	145
Plainfield Stations	RVL	848
Roselle Park	RVL	625
Westfield	RVL	1,364
Union Township	RVL	1,074
Berkeley Heights	Morris & Essex Lines	296
New Providence Stations	M&E	508
Summit	M&E	2,492

Source: New Jersey Transit, FY 2025 Weekday Ridership Data

Based on FY 2025 NJ Transit data, rail ridership shows a slight percentage increase overall for the three rail lines that serve Union County between 2024 and 2025 as the general economy stabilized after the impacts from the Covid period. The four Union County rail stations on the Northeast Corridor experienced an increase in an average weekly ridership by 3.2% compared to 2024. The Raritan Valley Line (RVL) with eight Union County stations experienced a slightly greater ridership increase of 5% as compared to the prior year while the Morris and Essex Line (M&E) with four stations in the County experienced a slightly less increase of 4.7% in ridership compared to FY2024. In general, the number of rail passenger trips experienced in Union County has significantly increased as the general economy stabilized between 2021 and 2025 however as there are increases in unemployment and destabilization policies by the Federal Government the economy and transit use may be impacted in the near future. All rail stations serving Union County saw increase between 2% to up to 14% in weekly rail passenger trip numbers except for the Raritan Valley stations in Plainfield which saw a minor 1.3% decrease in weekly rail passenger numbers. Nevertheless, most stations that service Union County showing continued growth due to development and local economy.

Bus Service

The New Jersey Transit Corporation based on 2019 data operates 27 different bus routes, which includes three other carriers who operate additional routes in the County. These bus routes combine to have over 2,000 bus stops and serve all 21 municipalities in Union County. Based on NJ Transit's FY2025 (July 2024-June 2025) report, bus routes generated a total of 61.4 million New York interstate passenger trips and 63.9 million North Jersey intrastate bus passenger trips, representing an increase of 2.8% and 7% respectively compared to the same period the prior year. The NY interstate bus passenger trips for the Essex, Middlesex, Union area for FY 2025 totaled 7 million passenger trips which represent a 4.2% increase over 2024 and the North Jersey Intrastate bus routes total passenger trips for the Essex, Middlesex, and Union area was 45 million passenger trips showing a 4% increase compared to 2024.

Other bus services in the County include private bus lines and special buses to New York City, beach areas or Atlantic City for daily excursions. Specific shuttle routes such as the Township of Union provide residents access to the local rail stations. The Township of Cranford required the Woodmont Station (a recent 163-unit residential development) developers to provide a shuttle for residents needing rail station access. A previous pilot shuttle service continues to serve the retail center on Route 22 taking employees across the highway to prevent pedestrians crossing Route 22.

Major Roadways

Union County is served by the following regional arterial highways: the NJ Turnpike, the Garden State Parkway, Interstate Routes 78 and 278, United States (US) Route 22, US Routes 1 & 9, and New Jersey Routes 24, 27, 28, 82 and 439. These roadways serve Union County residents as the main means within and around the County for access to employment, schools, shopping, recreation and various other activities. The major roadways also provide access to the three main rail lines that traverse the County and provide easy access to New York City, Trenton, Philadelphia, and other major cities along the east coast as an alternate means to vehicle use on major roadways.

Major Transportation Projects

The County has conducted numerous studies with regard to transportation, safety and infrastructure deficiencies to address future transportation needs. These efforts have identified major transportation related opportunities noted below:

- North Avenue Corridor Improvements, Elizabeth- As part of the Kapkowski Road Transportation Planning Study concluded in October 2003 and the ongoing design work on the North Avenue Corridor Improvement (NACI) Project, a series of improvements will separate port destined traffic from those accessing the burgeoning commercial and retail development in the waterfront area of Elizabeth. The project received additional federal transportation earmark funds, an allocation of the Liberty Corridor monies and support from the Port Authority of New York and New Jersey. The County continues to work with the Port Authority on moving this project forward.
- Tremley Point Access in City of Linden – In cooperation with the New Jersey Turnpike, this project will give direct truck access to over 400 acres of brownfields redevelopment for port and distribution related activities. Due to its close proximity to Port Elizabeth/Newark and Newark Liberty International Airport, it is anticipated that this area could accommodate over 4 million square feet of new distribution facilities. The construction of the Tremley Point Connector Road by the New Jersey Turnpike has received funds through the Liberty Corridor and the necessary environmental approval process is advancing. Union County continues to actively work with New Jersey Turnpike, City of Linden and other transportation agencies in relation to advancing the associated roadway improvements, connecting bridge, as well as, rail access and potential barge access to the Tremley Redevelopment Area. In association to this area a rail bridge is proposed by the Goodman North American Partners 2.8 million square foot warehouse building along Graselli/South Wood Avenue to improve access to this proposed facility in the Tremley Point area.
- Elizabeth Train Station- The project reconstructed the train station and associated platforms for a station that has 8,000 average weekday riders and annually more than 1 million passengers. This station would be constructed over a 4-to-5 year period costing approximately \$71 million. The grand re-opening was held on June 18, 2024.
- Cross County Rail link – this would provide rail access from Midtown Elizabeth along the former CNJ rail line to a connection at the Raritan Valley Line in Cranford. The transportation access link would provide commuter’s access to the Northeast Corridor which has additional frequency and direct connections to New York City. NJ Transit is considering a Bus Rapid Transit (BRT) as an alternative to rail access along the Cross County right-of-way. The BRT would also include bicycle and pedestrian access adjacent to the dedicated bus lanes.
- Trenton Avenue Bridge - The County Engineering Office is working on the construction of a three-span bridge in Elizabeth costing approximately \$5 million. The work started in September 2025 and is anticipated to be completed by June 2026.

Utility Services

Three state regulated and investor-owned utility companies provide all electric and gas services to the residents of the County. Public Service Electric & Gas (PSE&G) provides the majority of the County's electric needs. General Public Utilities serve the northwestern sector of the County, which includes Springfield, Berkeley Heights, New Providence and a portion of Mountainside. The Elizabethtown Gas Company provides gas service to a major portion of the County, while Plainfield, Springfield, Summit, Berkeley Heights, New Providence and a portion of Mountainside receive their gas service from PSE&G. Utility companies along with federal and state government have been offering incentives for personal and commercial/industrial facilities to incorporate solar systems to their properties to augment traditional energy resources.

The County's water supply is furnished by investor-owned water companies, with the exception of the City of Rahway, which owns its own municipal water system, which is operated by Veolia North America, and the City of Elizabeth, which depends entirely on wholesale water purchase from outside sources. The three major water utility companies that directly supply water to customers in the County are Elizabethtown Water Company, New Jersey-American Water Company and the City of Rahway. During periods of low flow along the Rahway River, the City of Rahway occasionally purchases water from outside sources.

The treatment of sanitary sewerage in the County is presently handled on a regional basis. This method of collection and treatment affords the maximum economy to the participating municipalities. The following regional systems serve the County: The Joint Meeting of Essex and Union Counties, Rahway Valley Sewerage Authority, Plainfield Area Regional Sewerage Authority (customer of Middlesex County Utilities Authority), Linden-Roselle Sewerage Authority and municipally-owned systems that are located in, and provide service to, Berkeley Heights and New Providence.

Health Facilities

The County has six hospitals located within its boundaries: Overlook, Trinitas, Robert Wood Johnson, Summit Oaks, Children's Specialized Hospitals, and Runnells Specialized Hospital ("Runnells Hospital"). Runnells Hospital, located in Berkeley Heights, was formerly operated by the County of Union but is now operated by a private entity. Children's Specialized Hospital also operates an outpatient rehabilitation facility in the Borough of Fanwood. The Elizabeth area is served by Trinitas Hospital. The County is also home to about 20 extended/adult care/convalescent facilities and numerous surgical centers throughout the County. The County is also serviced by various municipal first aid and ambulance squads, including the Union County EMS, which has sixteen ambulances to assist the municipalities within the County with emergency response and first aid.

Privatization of Runnells Hospital

In 2012, Union County retained Complete HealthCare Resources-Eastern, Inc. (CHR) to study ways to enable Runnells Hospital to operate on a sustainable footing. CHR issued its report in January 2013, which concluded that due to declining Medicare and Medicaid reimbursements along with other significant factors, including decreasing occupancy rates and Medicare census, rising employee and operational costs, and capital expense requirements, the County should consider options for the continuation of Runnells. These options included revenue enhancements, expense reductions, and alternative ownership.

Based upon the conclusions and recommendations of the CHR Report, the County determined to explore transferring the Hospital operations to the Union County Improvement Authority ("UCIA") for the possible transfer of such operations to a third-party, while simultaneously evaluating methods of revenue enhancement and expense reduction. In 2013, as authorized by their respective governing bodies, the County and the UCIA entered into a Memorandum of Understanding; pursuant to which the UCIA undertook a Request for Qualifications and Proposals ("RFQ/P") process seeking a private provider that wished to purchase or lease the Hospital. The Review Committee obtained an independent appraisal of the Hospital which appraised value was determined to be \$26,000,000.

In February 2014, the proposers submitted their responses to the Review Committee. After several months of negotiations, the closing on the sale of the Hospital and the transfer and assumption of certain operations of Runnells Hospital took place on December 15, 2014. The Hospital was sold to Center Management Group, LLC ("Center") for \$26,000,000. The County of Union retained the operation of the Cornerstone Unit of Runnells Hospital under a ten (10) year lease with a subsidiary of Center: Runnells BH Operating, LLC. The unit has been renamed by the County as the Cornerstone Behavioral Health Hospital of Union County.

Union County, pursuant to the Sale/Lease Agreement for Runnells Specialized Hospital from 2014, turned over the operation of Cornerstone Hospital to the successor to Center Management on October 16, 2024. As of that date, the County has no further responsibility concerning ownership of the property or the operation of the mental health facility.

Educational, Recreational and Cultural Activities

The County's diversity of people, businesses and supportive systems servicing urban, suburban and rural communities is further strengthened by its educational, recreational and cultural assets. The County is the birthplace of many renowned scholars, athletes, inventors, researchers and statesmen. The history of the County is rich in elements of the early American foundation movements. Additionally, the County's proximity to New York City offers its residents the opportunity to enjoy a wide variety of the finest cultural resources in the world.

Education

Public:

Within Union County there are the following public local education agencies:

- 20 Regular Districts
- 5 Charter Schools
- 1 Vocational Technical School- (contains 6 high school/academies)
- 1 Educational Services Commission
- 1 Jointure Commission
- Rutgers Cooperative Extension

There are 28 local public education agencies. Each agency has individual school buildings in which services are provided to students. Union County services approximately 94,000 students through these local public agencies. Union County has 179 public school buildings (113 elementary, 29 middle schools, 37 four-year high schools).

Non-Public Schools:

There are 61 Non-Public schools located in Union County. Current enrollment status is not known for FY24. The grade span for non-public varies greatly. However, 15 service students between grade levels K-12 and the rest predominately service Pre-K to Eighth grades.

Private Schools for the Disabled:

Currently there are 8 Private-Schools for the Disabled (“PSD”) in Union County, which provide services to NJ public student via tuition base paid by local education agency.

Source: Union County Superintendent of Schools 2026

Higher Education

- Kean University of New Jersey, Union Township provides undergraduate and graduate degree.
- Union College of Union County, NJ has campuses in Cranford, Elizabeth, Plainfield and Scotch Plains. Providing associate degree and certificate programs.
- Rutgers Cooperative Extension (RCE) of Union County provides educational programs for adults and youth through 3 departments: Family & Community Health Sciences, 4-H Youth Development and Agriculture/Resource Management and is one of twenty-one RCE county offices in New Jersey as “Rutgers in the County”. Cooperative Extension is a nation-wide network of educators funded through: (1) the Farm Bill, (2) NJ Agricultural Experiment Station, School of Environmental and Biological Sciences (SEBS) at Rutgers University, New Brunswick, NJ along with local County Board of Commissioners. Cooperative Extension brings science-based education from Rutgers-New Jersey’s Land-Grant University to the public in each county. In 2014 the Cooperative Extension System celebrated its 100th year in the U.S.

Institutes of Higher Education within 15 Miles

- Rutgers University, Newark and New Brunswick Campuses
- New Jersey Institute of Technology, Newark
- Bloomfield College, is now affiliated with Montclair State University, Upper Montclair
- Seton Hall University, South Orange
- Saint Elizabeth University, Convent Station
- Caldwell University, Caldwell
- Drew University, Madison
- Fairleigh Dickinson University, Madison

Source: Union County Superintendent of Schools, 2026

Parks and Recreation

Union County's parks and recreation system is among the finest in the nation. Union County's Department of Parks and Recreation operates and maintains 38 park and recreation areas on approximately 6,400 acres of park land. Trailside Nature and Science Center located in the Watchung Reservation Mountainside includes interactive, state of the art exhibits and classrooms along with a new, award winning Sensory Trail for people with disabilities. The Watchung Stable in the Watchung Reservation offers 26 miles of bridle trails and can house 100 County and privately- owned horses. The Stable is equipped with indoor and outdoor riding rings, horse paddocks and offers lesson, camps, trail rides and more. Recently renovated, the Warinanco Sports Center in Roselle offers year-round sports activities including ice skating, soccer games and tournaments, batting cages, a café and 3 modern rooms for rent. Walter Ulrich Memorial Pool in Rahway and the John Russell Wheeler Spray Park in Linden provide summer fun for all. Two public golf courses – Ash Brook Golf Course in Scotch Plains and Galloping Hill Golf Course in Kenilworth/Union are two exceptional golf facilities within the County. Galloping Hill Golf Course includes a 43,000 square foot LEED Silver certified facility which includes a golf clubhouse, conference center and 300- person banquet facility along with a TaylorMade Performance Lab as part of the driving range at The Learning Center. In addition to an 18-hole golf course and par 27 pitch and putt course at Ash Brook Golf Course, the clubhouse houses a restaurant, pro shop, offices and locker rooms.

There are numerous historic landmarks and sites in the County, 65 of which are included in the National Register of Historic Places. The County-owned Deserted Village of Feltville in Berkeley Heights was selected in 1980 as a National Historic District. From the Merchants and Drovers Tavern in Rahway, a principal stop on the main stagecoach line between New York and Philadelphia during the era 1750 to 1850, to the Drake House in Plainfield, an 18th century farm house once frequented by George Washington, the County has American history, culture and diversification to appreciate.

The County of Union owns and leases a Performing Arts Center to the Union County Performing Arts Center, located in Rahway in the historic Rahway Theatre. The County restored the 1,300-seat facility in 1996 and more recently (2008) renovated the Orchestra/backstage area of the theatre. The UCPAC is in close proximity to the Rahway train station and easily accessible by major roadways. The Performing Arts Center provides live performances, educational, and entertainment for the County and region. The facility hosts a variety of events throughout the year including musical concerts, comedy shows, plays, ballets, children shows and holiday events.

The County is also in proximity to the New Jersey Performing Arts Center and Prudential Center, both in Newark, through various modes of transportation. The PNC Arts Center, in Holmdel, accessible via the Garden State Parkway, and the Meadowlands Sport Complex, in East Rutherford, by the New Jersey Turnpike, are further examples of the resources that surround the County that help to make the County an enjoyable and prosperous place to live, work and conduct business.

COUNTY INDEBTEDNESS AND DEBT LIMITS

Legal Framework

The Local Bond Law provides for the appropriation of funds for certain capital improvements and for the issuance of obligations of the County to finance such appropriations. Bonds of any issue must mature within the average period of usefulness of the items bonded. Serial payment of bond principal is required with no annual installment exceeding by more than 100% the amount of the smallest prior installment. A 5% cash down payment is generally required toward the financing of expenditures for County purposes. The County may sell short-term bond anticipation notes to temporarily finance a capital improvement or project in anticipation of the issuance of bonds if the bond ordinance or subsequent resolution so provides. Bond anticipation notes are full faith and credit obligations of the County and may be issued for a period not exceeding one year and may be renewed from time to time for up to ten years. The County must begin to amortize such notes beginning in the third year and in each subsequent year. The installment payment that is required to amortize the notes is equal to the amount of the first legally payable installment on the bonds in anticipation of which the notes are issued. If the appropriate amortization is commenced in the third year and in each subsequent year, the notes must finally mature and be paid not later than the first day of the fifth month following the close of the tenth year next following the date of issuance of the original notes.

Debt Limits

The debt of the County is limited by the Local Bond Law to an amount equal to 2% of its equalized valuation basis. The equalized valuation basis of the County is set by statute as the average for the last three years of the equalized value of all taxable real property within its boundaries as annually determined by the State Board of Taxation for each of the three most recent years. Certain categories of debt are permitted by statute to be deducted for purposes of computing the statutory debt limit. The County is within its debt limit. As of December 31, 2025, the County's percentage of statutory net debt was 0.422%.

Although the rental payments under the lease agreements between the County and the Union County Improvement Authority with respect to various County projects, including the Park Madison Building, Juvenile Detention Facility, County College Building, Child Advocacy Center, Family Court Building and the County Administration Complex (financed by the Union County Improvement Authority through the issuance of its \$109,645,000 principal amount of County Guaranteed Lease Revenue Bonds Series 2024 (Union County Administration Complex Project) on April 25, 2024) are direct and general obligations of the County, payable from the levy of ad valorem taxes, the rental payments do not constitute "Debt" under the Local Bond Law. Even if such rental payments were considered "Debt" under the Local Bond Law, the County would still be within its debt limit. See "Authority Debt" herein.

Exceptions to Debt Limit – Extensions of Credit

The debt limit of the County may be exceeded only with the approval of the Local Finance Board, Division of Local Government Services (the “Division”) of the New Jersey Department of Community Affairs. If all or any part of the proposed debt authorization would exceed its debt limit, the County must apply to the Local Finance Board for an extension of credit. In considering the request, the Local Finance Board concentrates its review on the effect of the proposed authorization on outstanding obligations and operating expenses and the anticipated ability of the County to meet the proposed obligations. If the Local Finance Board determines, pursuant to statute and regulation, that a proposed debt authorization would materially impair the ability of the County to meet its obligations or to provide essential services, approval would be denied.

Debt Statements

The County must report all new authorizations of debt or changes in previously authorized debt to the Division. The Supplemental Debt Statement, as this report is known, must be submitted to the Division before final passage of any debt authorization. Before January 31 of each year, the County must file an Annual Debt Statement with the Division. This report is made under oath and states the authorized, issued and unissued debt of the County as of the previous December 31. Through the Annual and Supplemental Debt Statements, the Division monitors all local borrowings. Even though the County’s authorizations are within its debt limits, the Division is able to enforce State regulations as to the amounts and purposes of local borrowings.

The following table shows the categories for which the County has issues general obligation bonds as of December 31, 2025. The County’s full faith and credit have been pledged for the payment of the principal of and interest on such indebtedness.

SCHEDULE OF BONDED INDEBTEDNESS AS OF DECEMBER 31, 2025

General County Purposes	\$236,705,000
College Bonds	\$20,550,000
Vocational School Bonds	\$39,690,000
Gross Bonded Debt	<u>\$296,945,000</u>

HISTORY OF BONDED DEBT RATIOS

YEAR	NET VALUATION	GROSS BONDED DEBT AS OF DECEMBER 31	GROSS BONDED DEBT TO NET VALUATION
2021	\$77,746,562,530	\$378,043,000	0.49%
2022	\$83,701,680,955	\$397,240,000	0.47%
2023	\$92,871,318,083	\$347,225,000	0.37%
2024	\$101,925,308,241	\$343,100,000	0.34%
2025	\$110,206,858,769	\$296,945,000	0.27%

Source: Abstract of Ratables, Union County Board of Taxation.

YEAR	POPULATION*	GROSS BONDED DEBT AS OF DECEMBER 31	GROSS BONDED DEBT PER CAPITA
2021	575,345**	\$378,043,000	\$657.08
2022	575,345**	\$397,240,000	\$690.44
2023	575,345**	\$347,225,000	\$603.50
2024	575,345**	\$343,100,000	\$596.34
2025	575,345**	\$296,945,000	\$516.12

** - 2020 Census

SCHEDULE OF COMPARATIVE DEBT

DATE	BONDS OUTSTANDING	BOND ANTICIPATION NOTES OUTSTANDING	AUTHORIZED NOT ISSUED	TOTAL
December 31, 2025	\$296,945,000.00	\$49,280,000.00	\$151,933,321.99	\$498,158,321.99
December 31, 2024	\$343,100,000.00	\$25,800,000.00	\$151,804,870.10	\$520,704,870.10
December 31, 2023	\$347,225,000.00	\$70,000,000.00	\$139,363,175.37	\$556,588,175.37
December 31, 2022	\$397,240,000.00	\$45,000,000.00	\$122,825,859.46	\$565,065,859.46
December 31, 2021	\$378,043,000.00	\$80,000,000.00	\$106,917,607.65	\$564,960,607.65

See also, Schedule of Debt Issued by Other Public Bodies and Guaranteed by the County.

STATUTORY DEBT AS OF DECEMBER 31, 2025

Gross Debt

Serial Bonds issued and outstanding	\$296,945,000.00	
Bond Anticipation Notes issued and Outstanding	\$49,280,000.00	
Authorized but not issued	\$151,933,321.99	
Bonds Issued by other bodies and guaranteed by the County	\$185,969,582.00	
Dam Restoration Loans	\$482,373.14	
		<u>\$684,610,277.13</u>

Statutory Deductions

Reserve to pay Serial Bonds & Notes	\$20,295,755.07	
Cash on Hand to Pay Notes	\$34,055.85	
Bonds issued by other public bodies and guaranteed by the County	\$185,969,582.00	
Bonds issued and bonds authorized but not issued – Capital Projects for County Colleges	\$13,600,000.00	
		<u>\$219,899,392.92</u>
		<u>\$464,710,884.21</u>

Net Debt

Equalized Valuation of Real Property

Year 2023	\$99,497,384,403.00
Year 2024	\$109,183,224,578.00
Year 2025	\$121,741,612,811.00

3 year average Equalized Valuation of Real Property **\$110,140,740,597.33**

Percentage of Net Debt of Equalized Valuation Basis 0.422%

**Debt Issued by Union County Utilities Authority
And Secured by Deficiency Agreements with the County As of December 31, 2025**

Resource Recovery Facility Lease Revenue	
Refunding Bonds (Covanta Union Inc. Lessee-Series 2011 A) (AMT)	\$104,200,000.00
Solid Waste System Revenue Refunding Bonds (County Deficiency Agreement-Series 2011 A) (Tax Exempt)	\$47,245,000.00
Solid Waste System Revenue Refunding Bonds (County Deficiency Agreement –Series 2011 B) (Federally Taxable)	\$550,000.00
TOTAL	\$151,995,000.00

See "Authority Debt-Union County Utilities Authority" herein

**SCHEDULE OF DEBT ISSUED BY OTHER PUBLIC BODIES AND GUARANTEED BY THE COUNTY AS OF
DECEMBER 31, 2025**

<u>Issuer*</u>	<u>Purpose</u>	<u>Year</u>	<u>Issued & Outstanding</u>	<u>Unissued</u>	<u>Total</u>
UCIA	Oakwood	2015	2,179,582.00	0	2,179,582.00
UCIA	Family Courthouse	2017	6,070,000.00	0	6,070,000.00
UCIA	Oakwood Refunding	2018	16,230,000.00	0	16,230,000.00
UCIA	Family Courthouse	2021	42,135,000.00	0	42,135,000.00
UCIA	Renewable Energy Program	2021	1,005,000.00	0	1,005,000.00
UCIA	UC Government Complex	2024	107,995,000.00	10,355,000.00	118,350,000.00
TOTAL			\$175,614,582.00	\$10,355,000.00	\$185,969,582.00

AUTHORITY DEBT

Union County Improvement Authority

The Union County Improvement Authority (the “UCIA”) was created by ordinance of the Union County Board of Chosen Freeholders on June 5, 1986, as amended. From time to time the UCIA has financed eligible projects on behalf of various entities. The bonds issued to finance such projects are special obligations of the UCIA payable solely out of revenues derived from such entities or projects. Because such other bonds are special obligations of the UCIA, any defaults in the payments that may occur by any such entity do not have any effect on the other bonds of the UCIA.

As of December 31, 2025, the UCIA had the following bonds outstanding:

Description of Debt

(all current interest except as noted)

	<u>Amount</u>
City of Linden General Obligation Lease Revenue Bonds (Linden Airport Project), Series 1998	\$3,770,000
City Guaranteed Revenue Bonds, Series 2004 (City of Linden – South Wood Avenue Redevelopment Project) (Federally Taxable)	\$1,680,000
City of Linden Guaranteed Revenue Bonds, Series 2007 (City of Linden Morning Star Redevelopment Project) (Federally Taxable)	\$425,000
Lease Revenue Refunding Bonds, Series 2013A (Tax- Exempt) (City of Plainfield – Park Madison Redevelopment Project)	\$16,845,000 (2)

Description of Debt**(all current interest except as noted)****Amount**

County of Union General Obligation Lease Revenue Bonds, Series 2013A & 2013B (Cranford College Project)	\$5,385,000 (2)
Revenue Refunding Bonds, Series 2014 A & C (County College Facility Project)	\$745,000 (2)
Juvenile Detention Center Refunding Bonds, Series 2015A	\$15,045,000
County Guaranteed Revenue Bonds, Series 2015A (Current Interest Bonds) (Oakwood Plaza-Elizabeth Project) (Federally Taxable)	\$400,000 (1)
County Guaranteed Revenue Bonds, Series 2015B (Capital Appreciation Bonds) (Oakwood Plaza-Elizabeth Project) (Federally Taxable)	\$1,779,582 (1)
Linden Omnibus Refunding, Series 2016	\$5,720,000
County Guaranteed Lease Revenue Bonds, Series 2017 (Union County Family Court Building Project-Elizabeth)	\$6,070,000 (1) (2)
County Guaranteed Revenue Refunding Bonds, Series 2018 (Oakwood Plaza-Elizabeth Project) (Federally Taxable)	\$16,230,000 (1)
Solid Waste Disposal Revenue Bonds (Aries Linden, LLC Project) Series 2019 (AMT) (Green Bonds)	\$19,885,000
County Guaranteed Lease Revenue Refunding Bonds, Series 2021 (Union County Family Court Building Project)	\$42,135,000 (1) (2)
Solid Waste Disposal Revenue Bonds (Aries Linden, LLC Project) Series 2021 (AMT) (Green Bonds)	\$11,500,000
County Guaranteed Renewable Energy Program Revenue Bonds, Series 2021	\$1,005,000 (1)
Solid Waste Disposal Revenue Bonds (Aries Linden, LLC Project) Series 2023	\$8,500,000
Roselle Library, Series 2023	\$5,730,000
UC Government Complex, Series 2024	\$107,995,000 (1) (2)
Aries Bonds, Series 2024	\$21,500,000
Total Outstanding UCIA Debt as of December 31, 2025	\$292,344,582.00

(1) This debt is guaranteed by the County.

(2) This debt is paid by the County subject to annual appropriations as a lease payment.

Lease Payment Default in County Guaranteed UCIA Oakwood Plaza Bond Issue

On December 28, 2018, the UCIA issued its \$19,620,000 County Guaranteed Revenue Refunding Bonds, Series 2018 (Oakwood Plaza-Elizabeth Project) (Federally Taxable) (the “2018 Oakwood Plaza Bonds”). The County, in accordance with the terms of its County guaranty and pursuant to the County Guaranty Agreement dated as of December 1, 2018 (the “County Guaranty”) between the County, Wells Fargo Bank, N.A. (the “Trustee”) and the UCIA, fully, unconditionally, and irrevocably guaranteed the timely payment of the principal of and in interest due on, the 2018 Oakwood Plaza Bonds.

The 2018 Oakwood Plaza Bonds are secured by the Trust Estate (as defined in the Trust Indenture dated as of December 1, 2018, between the Authority and the Trustee). The Trust Estate includes, among other things, a lien and pledge of Revenues, which includes payments made to CIS Oakwood, LLC (the “Developer”) by four entities which operate the Parkers View, Parkers Walk, Westminister Heights and Oaks at Westminister pursuant to various ground leases. Those entities, in turn, rent units to low income residents by property. The payments pursuant to the various ground leases (derived from the rents) were structured to be sufficient, collectively, to pay debt service on the 2018 Oakwood Plaza Bonds.

On September 1, 2021 and September 2, 2021, flooding resulting from Hurricane Ida caused significant damage to all four projects. As a result, tenants in the buildings were forced to relocate to other residences causing a loss in the rents from the tenants. Consequently, there were insufficient funds generated, collectively, from each of the ground leases to pay the required debt service on the 2018 Oakwood Plaza Bonds.

Principal and Interest on the 2018 Oakwood Plaza Bonds in the amount of \$1,102,216.15 was due on December 1, 2021. Pursuant to the County Guaranty, the County paid an amount of \$502,216.65 that, together with \$600,000 of available monies on deposit in the Debt Service Fund of the Bond Resolution, was sufficient to pay the principal of, and interest due on the 2018 Oakwood Plaza Bonds on December 1, 2021. Interest on the 2018 Oakwood Plaza Bonds in the amount of \$517,822.15 was due on June 1, 2022. Pursuant to the County Guaranty, the County paid an amount of \$507,800.61 that, together with \$10,021.54 of available monies on deposit in the Debt Service Fund of the Bond Resolution, was sufficient to pay the interest due on the 2018 Oakwood Plaza Bonds on June 1, 2022. Principal and interest on the 2018 Oakwood Plaza Bonds in the amount of \$1,122,822.15 was due on December 1, 2022. Pursuant to the County Guaranty, the County paid such entire amount of debt service due on the 2018 Oakwood Plaza Bonds on December 1, 2022. To the extent payments are made under the County Guaranty, the City of Elizabeth (the “City”) is obligated to make payments to the County of one-half of the deficiency paid by the County, up to \$10,000,000, as partial repayment to the County of any funds extended by the County under the County Guaranty. The aggregate principal amount of the 2018 Oakwood Plaza Bonds currently outstanding is \$16,230,000.

The County also paid the full \$10,500 December 1, 2022 interest payment due on the UCIA’s \$400,000 County Guaranteed Revenue Bonds, Series 2015A (Current Interest Bonds) (Oakwood Plaza – Elizabeth Project) (Federally Taxable) (the “2015A Oakwood Plaza Bonds”) pursuant to a county guaranty. The 2015A Oakwood Plaza Bonds are currently outstanding in the principal amount of \$400,000, were part of the Oakwood Plaza Apartments financing, and are secured by the Trust Estate (as defined in the Trust Indenture dated November 15, 2015, between the Authority and the Trustee), which includes revenues generated from the operation of Parkers Walk Project.

The Developer secured significant State funding in December 2022 to rehabilitate Oakwood Plaza Apartments and pay the County back in full the amounts it paid in bond guaranty payments. The County then reimbursed the City for payments made by the City to the County under the City’s guaranty. Moreover, the Developer secured the necessary funding to pay debt service on the 2018 Oakwood Plaza Bonds and the 2015A Oakwood Plaza Bonds through June of 2023. The Project received final certifications of occupancy for completion of the rehabilitation in December 2023. The Project began to re-occupy in January 2024 and hit stabilized occupancy of over 90% in December 2025. The County appropriated sufficient monies in the 2023, 2024 and 2025 budgets to pay for all debt service due on the 2018 Oakwood Plaza Bonds and the 2015A Oakwood Plaza Bonds in 2023, 2024 and 2025; however, the Developer was able to make the 2023, 2024 and 2025 debt service payments. The County appropriated sufficient monies in the 2026 temporary budget to pay for all debt service due in 2026 for the Oakwood 2015 and 2018 series bonds.

The 2018 Oakwood Plaza Bonds and the 2015A Oakwood Plaza Bonds are not in default, and the principal amounts of the 2018 Oakwood Plaza Bonds and the 2015A Oakwood Plaza Bonds have not been accelerated. Accordingly, the debt service payment schedules for the 2018 Oakwood Plaza Bonds and the 2015A Oakwood Plaza Bonds upon original issuance remain in effect.

Union County Utilities Authority

The Union County Utilities Authority (“UCUA”) was created by ordinance of the Union County Board of Chosen Freeholders (now known as the Union County Board of County Commissioners) on June 5, 1986, as amended on December 11, 1986. UCUA was designated by the County Commissioners as the implementing agency for the Union County District Solid Waste Management Plan (the “County Plan”).

UCUA is the owner of the Union County Resource Recovery Facility (“Facility”), a waste-to-energy facility utilizing mass-burn technology and capable of processing 1,540 tons per day. The Facility designed and constructed by Ogden Martin Systems of Union, Inc. - subsequently known as Covanta Union, LLC (“Covanta”) - commenced commercial operation on or about July 1, 1994, pursuant to a Service Agreement by and between Covanta and UCUA. Covanta Operations of Union, LLC (“Operator”) operates and maintains the Facility pursuant to an Amended and Restated Operation and Maintenance Agreement, dated as of December 15, 2011, between the Company and the Operator.

UCUA and Covanta (now known as Reworld) entered into a Waste Disposal Agreement, dated as of February 15, 1998, as amended, supplemented and restated (the “Waste Disposal Agreement”), for a term ending on the close of business on December 15, 2031, unless sooner terminated as provided therein. Failure by UCUA to annually deliver 330,000 tons of Solid Waste Types 10 and 25 (“Acceptable Waste”) generated in the County and 100,000 tons of Acceptable Waste generated by governmental entities located outside the County for disposal (the “Guaranteed Tonnage”) does not constitute a default under the Waste Disposal Agreement, provided that the Service Charge for such Guaranteed Tonnage is paid to Reworld. However, in the event UCUA does not deliver the Guaranteed Tonnage, certain mitigation procedures set forth in the Waste Disposal Agreement are triggered. UCUA’s obligation to deliver Acceptable Waste to the Facility in an amount equal to the Guaranteed Tonnage was intended to be satisfied from three sources: (1) Acceptable Waste generated within certain municipalities within the County that have entered into local waste disposal agreements (in the amount of approximately 175,000 tons per year), (2) Acceptable Waste generated within the remaining municipalities in the County that have not entered into such local waste disposal agreements (approximately 155,000 tons per year) and (3) Acceptable Waste generated within governmental units outside of the County (but within the State) (in the amount of 100,000 tons per year).

In order to fulfill its waste delivery obligations to the Company under the Waste Disposal Agreement, UCUA entered into “Local Waste Agreements” with certain governmental units in the County, including the County, the municipalities of Elizabeth, Garwood, Hillside, Kenilworth, Linden, New Providence, Rahway, Roselle, Roselle Park, Springfield, Union and Winfield, and the Plainfield Municipal Utilities Authority (now the City of Plainfield) and the Summit Municipal Utilities Authority. Each such local unit is required to deliver (or cause to be delivered) to the Facility all Acceptable Waste generated within the geographic boundaries of the local unit that is collected by or on behalf of the local unit and to pay UCUA a service charge for each ton of Acceptable Waste (or its guaranteed tonnage if less Acceptable Waste is delivered) as set forth in the Local Waste Agreements. The Local Waste Agreements, together with Acceptable Waste delivered to the Facility pursuant to state-approved regulatory “flow control,” currently account for the processing of 100% of the processible solid waste generated in the County and are UCUA’s principal source of revenues.

Prior to an amendment of the Facility Lease Agreement in 2016, which terminates at the close of business on December 15, 2031, UCUA leased the Facility to Reworld and, in exchange, Reworld paid “fixed annual rent” to UCUA of \$8,000,000 per annum (“Basic Rent”) from December 16, 2011 through December 15, 2026. Basic Rent thereafter through the end of the term of the Facility Lease Agreement is reduced to \$100 per annum; however, beginning on January 1, 2027 through December 15, 2031, the Company is obligated to make “Annual Revenue Share” payments to UCUA pursuant to a Revenue Sharing Agreement. The Annual Revenue Share is calculated according to a formula set forth in the Revenue Sharing Agreement and is based on the actual gross revenues of Reworld for the applicable Revenue Sharing Period. Payments by

Reworld under the Facility Lease Agreement and Revenue Sharing Agreement are pledged by UCUA to the holders of UCUA's 2011 Facility Lease Revenue Bonds.

UCUA filed a petition with the New Jersey Department of Environmental Protection ("NJDEP") on April 6, 2016, requesting approval of an extension of the term of the Facility Lease Agreement for a period of twenty-two (22) years from December 15, 2031 to December 15, 2053, and modifications to the Waste Disposal Agreement. As consideration for the extension of the term of the Facility Lease Agreement, Reworld agreed to pay UCUA as Facility Rent during the lease extension period starting on December 16, 2031 an annual amount equal to the greater of (1) Minimum Rent of \$4 million annually in monthly installments of \$333,333.33 or (2) 30% of Reworld's net profits resulting from the operation of the UCRRF.

Under the terms of the Waste Disposal Agreement, UCUA had experienced shortfalls in its waste delivery obligations, primarily with regard to the requirement for delivery of 100,000 tons from New Jersey governmental entities outside of the County. UCUA incurred shortfall payment obligations in calendar years 2013 through 2015, and paid to Reworld the undisputed portions of the shortfall payments for 2013 and 2014, formally disputed the balance of the shortfall payments amounts for each year, placed funds in escrow pending further negotiations between the parties, and ultimately paid the shortfall payments to Reworld as part of the extension of the term of the Facility Lease Agreement. Reworld and UCUA also agreed to eliminate the 100,000-ton delivery requirement as additional consideration for the extension of the term of the Facility Lease Agreement.

UCUA continues to be obligated to deliver 330,000 tons annually of Acceptable Waste generated within the County, until the termination of the Waste Disposal Agreement on December 15, 2031. Upon the expiration of the Waste Disposal Agreement, UCUA will have to publicly procure disposal capacity for Acceptable Waste generated within the County in accordance with the Local Public Contracts Law ("LPCL"), which may include a disposal contract award to Reworld as a result of an open, competitive, non-discriminatory and constitutionally-permissible procurement.

The extension of the Facility Lease Agreement term through December 15, 2053 will produce rental payments of at least \$88 million, with an opportunity to obtain additional rental revenues based upon UCUA's right to 30% of Reworld's annual net profits during the extension period resulting from the operation of the Facility in the event that percentage of the net profits exceeds the \$4 million base rental amount. Combined with the approximate \$54 million savings from the elimination of the 100,000-ton delivery obligation and potential shortfall tonnage payments, the monetary benefits from the extension of the lease term will approximate \$142 million.

The proposed amendments to the Facility Lease Agreement and Waste Disposal Agreement were subject to certain conditions precedent, including obtaining NJDEP approval and certification of an amendment of the County Plan. A Plan Amendment was recommended to the County Commissioners pursuant to Resolution No. 82-2015 adopted by UCUA on February 3, 2016. The Plan Amendment was properly noticed and the subject of a public hearing by the County Commissioners conducted on February 18, 2016 and was forwarded to NJDEP for review and certification in accordance with the Solid Waste Management Act. Had the conditions precedent not been met, the amendments to the agreements would have terminated and UCUA and Reworld would have been discharged from their respective obligations thereunder.

The Commissioner of NJDEP issued a Solid Waste Order on June 30, 2016, wherein he found that the proposed amendments to the Facility Lease Agreement and Waste Disposal Agreement, among other things, extending the Facility Lease Agreement from December 15, 2031 to December 15, 2053, are in the public interest as they reflect a fair allocation of the risks and benefits between UCUA and Reworld, permit UCUA's solid waste debt to be retired solely from revenues derived from solid waste disposal, and will result in the UCRRF being financially viable. In approving the proposed amendments to the Facility Lease Agreement and Waste Disposal Agreement, the Commissioner also found that they will result in the provision of solid waste disposal services and facilities necessary for the public health, safety, welfare, and convenience of the recipients and users of these services and facilities, and will not materially impair the ability of UCUA to punctually pay the principal and interest on its outstanding indebtedness and continue to provide other essential public improvements and services.

The Commissioner also issued a Certification of the February 18, 2016 Plan Amendment to the County Plan, finding that the proposed Plan Amendment was consistent with the objectives, criteria, and standards set forth in the Statewide Solid Waste Management Plan. In the certification, the Commissioner approved the inclusion in the County Plan of the amendments to the Facility Lease Agreement and Waste Disposal Agreement, and directed all solid waste facility operators and transporters operating within the County to comply with the provisions of the Plan Amendment and all other applicable provisions of the County Plan.

In correspondence, dated November 4, 2020, UCUA formally provided notification to Reworld in accordance with the Amended and Restated Waste Disposal Agreement (“Agreement”) of a Projected Delivery Shortfall as such term is defined in the Agreement and informed Reworld of UCUA’s intention to rely upon the Uncontrollable Circumstances provision in the Agreement due to the outbreak of COVID-19.

Pursuant to Section 3.01 of the Agreement, UCUA is required to notify Reworld should it be reasonably anticipated that a shortfall will occur in the number of tons of solid waste expected to be delivered on behalf of UCUA in a calendar year. Reworld is required to use commercially reasonable efforts to increase the amount of Acceptable Waste that it accepts from other customers in order to mitigate any such Projected Delivery Shortfall and/or minimize or eliminate the Shortfall Amount.

The notice to Reworld indicated that, despite its best efforts under Section 3.01 of the Agreement, UCUA reasonably anticipates that it will experience a shortfall of approximately 10,000 tons of In- County Waste during 2020 and that a shortfall is also reasonably expected in 2021 as a result of COVID-19 and the then-current Executive Orders of Governor Murphy restricting some business operations and the conduct of the public at large, and that UCUA may not meet its obligation to deliver Acceptable Waste. The shortfall in 2020 occurred despite UCUA having taken all actions necessary to enforce waste flow control in Union County in order to be able to satisfy its tonnage delivery obligations in accordance with the Agreement.

In addition, due to the onset of COVID-19 in early 2020 and the subsequent Executive Orders limiting business activities and social gatherings, UCUA advised Reworld it intends to assert that its delivery obligations during 2020 were directly, materially and adversely affected by COVID-19 and should be excused as a result of an event beyond the reasonable control of UCUA pursuant to Article V of the Agreement as well as any rights that UCUA may possess by statute or under common law.

Reworld acknowledged in correspondence, dated January 15, 2021, receipt of UCUA’s notice and presented UCUA with a calculation of actual tons delivered in 2020 and mitigation revenues generated by Reworld’s acceptance of non-Union County waste to address the then-projected shortfall. Based upon the actual delivery of 319,972.2 tons of Union County waste in 2020 and mitigation revenues of \$481,504.73, Reworld asserted that UCUA owed \$235,305.72 as a result of the tonnage shortfall of 10,027.8 tons.

UCUA engaged in discussions with Reworld to reach a mutually acceptable resolution of the dispute. The parties ultimately agreed to share responsibility for the shortfall payment arising in 2020, with each party being responsible for fifty percent (50%) of the shortfall amount of \$235,305.72. Pursuant to duly adopted Resolution No. 28-2021, UCUA approved the settlement of the dispute and authorized the payment of fifty percent (50%) - \$117,652.86 – of the shortfall amount for the year 2020 in full settlement of any claims by Reworld for shortfall payments pursuant to the Waste Disposal Agreement, which payment was effectuated March 26, 2021. There was no tonnage delivery shortfall in 2021.

There was a minimal shortfall in 2022 which resulted in no demand for shortfall payments for that year. In September 2023, the UCUA informed Reworld of a projected shortfall of 7,500 tons for 2023 and increased its own efforts to reduce the anticipated shortfall. Thereafter, Reworld employed contractually required mitigation efforts which, coupled with the UCUA’s efforts, resulted in an actual shortfall of 4,880 tons and substantially reduced the UCUA’s 2023 shortfall payment obligation to \$76,030.40. There was no tonnage delivery shortfall in 2024 and 2025.

Pursuant to the County Plan, all solid waste generated within the County that cannot be processed at the Facility (“Non-Processible Waste”), such as construction and demolition debris, was required by regulatory flow control to be delivered to a landfill located in Kearny, New Jersey that was operated by the New Jersey Meadowlands Commission (“NJMC” and now known as the New Jersey Sports and Exposition Authority). Non-Processible Waste is processed and disposed of in exchange for a per ton fee set by UCUA, which includes a component for debt service. In anticipation of the expiration of the NJMC Agreement, UCUA issued Bid Specifications on November 16, 2015 for the provision of disposal services for Non-Processible Waste and awarded a contract at a public meeting on December 16, 2015 to Waste Management of New Jersey, Inc. (“WMI”) for a term of three years, with UCUA maintaining an option to extend the contract for two additional years. A petition for approval of the WMI Agreement was filed with the NJDEP, and a plan amendment to incorporate the WMI Agreement in the County Plan was adopted by the County Commissioners and submitted to the NJDEP for certification.

On June 13, 2016, the Commissioner of NJDEP issued a Solid Waste Order, approving the WMI Agreement as in the public interest, for a term of three years terminating on June 19, 2019, with UCUA maintaining an option to extend the contract for two additional years. Simultaneously, the Commissioner issued a Certification of the February 11, 2016 Plan Amendment to the County Plan to incorporate the WMI Agreement in the County Plan and to authorize regulatory waste flow control for Non-Processible Waste to the WMI Transfer Station/Materials Recovery Facility in Elizabeth, New Jersey. The Commissioner’s Certification of the February 11, 2016 Plan Amendment was based upon a finding that the proposed Plan Amendment was consistent with the objectives, criteria, and standards set forth in the Statewide Solid Waste Management Plan. WMI began to provide Non- Processible Waste disposal services on June 19, 2016.

In anticipation of the expiration of the Agreement with WMI in June 2019, UCUA issued Bid Specifications on November 15, 2018 for the provision of disposal services for Non-Processible Waste, and subsequently awarded a contract on January 3, 2019 to WMI for a term of five years, commencing June 19, 2019, as the lowest, complying bidder, in accordance with the LPCL.

A petition for approval of the 2019 WMI Agreement was filed with the NJDEP. Also, a plan amendment adopted by the County Commissioners to incorporate the WMI Agreement in the County Plan was submitted to the NJDEP for certification. On July 24, 2019, the Commissioner of NJDEP issued a Solid Waste Order, approving the WMI Agreement as in the public interest, for a term of five years terminating on June 19, 2024. The Commissioner issued a Certification of the January 24, 2019 Plan Amendment to the County Plan to incorporate the 2019 WMI Agreement in the County Plan and to authorize regulatory waste flow control for Non-Processible Waste to the WMI Transfer Station/Materials Recovery Facility in Elizabeth, New Jersey. The Certification of the January 24, 2019 Plan Amendment found that the proposed Plan Amendment was consistent with the objectives, criteria, and standards set forth in the Statewide Solid Waste Management Plan.

In anticipation of the expiration of the Agreement with WMI in June 2024, UCUA issued Bid Specifications on December 29, 2023 for the provision of Non-Processible Waste disposal services, and subsequently awarded a contract on January 30, 2024 to WMI for a three year term commencing June 20, 2024, as the lowest, complying bidder, in accordance with the LPCL. At the same time, the UCUA approved a resolution recommending to the County Commissioners that a Plan Amendment be adopted by that body to incorporate the WMI Agreement, and the continuation of regulatory flow control over Non-Processible Waste, into the County Plan, and that the Plan Amendment be submitted to the NJDEP for certification. On March 13, 2024, the County Commissioners adopted an ordinance amending the County Plan to incorporate the WMI Agreement and the continuation of regulatory flow control over Non-Processible Waste. The Plan Amendment was subsequently submitted to the NJDEP for review and approval. On June 17, 2024, the NJDEP issued a Certification of the March 13, 2024 Plan Amendment to the County Plan to incorporate the 2024 WMI Agreement into the County Plan and to authorize regulatory waste flow control for Non-Processible Waste to the WMI Transfer Station/Materials Recovery Facility in Elizabeth, New Jersey. The Certification of the March 13, 2024 Plan Amendment found that the proposed Plan Amendment was consistent with the objectives, criteria, and standards set forth in the Statewide Solid Waste Management Plan.

As of December 31, 2025, the UCUA had the following bonds outstanding:

<u>Description of Debt</u>	<u>Outstanding Amount</u>
\$115,730,000 Resource Recovery Facility Lease Revenue Refunding Bonds (Covanta Union, Inc. Lessee – Series 2011A) (AMT)	\$104,200,000 (1)
\$47,245,000 Solid Waste System Revenue Refunding Bonds (County Deficiency Agreement – Series 2011A) (Tax –Exempt)	\$47,245,000 (2)
\$21,835,000 Solid Waste System Revenue Refunding Bonds (County Deficiency Agreement – Series 2011B) (Federally Taxable)	\$550,000 (2)
<hr/>	
Total Outstanding UCUA Debt as of December 31, 2025	\$151,995,000

(1) The 2011 Resource Recovery Facility Lease Revenue Bonds are paid from fixed annual rent under the Facility Lease Agreement, Annual Revenue Share under the Revenue Sharing Agreement, and are further supported by a Limited Deficiency Agreement between the County and UCUA. Under the Limited Deficiency Agreement, the County has agreed, among other things, to replenish any deficiency in the Bond Reserve Fund and to pay to UCUA an amount equal to the service charges, monthly shortfall payments and the shortfall amount payable under the Waste Disposal Agreement with respect to the difference between the guaranteed tonnage of UCUA under the Waste Disposal Agreement and the aggregate guaranteed tonnages of the participating local units under the Local Waste Agreements. To date, the County has not made any payments under the Limited Deficiency Agreement.

(2) The 2011 County Deficiency Agreement Bonds are paid from Stranded Investment Charges (as defined in the general bond resolution relating to such bonds), and are further secured by a County Deficiency Agreement, dated as of December 29, 2011, between the County and UCUA (the “County Deficiency Agreement”). The County is obligated to pay the amount of any deficiency to UCUA for deposit directly in the Bond Reserve Fund. The obligation of the County to make payment of the deficiency is absolute and unconditional and remains in full force and effect for the term of the County Deficiency Agreement. To date, the County has not been required to make payments under the County Deficiency Agreement.

The 2011 Resource Recovery Facility Lease Revenue Bonds and 2011 County Deficiency Agreement Bonds were issued to provide funds for the refunding of certain bonds issued by UCUA in 1998.

Open Space, Recreation and Historic Preservation

On November 7, 2000, the voters of the County approved a referendum authorizing the creation of an Open Space Recreation and Historic Preservation Trust Fund (the “Fund”).

The Fund is funded by a tax levy of 1.5 cents per \$100 of County equalized real property valuation for a period of twenty years.

The Fund is used for acquisition of lands for recreation and conservation purposes, development of lands acquired for recreation and conservation purposes, maintenance of lands acquired for recreation and conservation purposes, preservation of historic properties, acquisition of such properties for historic preservation purposes, or payment of debt service of indebtedness issued by the County for such purposes (other than maintenance purposes).

The first quarterly collection of open space taxes was paid on August 15, 2001. The County collected \$16,531,028,80 in 2025 (unaudited).

COUNTY OF UNION DEBT SERVICE SCHEDULE AS OF DECEMBER 31, 2025

YEAR	BOND PRINCIPAL	BOND INTEREST	LEASE PAYMENTS	DAM LOANS	NOTE PRINCIPAL	NOTE INTEREST	TOTAL
2026	50,065,000.00	8,766,140.95	17,494,553.21	209,540.31	0.00	1,971,200.00	78,506,434.47
2027	48,900,000.00	7,264,925.04	15,674,406.32	131,461.47	0.00	0.00	71,970,792.83
2028	47,550,000.00	5,771,912.54	15,654,789.30	105,331.48	0.00	0.00	69,082,033.32
2029	40,430,000.00	4,417,406.27	15,170,693.63	52,665.74	0.00	0.00	60,070,765.64
2030	39,725,000.00	3,179,881.25	15,394,303.93	0.00	0.00	0.00	58,299,185.18
2031	23,215,000.00	2,161,600.00	15,379,547.70	0.00	0.00	0.00	40,756,147.70
2032	14,280,000.00	1,483,937.50	15,354,524.55	0.00	0.00	0.00	31,118,462.05
2033	11,365,000.00	1,003,618.75	15,313,563.36	0.00	0.00	0.00	27,682,182.11
2034	11,225,000.00	605,281.25	14,654,517.04	0.00	0.00	0.00	26,484,798.29
2035	5,265,000.00	302,300.00	10,213,177.66	0.00	0.00	0.00	15,780,477.66
2036	4,925,000.00	98,500.00	10,209,503.33	0.00	0.00	0.00	15,233,003.33
2037	0.00	0.00	10,209,537.06	0.00	0.00	0.00	10,209,537.06
2038	0.00	0.00	10,202,590.72	0.00	0.00	0.00	10,202,590.72
2039	0.00	0.00	10,188,016.26	0.00	0.00	0.00	10,188,016.26
2040	0.00	0.00	10,190,182.95	0.00	0.00	0.00	10,190,182.95
2041	0.00	0.00	10,193,477.20	0.00	0.00	0.00	10,193,477.20
2042	0.00	0.00	10,191,732.70	0.00	0.00	0.00	10,191,732.70
2043	0.00	0.00	6,643,037.50	0.00	0.00	0.00	6,643,037.50
2044	0.00	0.00	6,645,037.50	0.00	0.00	0.00	6,645,037.50
2045	0.00	0.00	6,643,531.25	0.00	0.00	0.00	6,643,531.25
2046	0.00	0.00	6,644,625.00	0.00	0.00	0.00	6,644,625.00
2047	0.00	0.00	6,642,325.00	0.00	0.00	0.00	6,642,325.00
2048	0.00	0.00	6,646,206.25	0.00	0.00	0.00	6,646,206.25
2049	0.00	0.00	6,645,843.75	0.00	0.00	0.00	6,645,843.75
2050	0.00	0.00	6,644,475.00	0.00	0.00	0.00	6,644,475.00
2051	0.00	0.00	6,642,031.25	0.00	0.00	0.00	6,642,031.25
2052	0.00	0.00	6,644,790.63	0.00	0.00	0.00	6,644,790.63
2053	0.00	0.00	6,642,340.63	0.00	0.00	0.00	6,642,340.63
2054	0.00	0.00	6,644,268.75	0.00	0.00	0.00	6,644,268.75
	296,945,000.00	35,055,503.55	301,417,629.43	498,999.00	0.00	1,971,200.00	635,888,331.98

Capital Improvement Program

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

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 program. The Capital Budget and Capital Improvement Program do not represent actual authorization of projects, but rather conceptual recognition of the County’s need for specific capital improvements.

With restrictions on current spending and new financial resources 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 consideration is the degree to which a facility will be able to either generate revenues or significantly reduce costs.

The County’s Capital Improvement Plan requires that all departments justify the need for a particular capital project or piece of equipment. All capital requests are scrutinized to determine if the request (1) meets the needs of the citizens of the County; (2) are important to the County’s governmental operations; (3) are within the financial guidelines set forth for all capital projects; and (4) are able to realize additional revenues.

Future Financing of the County

The County’s general plan is to issue general obligation bonds every two years, except for bonds issued for County College purposes and partially secured by State aid, which are generally issued annually. The County also issues bond anticipation notes for specific capital improvements, as needed, and retires them with the next issue of general obligation bonds. The County’s most recent new money bond issues were a \$46,835,000 combined series issued on June 13, 2024 and \$2,965,000 County College Bonds of 2025 (Chapter 12 State Aid) issued June 17, 2025. On June 12, 2025, the County issued \$49,280,000 of bond anticipation notes due June 12, 2026 (the “Outstanding Notes”). The County intends to roll over \$23,922,498 of the Outstanding Notes (the remaining balance after cancellations of authorizations) as well as add \$19,402,502 of new money notes for a total issue of \$43,325,000 to be issued June 12, 2026 and mature on June 11, 2027 (the “2026 Notes”). \$25,250,000 of the Outstanding Notes will be refunded by the Bonds. The County intends to issue County College bonds in 2027, and to issue bond anticipation notes at the same time to renew the 2026 Notes (after cancellation of authorizations) and provide new borrowing.

Six Year Capital Program 2026

<u>Project Title</u>	<u>Six Year Estimate</u>
Administrative Services	\$1,500,000.00
County Clerk’s Office	\$206,400.00
Division of Engineering	\$67,838,879.00
Division of Facilities Management	\$250,000.00
Division of Information Systems	\$1,820,000.00
Department of Parks and Recreation	\$19,285,500.00
Division of Park Maintenance	\$5,203,000.00

<u>Project Title</u>	<u>Six Year Estimate</u>
Prosecutor	\$1,398,176.00
Public Safety – Police	\$3,910,000.00
Public Safety - EMS	\$543,000.00
Department of Public Works	\$11,100,000.00
Surrogate’s Office	\$55,000.00
Union County College	\$6,856,640.00
Union County Vocational Technical Schools	\$7,000,000.00
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	\$126,966,595.00
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<u>Funding Per Year</u>	
2026	\$44,341,595.00
2027	\$29,495,000.00
2028	\$17,375,000.00
2029	\$16,800,000.00
2030	\$17,955,000.00
2031	\$1,000,000.00
	<hr/>
	\$126,966,595.00
	<hr/>

<u>Funding Sources</u>	
Grants	\$44,038,879.00
Down Payments, Bonds & Notes	\$82,927,716.00
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	\$126,966,595.00
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TAX COLLECTION DATA

County Tax Rates

The following table sets forth the valuations on which County taxes are apportioned:

NET EQUALIZED VALUATION ON WHICH TAXES ARE APPORTIONED

Year	Net Valuation
2022	\$83,701,680,955
2023	\$92,871,334,633
2024	\$101,925,308,241
2025	\$110,206,858,769
2026	\$122,556,856,016

Source: Union County Board of Taxation 2026

ASSESSED VALUATION

Year	Net Valuation Taxable
2022	\$39,790,880,661
2023	\$39,801,536,543
2024	\$55,029,771,081
2025	\$55,244,961,035
2026	\$55,162,366,257

Source: Union County Board of Taxation 2026

COUNTY TAX RATE PER \$100 OF EQUALIZED VALUATION

Year	Tax Rate
2021	\$0.4735
2022	\$0.4390
2023	\$0.3949
2024	\$0.3678
2025	\$0.3456

Source: Union County Board of Taxation 2026

TAX COLLECTION RECORD

FISCAL YEAR BEGINNING JANUARY	TOTAL COUNTY TAX	PERCENT OF COLLECTION
2021	\$367,295,299.43	100.00%
2022	\$367,295,299.43	100.00%
2023	\$367,295,299.43	100.00%
2024	\$373,722,967.17	100.00%
2025	\$380,263,119.10	100.00%

NET TOTAL TAXABLE VALUE OF LAND AND IMPROVEMENTS

	2026	2025	2024	2023	2022	2021
1. Vacant Land	1,247,246,900	1,391,844,400	1,476,391,766	416,342,700	386,922,300	368,974,100
2. Residential	38,254,518,049	38,037,542,303	37,796,519,149	30,787,418,874	30,594,757,966	25,405,250,754
3a. Regular Farm	312,100	442,200	442,200	442,200	684,200	684,200
3b. Qualified Farm	31,620	31,620	31,620	37,520	42,420	42,320
4a. Commercial	7,226,250,150	7,346,150,830	7,296,515,910	4,652,121,282	4,701,291,262	3,788,418,342
4b. Industrial	5,115,732,750	5,205,498,850	5,242,825,150	2,463,087,750	2,463,177,150	2,120,628,250
4c. Apartment	3,282,467,100	3,219,604,100	3,173,441,400	1,449,994,500	1,607,975,600	927,180,100
Total Assessed Value	55,126,558,669	55,201,114,303	54,986,167,195	39,769,444,826	39,754,850,898	32,611,177,976

Source: Union County Board of Taxation 2026

TOP 10 TAXPAYERS 2026

Property Location	Assessed	Total Taxes	Type of Business	Owner
1900A Brunswick Ave Linden, NJ	108,924,500	8,000,504.50	Industrial	Phillips 66 Co-Property Tax S1364
2000 Galloping Hill Road Kenilworth, NJ	106,889,500	7,081,429.50	Industrial	Kenilworth Corp Property LLC
556 Morris Avenue	153,900,000	6,880,869.00	Industrial	Summit W. Celgene Att: BMS Re Director
E Scott Ave, Rahway, NJ	87,612,200	6,644,509.00	Industrial	Merck Sharp & Dohme Corp
E Scott Ave, Rahway, NJ	86,662,000	6,536,748.00	Industrial	Merck Sharp & Dohme Corp
1800 W Edgar Rd, Linden, NJ	78,401,000	5,758,553.50	Industrial	Merck Sharp & Dohme Corp
535-603 Mountain Avenue New Providence, NJ	83,348,100	4,779,717.50	Commercial	Redwood-ERC NP LLC & Altus Group
1100 E Edgar Road Linden, NJ	61,362,000	4,507,039.00	Industrial	Phillips 66 Co-Property Tax S1364
600 Mountain Avenue Berkeley Heights, NJ	76,065,000	3,347,620.75	Commercial	Alcatel – Lucent USA/Atn. Corp Counsel
1100 E Edgar Road Rear Linden, NJ	40,000,000	2,938,000.00	Commercial	Infineum USA LP/Bill McCabe

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 as well as the Open Space, Recreation and Historic Preservation Trust Fund.

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 receives its share of the taxes collected from the first taxes collected by each municipality. This assures the County of 100% collection.

Tax Appeals

The Union County Board of Taxation (the “Tax 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 Tax Board, which conducts a hearing. If the appeal is granted, the municipality remits payment to the taxpayer. The County tax assessed to the municipality for the succeeding year is then reduced by the total amount of the appeals that were granted. Therefore, the County does not remit payment to the taxpayer or the municipality for appeals granted.

If the Tax 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. If the appeal is successful at this level, the reimbursement procedures are the same as described above.

COUNTY GOVERNMENT

The County operates under N.J.S.A. 40:41A-1 et seq., the “Optional County Charter Law”. Specifically, the County structure is the County Manager Plan. The legislative powers and responsibilities of the County are vested in the (elected) Board of County Commissioners.

There are nine members on the Board, all elected on an at-large basis from the County’s twenty-one municipalities. The Board sets policy, adopts the operating and capital budgets for the County, enacts ordinances and generally sets the direction in which County government moves toward the delivery of governmental services. Commissioners serve for terms of three years beginning on the first day of January following their election, with terms being staggered such that three seats on the Board are up for election each year. The Board meets 4 times a month in accordance with the Optional County Charter Law.

The executive/administrative powers and responsibilities of the County are vested in the County Manager. There are nine major administrative departments (Administrative Services, Parks and Recreation, Finance, Human Services, Public Safety, Corrections, Engineering and Public Works and Facilities, Economic Development and Runnells Specialized Hospital). Additionally, there are Constitutional Officers (County Clerk, County Prosecutor, County Sheriff and County Surrogate) and other governmental functions (County Counsel, Clerk of the Board, Election Board, Tax Board, Superintendent of Schools and Extension Services). The major administrative departments are required to make reports to the County Manager concerning the financial, personnel, purchasing and general services management. The County Manager is responsible for enforcing the Charter and Administrative Code and all resolutions, ordinances and general laws of the County. The County Manager reports to the Board of County Commissioners and the public on the result of the previous year’s operations in an Annual Report and submits an Annual Executive Budget and Work Program outlining the goals, objectives and funding plan for each year. The County Manager appoints the Directors of the County Departments and all personnel within the County (with the exception of the County Counsel, County Treasurer and Clerk of the Board, which are appointed by the Board), subject to State Department of Personnel rules and regulations.

The County Manager may attend meetings of the Board and participate in all discussions and matters relative to County Government but, has no vote or veto rights in the proceedings of the Board. The current County Manager was appointed by the Board for an indefinite term beginning March 1, 2018.

COUNTY BUDGET AND STATEMENTS OF REVENUES AND EXPENDITURES

Budget Requirements

No County budget may be adopted without the approval of the Director of the Division of Local Government Services (the "Director"). The Director approves the budget once a determination has been made that the budget meets all of the requirements of the Local Budget Law (Chapter 4 of Title 40A of the New Jersey Statutes, as amended), and all of the regulations of the Local Finance 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 appropriations. 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) payment of interest and debt redemption charges; (b) deferred charges and statutory expenditures; (c) cash deficit of the preceding year; (d) reserve for uncollected taxes; and (e) other reserves and non-disbursement items. Anticipated nontax revenues are limited to the amount actually realized in the previous year unless the Director certifies a higher figure. 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 in which they were issued.

Miscellaneous revenues generally consist of operating surplus from the prior year, County purpose tax, State and Federal Aid, interest on investments, user fees, license fees and permits. No miscellaneous revenues from any source shall be included as an anticipated revenue in the budget in an amount in excess of the amount actually realized in cash from the same source during the next preceding fiscal year, unless the Director shall determine upon application by the governing body that the facts clearly warrant the expectation that such excess amount will actually be realized in cash during the fiscal year and shall certify such determination, in writing, to the local unit. (N.J.S.A. 40A:4-26)

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.

No budget or amendment thereof shall be adopted unless the Director shall have previously certified his approval thereof. (N.J.S.A. 40A:4-10)

Limitations on County Appropriations and Tax Levy

A statute passed in 1976 as amended and supplemented (N.J.S.A. 40A:4-45.1 et seq.), commonly known as the “Cap Law,” imposed limitations on increases in county appropriations and the county tax levy subject to various exceptions. While the Cap Law restricts the ability of a county to increase its overall appropriations and tax levy, the payment of debt service is an exception from these limitations. The Cap formula is somewhat complex, but basically, it permits a county to increase its overall appropriations and tax levy by the lesser of 2.5% or the Cost-of-Living Adjustment (“COLA”). Increases up to 3.5% in the tax levy are allowed by adoption of a resolution whenever the COLA is less than 2.5%. The COLA is the rate of annual percentage increase in the Implicit Price Deflator for State and Local Government purchases of goods and services computed by the U.S. Department of Commerce. Exceptions to the limitations imposed by the Cap Law also exist for other items including capital expenditures; extraordinary expenses approved by the Local Finance Board for implementation of an interlocal services agreement; expenditures mandated as a result of certain emergencies; and certain expenditures for services mandated by law. The Cap Law does not limit the obligation of the County to levy ad valorem taxes upon all taxable real property within the County to pay debt service.

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

As is the case with the Cap Law, Chapter 62 does not limit the obligation of the County to levy ad valorem taxes upon all taxable real property within the County to pay debt service.

The County tax levy and appropriation increases for the year 2010 were within the limits allowed by the Cap Law and Chapter 62, taking into account applicable adjustments and without requesting any waivers from the Local Finance Board.

On July 13, 2010, P.L. 2010, c. 44 was approved, effective for budget years following enactment (the 2011 budget for the County), reducing the Chapter 62 tax levy cap to 2% and limiting the exclusions to amounts required to be raised by taxation for debt service as defined by law, certain pension contributions and health care costs in excess of 2% and extraordinary costs directly related to a declared emergency. Majority voter approval may be requested to increase the amount to be raised by taxation by more than the allowable adjusted tax levy. The County’s 2011 to 2026 budgets complied with the tax levy and appropriation caps, taking into account applicable adjustments.

Annual Audit

The Local Fiscal Affairs Law, Chapter 5 of Title 40A of the New Jersey Statutes, as amended, regulates the non-budgetary financial activities of the County. An annual, independent audit of the County's accounts for the previous year must be performed by a license Registered Municipal Accountant. The audit, conforming to the Division's "requirement of audit," includes recommendations for improvement of the County's financial procedures and must be filed with the Director of the Division prior to September 1 of each year. A synopsis of the audit report, together with all recommendations made, must be published in a local newspaper within 30 days of its completion.

The chief financial officer of the County must file annually with the Director a verified statement of the financial condition of the County and all constituent boards, agencies or commissions.

Deferral of Current Expenses

Supplemental appropriations made after the adoption of the budget and determination of the tax rate may be authorized by the Board of County Commissioners. However, with minor exceptions, if such appropriations exceed 3% of the adopted operation budget, consent of the Director must be obtained. (N.J.S.A. 40A:4-48).

Results of Operations

The County's fund balance at December 31, 2025 is \$197,454,271.24 (unaudited).

2026 Budget

The County adopted the 2026 Budget on April 30, 2026. The total amount of the budget is \$559,192,647.06. The tax levy is \$387,868,381.48.

Jail Facility Developments

The Union County Jail housed approximately 345 prisoners until June, 2021. Over the previous ten years, the inmate population had decreased from 1,009 to 345. As a result of the steady decline in the inmate population, the County made the policy decision to transfer its inmate population to the Essex County Jail and realign the organizational structure for correctional services to realize substantial savings.

The counties of Union and Essex entered into a 5-year Agreement to transfer and house adult inmates currently housed in the Union County Jail operated by the Union County Department of Corrections (UCDOC) to the Essex County Department of Corrections (ECDOC) effective July 1, 2021. Union County prisoners will be housed and supervised by Essex County, to the extent of capacity, at a per diem cost per prisoner ranging from \$104 to \$106 during the five-year contract term. Prior to the transfer of Union County inmates to the Essex County Facility, Union County will conduct full medical screenings and medical clearance. Once in the Essex County Facility, all ordinary, routine non-hospital, nonemergency medical care and over-the-counter medications for Union County inmates will be paid by Essex County.

With the prisoner transfers, Union County will cease the long-term housing of inmates through the UCDOC. Consequently, the UCDOC will be eliminated by action of the Union County Board of County Commissioners. Toward that end, a lay-off plan was submitted to and subsequently approved by the New Jersey Civil Service Commission.

The lay-off plan took effect 11:59 p.m. on June 30, 2021 and impacted staff within the UCDOC. Since there is still a need for the transportation and temporary holding of individuals awaiting criminal adjudications and court appearances, approximately 53 employees were retained via an intradepartmental transfer to serve as employees of the Union County Sheriff, through the operation of a smaller correctional transitional facility known as the "Hub." The Hub is staffed 24 hours a day, 365 days a year.

The decision to eliminate the UCDOC was made possible because of the symbiosis of (1) Essex County benefiting from increased revenue derived from filling excess capacity with Union County prisoners and (2) Union County having a viable alternative in place for the transfer, housing, and supervision of all of its long-term prisoners.

The five-year County budgetary savings for July 1, 2021 – June 30, 2026 is projected to be approximately \$103.8 million.

STATEMENT OF EXPENDITURES LAST FIVE YEARS

	2025 * (Unaudited)	2024	2023	2022	2021
General Government	138,276,687.32	128,923,185.00	115,603,744.00	112,052,315.00	104,297,657.00
Regulation/Public Safety	94,069,488.64	94,386,220.00	87,185,449.00	84,675,246.00	85,186,397.00
Roads & Bridges/ Operational Services	17,988,911.51	20,094,621.00	19,411,668.00	18,621,885.00	20,774,988.00
Health & Welfare	60,561,423.32	75,260,990.00	74,690,675.00	74,133,078.00	72,773,180.00
Educational	16,375,986.00	22,411,966.00	22,321,348.00	22,429,333.00	22,323,861.00
Recreational	16,806,198.72	20,501,762.00	15,433,905.00	15,747,659.00	15,710,466.00
Unclassified	11,855,995.47	12,427,025.00	11,666,410.00	10,173,481.00	9,626,245.00
State & Federal Programs	44,518,522.14	88,173,694.00	92,976,834.00	164,410,213.00	134,080,465.00
Contingent	0	0	0	0	0
Total Operations	400,453,213.12	462,179,463.00	439,290,033.00	502,243,210.00	464,773,259.00
Capital Improvements	6,050,000.00	6,050,000.00	6,050,000.00	6,050,000.00	6,050,000.00
Debt Service	78,916,685.91	75,494,083.00	76,440,491.00	69,350,291.00	74,731,697.00
Deferred Charges and Statutory Expenditures	42,464,089.74	43,988,122.00	45,764,050.00	46,056,342.00	44,367,493.00
Total	527,883,988.77	587,711,668.00	567,544,574.00	623,699,843.00	589,922,449.00

STATEMENT OF REVENUES LAST FIVE YEARS

REVENUE TYPE	2025 * (Unaudited)	2024	2023	2022	2021
Fund Balance	38,750,000.00	38,750,000.00	37,750,000.00	37,750,000.00	37,000,000.00
Misc. Revenue	167,783,875.38	234,987,664.46	224,405,615.00	273,530,654.99	245,806,033.00
Tax Levy	380,263,119.10	373,722,967.17	367,295,299.00	367,295,299.43	367,295,299.00
Subtotal Revenue	586,796,994.48	647,460,631.63	629,450,914.00	678,575,954.42	650,101,332.00
Unanticipated Revenue	9,579,673.72	11,240,091.92	11,597,516.00	10,807,145.00	9,360,828.00
Total Revenue	596,376,668.20	658,700,723.55	641,048,430.00	689,383,099.42	659,462,160.00

REVENUE BUDGET

Revenue Type	Anticipated 2026*	Realized 2025*	Anticipated 2025*
Surplus Anticipated	42,000,000.00	38,750,000.00	38,750,000.00
Miscellaneous Revenue	129,324,265.58	167,783,875.38	139,568,917.27
Amount to be raised taxation	387,868,381.48	380,263,119.10	380,263,119.10
	559,192,647.06	586,796,994.48	558,582,036.37

* - Unaudited

APPROPRIATION BUDGET

OPERATIONS	Budget 2026*	Budget 2025	Expended 2025*	Reserved 2025*
Regular	400,934,616.47	381,463,235.57	355,934,690.98	26,570,127.74
Public & Private Offset with Revenues	29,799,685.16	44,724,791.14	44,518,522.14	206,269.00
Contingent	50,000.00	50,000.00	0.00	50,000.00
Capital Improvements	1,000,000.00	6,050,000.00	6,050,000.00	0.00
Debt Service	80,992,158.00	81,179,614.00	78,916,685.91	0.00
Deferred Charges & Statutory Expenditures	46,416,187.43	45,114,395.66	42,464,089.74	2,650,305.92
	559,192,647.06	558,582,036.37	527,883,988.77	29,476,702.66

* - Unaudited

Budget Process

Primary responsibility for the County's budget process lies within the Department of Finance. This responsibility stems from the authority of the County Manager as the chief administrative officer in the County organizational structure. As prescribed by the Local Budget Law, adoption of the budget should occur by the end of February. However, extensions may be granted by the Division to any local governmental unit. In the first quarter in which the budget formulation is taking place, the County operates under a temporary budget. Upon adoption of any annual operating budget by the Board of County Commissioners, the Board of Taxation computes a tax rate for County purposes and apportions County tax requirements to be paid by each municipality. The tax rate for each municipality includes County tax requirements.

The following is a description of the steps and procedures taken under the County Administrative Code to prepare the budget and to make expenditures after its adoption:

1. **FISCAL YEAR.** The fiscal year of the County shall be the calendar year except as may be otherwise provided by the Local Budget Law.

2. **BUDGET PREPARATION GENERALLY.** The budgetary process of the County shall be subject to all requirements of the Local Budget Law and the promulgations of the Division and the Local Finance Board. On or before September 1st of the year preceding the budget year, the County Manager shall establish the schedules and procedures to be followed by all County departments, offices and agencies to prepare the required budget documents. He or she may conduct such analysis or hearing as he or she deems necessary. On or before January 15th of each year, the County Manager shall submit to the Board a budget document consisting of the proposed County budget and a budget message.

3. **SCOPE OF BUDGET AND MESSAGE.** The budget document shall be prepared by County Manager in such form as will comply with the Local Budget Law, together with such additional schedules as he or as she deems desirable, or as may be required by the Board.

The budget message shall explain the budget both in fiscal terms and work to be done. It shall outline the proposed financial policies of the County for the ensuing fiscal year, describe the important features of the budget plan and indicate its major objectives. It shall indicate any major changes in financial policies and in expenditures, appropriations and revenues as compared with the preceding fiscal year and shall set forth reasons for the changes.

4. **BOARD ACTION.** The Board shall consider and act upon the County Manager's budget in accordance with requirements of the Local Budget Law.

5. **APPROPRIATION REQUESTS; ALLOTMENTS.** As part of the budget request by each department, office and agency of the County to the County Manager, there shall be included a work program for the year showing all requested appropriations broken down into monthly or quarterly allotments, as may be required by the County Manager. The County Manager shall review requested allotments in light of the work program of the department, office or agency concerned, and if he or she deems it necessary, may review, alter or change them before the same are submitted to the Board. The aggregate of such allotments shall not exceed the total appropriation available to each department, office or agency for the fiscal year.

The County Manager shall, where practicable, provide for the establishment and cooperation of a system of work programs and quarterly allotments for operation of the budget. It shall be the duty of the County Manager to develop and report appropriate unit costs of budgeted revenues and expenditures.

6. **PAYMENTS AND OBLIGATIONS; CERTIFICATION; PENALTIES.** No payments shall be authorized or made, and no obligation shall be incurred against the County except in accordance with appropriations duly made. No obligation shall be paid against any allotment or appropriation unless the County Manager or designee first certified that sufficient funds therefore will be available to meet the obligation concerned when it becomes due and payable. Any County officer or employee who knowingly authorizes or makes any payments in violation of the provisions of this paragraph or takes part therein may, in addition to any other penalty provided by law, be removed from his office or employment.

7. **VOUCHERS AND CERTIFICATION.** No bill, demand or claim shall be paid unless a detailed statement of the terms or demands, specifying particularly how the bill or demand is made up, and a certification of the party claiming payment that it is correct; nor shall any bill, claim or demand be paid unless the voucher on which it is presented carries a certification of the head of the department, office or agency, or of his duly designated representative, having personal knowledge of the facts, that the goods have been received by, or the services rendered to, the County.

8. **AUDIT, WARRANT AND PAYMENT OF BILLS AND CLAIMS; LISTING.**

a. All bills, claims and demands against the County shall be deemed approved by the County Manager (for the purpose of N.J.S.A. 40A:5-17) in accordance with the action of the Treasurer. A voucher on a form prescribed by the Department of Finance shall be paid only upon the audit, warrant and approval of the Treasurer.

b. Disbursement shall be made by a combination warrant-bank check or draft warranted by the Comptroller, if any, and countersigned by the Treasurer, except that payroll checks shall be signed by the Treasurer alone upon voucher and warrant of the Comptroller, if any, for an entire or part of a payroll.

c. The Department of Finance shall prepare for each regular meeting of the Board a list of bills, claims and vouchers that have been paid through the close of business two days prior to the meeting and since the last preceding list was compiled. Such list shall be filed with the Clerk of the Board as a public record.

9. CENTRAL PAYROLL. Salaries, wages and other compensation of all pensioners, officers and employees of the County shall be paid weekly or biweekly as appropriate. The head of each department, office or agency shall certify to the Department of Finance at such times, and in such form as it shall prescribe, the names and positions of all persons employed in or by the department who are entitled to be paid in the next ensuing payroll. The Comptroller shall then complete a central payroll for the County.

Financial Controls and Audit Function

The County is continually enhancing controls relative to the budgetary spending, revenues and procedural compliance. As part of the budgeting system each department, division or agency must include a description of their organizational goals and objectives and work program along with its budget submission package.

During the year, appropriations are reviewed, supervised and controlled by the Department of Finance through sufficiency of funds, encumbrances and forecasting procedures.

The Finance Department has been concentrating on the development of audit programs, cash controls and departmental compliance audits. With the use of these audit programs, scheduled audits are conducted to improve upon the overall efficiency within departments.

In addition to the constant reviews conducted by the Department of Finance, all County departments are responsible for records overseeing their daily operations. The aforementioned area ensure that records kept within County government are in proper condition for the annual audit and the preparation of financial statements. These conditions have stabilized and, in some instances, minimized time spent on audits. As required under the Local Fiscal Affairs Law (N.J.S.A. 40A:5-4), the Board of County Commissioners must appoint an outside auditing firm to conduct an annual audit of all County finances.

The County's implementation of various programs and systems designed to ensure good management practices has been recognized by state and federal levels of government. The National Association of Counties has awarded the County National Achievement Awards in areas of budget management, indirect cost/federal-state grant management, employment skills training and development and ridesharing/van-pooling transportation.

Employees

The County provides services through approximately 1,726 equivalent full-time employees. County employees are represented by labor organizations recognized by the County under the Public Employees Relations Commission Act of 1968.

The principal union of County employees is the Union County Civil Service Association Council #8. This union represents approximately 311 County employees in all classifications of County titles other than those represented by 21 other unions and those employees who are classified as management or confidential.

Status of Labor Contracts

COUNTY OF UNION CONTRACTS EXPIRING 2020 through Present

INDEX	BARGAINING UNIT NAME	UNIT NO.	CONTRACT DURATION	NO. YRS.	Resolution or IA/ Date	STATUS
1	UNION COUNTY NO. 8 NJCSA/IFPTE	51	1/1/2024 - 12/31/2027	4	2026-178 2/26/26	SETTLED
2	UNION COUNTY SUPERVISORS ASSOC	52	1/1/2021 - 12/31/2022	2	2022-847 10/6/22	EXPIRED
3	LOCAL 68-68A-68B OPERATING ENGINEERS	54	1/1/2022 - 12/31/2025	4	2022-400 5/12/22	EXPIRED
4	UNION CO SOCIAL SERVICES TMSTRS 469 SECONDARY SUPVRS	60	1/1/2022 - 12/31/2025	4	2022-1028 12/1/22	EXPIRED
5	TEAMSTERS LOCAL 469-PRIMARY SUPVRS-SOC SERVICES	63	7/1/2021-12/31/2025	5	2022-846 10/6/22	EXPIRED
6	UNION COUNTY SOC SVCS CWA AFL-CIO	64	7/1/2020 – 12/31/2024	4 yrs & 6 mo	2022-779 9/15/22	EXPIRED
7	PARK MAINTENANCE ASSOC	66	1/1/2023-12/31/2027	5	2026-226 3/26/26	SETTLED
8	IBEW LOCAL 1158 PROSECUTORS EXCL	71	1/1/2025 - 12/31/2027	3	2025-256 3/13/25	SETTLED
9	HPAE LOCAL 5112 AFL-CIO NURSES	89	1/1/2022 – 12/31/2025	4	2022-1027 12/1/22	INACTIVE UNION
10	PBA LOCAL 203 WGHTS & MEAS	53	1/1/2025-12/31/2027	3	2025-754 9/18/2025	SETTLED
11	PBA LOCAL 108 SHERIFFS OFFICERS	55	1/1/2023 - 12/31/2026	4	2024-794 10/9/2024	SETTLED
12	PBA 199A CORRECTION SUPERIOR OFFICERS	56	1/1/2022 - 12/31/2026	5	2022-398 5/12/22	SETTLED
13	PBA LOCAL 199 CO CORRECTION OFFICERS	57	1/1/2024 – 12/31/2027	4	2025-374 4/17/25	SETTLED
14	PBA LOCAL 250A SUPERIOR OFFICERS ASSOC PROS DETEC AND INVEST	58	1/1/2021 - 12/31/2025	5	2023-724 8/17/23	EXPIRED
15	ASST PROSECUTOR ASSOC-PROSECUTORS	59	1/1/2024 - 12/31/2025	2	2023-964 11/9/2023	EXPIRED
16	PBA LOCAL 250 PROS DETEC AND INVEST	61	1/1/2021 - 12/31/2025	5	2023-723 8/17/23	EXPIRED
17	PBA LOCAL 73 COUNTY POLICE	65	1/1/2022-12/31/2027	6	2025-305 3/27/2025	SETTLED
18	PBA LOCAL 73A SUP OFFCR ASSOC COUNTY POL SUPVR	68	1/1/2022 – 12/31/2024	3	2021-1006 12/16/21	EXPIRED

19	PBA LOCAL 108A SHERIFF SUPERIOR OFFICERS	69	1/1/2023- 12/31/2027	5	2025-549 6/12/2025	SETTLED
20	FMBA (NAGE LOC R2- 343/SEIU 5000) HAZMAT TECHS & RESPNDRS	72	1/1/2021- 12/31/2026	6	2024-614 7/17/2024	SETTLED
21	INTERNATIONAL ASSOC. OF EMTs AND PARAMEDICS NAGE/SEIU LOCAL 5000	74	10/19/2018 - 12/31/2023	5 yrs & 2.5 mo	2022-401 5/12/22	EXPIRED

Pension Benefits

County employees are principally covered under the New Jersey Public Employees Retirement System (PERS). Law enforcement officers are covered by the Police and Firemen’s Retirement System (PFRS).

These employees are on a contributory basis with a contribution funded by the County. The County’s expense in connection with the New Jersey Public Employees Retirement System and Police and Fireman Retirement System is funded on an actuarial basis provided by the State. The County is assessed on an annual basis. The sheriff employees’ funds are on a noncontributory basis with the total expense funded annually by the County. In 2010 the County initiated the Defined Contribution Retirement Program (DCRP) for the employees who are not eligible for PERS or PFRS.

The County was not required to contribute to the Public Employees Retirement System from 1998 to 2004, nor to the Police and Firemen’s Retirement System from 2000 to 2003. County contributions were reinstated on a graduated basis in 2003 as shown on the following schedule.

Pension Contributions as a Percent of Normal Contributions

Year	Public Employees	Police and Firemen
2013	100%	100%
2014	100%	100%
2015	100%	100%
2016	100%	100%
2017	100%	100%
2018	100%	100%
2019	100%	100%
2020	100%	100%
2021	100%	100%
2022	100%	100%
2023	100%	100%
2024	100%	100%
2025	100%	100%

PAYMENTS TO EMPLOYEE RETIREMENT FUNDS FOR YEARS ENDED DECEMBER 31, 2025

	2025 * (Unaudited)	2024	2023	2022	2021
Police & Fire	15,083,873.00	15,644,776.00	17,047,393.00	17,874,082.19	16,704,791.16
Public Employee	18,440,520.00	18,967,388.00	19,869,708.00	19,025,913.87	17,923,948.00
D.C.R.P.	74,875.94	115,000.00	100,000.00	89,190.15	87,844.52
Totals	33,559,268.94	34,727,164.00	37,017,101.00	36,989,186.21	34,716,583.68

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, to a maximum of \$18,000.

In general, 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. However, there are minor variations pursuant to union contracts. The time remains accrued for 2 years; it must be used or it expires. Terminated employees are paid for accrued time at the current rate. No provision is made in the financial statements for the accrued value of terminal leave and vacation time.

The value of accrued sick time and accrued vacation time totaled approximately \$3,870,206.68 as of December 31, 2025. The County has \$1,957,850.33 reserved for the payment of these obligations.

Investment of County Funds

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

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

The County has no investments in derivatives.

LITIGATION

The County, its officers and its employees are defendants in various lawsuits. The Office of the County Counsel has reviewed the status of pending lawsuits. The typical claims made against the County in pending lawsuits primarily consist of two categories. First, civil rights actions brought by employees, former employees and members of the public receiving services from the County. Second, claims under the Tort Claims Act and Contractual Liability Act, arising out of day to day County operations. It is the opinion of the County Counsel that the pending litigation, except as to the matter discussed below as to which no opinion can be rendered at this time, will not be determined so as to result individually or in the aggregate in a final judgement against the County that would substantially and materially affect the financial status of the County.

As to the consolidated matters of J.G., J.W. et al. v County of Union (Docket No. UNN-L-1981-24) and R.C., K.B. et al. v. County of Union (UNN-L-2910-25), which were both filed pursuant to P.L. 2019, c. 120, extending the statute of limitations as to child sexual abuse claims, they are presently in the preliminary discovery stages, with the probability of a successful defense unknown at this time and therefore the amounts of possible judgments or settlements cannot be accurately determined.

DOCUMENTS ACCOMPANYING DELIVERY OF THE BONDS

Absence of Litigation

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

Legal Matters

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

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

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

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

Certificates of County Officials

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

APPROVAL OF OFFICIAL STATEMENT

Prior to the delivery of the Bonds, the Board of County Commissioners will have adopted a resolution approving this Official Statement, deeming it a "final official statement" for purposes of Rule 15c2-12 and directing the Chairman of the Board of County Commissioners, the County Manager and the Director of Finance/County Treasurer to deliver a reasonable number of copies hereof in final form to the original purchasers of the Bonds for use in the sale, resale or distribution of the Bonds.

RATING

Moody's Investors Service (the "Rating Agency") has assigned a rating of "Aaa" to the Bonds. Such bond rating expresses only the view of the Rating Agency.

The County furnished the Rating Agency with certain information and materials concerning the Bonds and the County. Generally, the Rating Agency will base its rating on such information and materials and also on such investigations, studies and assumptions that it may undertake independently. There is no assurance that such rating will continue for any given period of time or that such rating may not be suspended, lowered or withdrawn entirely by the Rating Agency if, in the judgment of the Rating Agency, circumstances so warrant. Any such downward change in or withdrawal of the rating may have an adverse effect on the secondary market price of the Bonds.

Any explanation of the significance of the rating may be obtained only from Moody's, 7 World Trade Center, 250 Greenwich Street, New York, New York 10007.

UNDERWRITING

The Bonds have been purchased at a public sale from the County for resale by the purchasers (the "Underwriters"). of the Bonds total \$.

TAX MATTERS

Federal Income Taxes

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

Noncompliance by the County with such requirements may cause interest on the Bonds to be included in gross income of the owners thereof retroactive to the date of issuance of the Bonds, regardless of when such noncompliance occurs.

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

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

Tax Opinions

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

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

Additional Federal Income Tax Consequences

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

Proposals for Legislative Change

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

Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The disclosures and opinions expressed herein are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds, and no opinion is expressed as of any date subsequent thereto or with respect to any proposed or pending legislation, regulatory initiatives or litigation.

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

ADDITIONAL INFORMATION

Additional information may be obtained upon request from the office of the Director of Finance/County Treasurer, Dr. Bibi Taylor, Administration Building, 5th Floor, Elizabethtown Plaza, Elizabeth, New Jersey 07207, (908) 527-4055 or Julie Origliato, Deputy County Treasurer, (908) 527-4075.

LEGALITY FOR INVESTMENT

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

INFECTIOUS DISEASE OUTBREAK – COVID-19

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

To date, the overall finances and operations of the 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 11, 2021, provided \$1.9 trillion in relief designed to provide funding to address the COVID-19 pandemic and alleviate the economic and health effects of the COVID-19 pandemic. The County received the full amount of its relief funds in the amount of \$130,591,801. The deadline to obligate the funds was December 31, 2024, and to spend them is December 31, 2026. The County has spent and intends to fully spend all the funds received by December 31, 2026 for various purposes, including: Covid-19 testing; vaccinations; food distributions; assisting small businesses; Overdose Prevention-Naloxone in the Work Place; community outreach projects; maintenance and improvements in the County’s parks to promote strong, healthy and safe communities; learning loss program for elementary children addressing educational disparities; academic, social and emotional services; County-wide fiber ring project expanding internet access to County residents; job training assistance (Job Fair) to assist unemployed or underemployed residents; Medicaid application assistance; providing education assistance-Sensory Theater for people on the spectrum and with special needs and mental health services projects; body worn cameras project for community violence interventions; food insecurity program for students at the Union County College of New Jersey; Senior Citizen and Disabled Veterans Direct Aid project to assist with the economic impact due to the pandemic; and legal and financial services and other public health related projects.

SECONDARY MARKET DISCLOSURE

The Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended and supplemented, has adopted amendments to Rule 15c2-12, that generally prohibit a broker, dealer or municipal securities dealer ("Participating Underwriter") from purchasing or selling municipal securities, such as the Bonds, unless the Participating Underwriter has reasonably determined that an issuer of municipal securities or an obligated person has undertaken in a written agreement or contract for the benefit of holders of such securities to provide certain annual financial information and event notices to the Municipal Securities Rulemaking Board (the "MSRB") in an electronic format (the "Continuing Disclosure Requirements").

On the date of delivery of the Bonds, the County will enter into a Continuing Disclosure Certificate (the "Continuing Disclosure Certificate") containing the Continuing Disclosure Requirements for the benefit of the beneficial holders of the Bonds pursuant to which the County will agree to comply on a continuing basis with the Continuing Disclosure Requirements of Rule 15c2-12. See "Appendix C – Proposed Form of Continuing Disclosure Certificate". Specifically, the County will covenant in the Continuing Disclosure Certificate to provide certain financial information and operating data relating to the County by not later than the first day of the ninth month after the end of each fiscal year of the County, commencing with the fiscal year ending December 31, 2025 (the "Annual Report"), and to provide notices of the occurrence of certain enumerated events. The financial information and operating data to be provided in each Annual Report generally will be consistent with the information set forth under the headings "County Indebtedness and Debt Limits", "Tax Collection Data", "County Budget and Statements of Revenues and Expenditures" and in Appendix A to this Official Statement.

The County previously failed to file, in accordance with Rule 15c2-12, in a timely manner, under previous filing requirements its (i) annual audited financial statements for the fiscal year ending December 31, 2023 and (ii) most recent adopted budget for the fiscal year ending December 31, 2025. Additionally, the County acknowledges that it previously failed to file, in a timely manner, late filing notices in connection with its late filings of such annual financial information. Such financial information and notices of late filings have been filed with the MSRB's Electronic Municipal Market Access Dataport ("EMMA") as of the date of this Official Statement. Further, some past County filings were not properly linked to certain Union County Improvement Authority and Union County Utilities Authority transactions for which the County was or is an obligated party. Such filings associated with current outstanding bond issues and continuing disclosure agreements have since been corrected. The County appointed Acacia Financial Group, Inc., Mount Laurel, New Jersey, to serve as continuing disclosure agent to assist in the filing of certain information with EMMA, as required under its obligations.

MISCELLANEOUS

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.

The financial information included as Appendix A has been prepared by the County auditors, Wielkotz & Company, LLC, Certified Public Accountants. Such financial information has been included herein upon the authority of that firm and in reliance upon them as experts in municipal accounting and auditing. Wielkotz & Company, LLC, takes responsibility for the financial statements to the extent specified in the Independent Auditor’s Report and Accountant’s Compilation Report.

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

This Official Statement has been duly executed and delivered on behalf of the County by the Chairman of the Board of County Commissioners, the County Manager and the Director of Finance/County Treasurer.

COUNTY OF UNION, NEW JERSEY

By: /s/ _____
Joseph Bodek
Chairman of the Board
of County Commissioners

By: /s/ _____
Edward T. Oatman
County Manager

By: /s/ _____
Dr. Bibi Taylor
Director of Finance/
County Treasurer

Dated: May , 2026

APPENDIX A

FINANCIAL STATEMENTS OF THE COUNTY OF UNION

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WIELKOTZ & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS

STEVEN D. WIELKOTZ, CPA, RMA, PSA
MATTHEW B. WIELKOTZ, CPA, PSA
DAVID BOTTGE, CPA, RMA, PSA
PAUL J. CUVA, CPA, RMA, PSA
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INDEPENDENT AUDITOR'S REPORT

The Honorable Board of County Commissioners
County of Union
Elizabeth, New Jersey 07207

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 Union in the State of New Jersey, as of December 31, 2024 and 2023, 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, 2024, 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 Union as of December 31, 2024 and 2023, or changes in financial position for the year 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 Union, 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 Union on the basis of the financial reporting provisions prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of New Jersey.

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

Opinion on Regulatory Basis of Accounting

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County of Union'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'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'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 Union's 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 Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), the schedule of expenditures of state financial assistance as required by NJ OMB 15-08, and the Financial Data Schedule – Section 8 Housing Choice Voucher Program as required by the U.S. Department of Housing and Urban Development are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 supplemental information listed in the table of contents, schedule of



expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 10, 2025 on our consideration of the County of Union’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 Union’s internal control over financial reporting and compliance.

Steven D. Wielkocz

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

Wielkocz + Company, LLC

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

July 10, 2025



COUNTY OF UNION

Comparative Balance Sheet-Regulatory Basis

Current Fund

December 31, 2024 and 2023

	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Current Fund:			
Appropriation Reserves	A-3/A-10	\$ 34,927,214	27,376,491
Accounts Payable	A-11	1,085,945	4,118,207
Encumbrances Payable	A-12	19,807,656	17,242,255
Reserve for Sale of Assets	A-13	<u>6,294,779</u>	<u>7,429,566</u>
		<u>62,115,594</u>	<u>56,166,519</u>
Reserve for Receivables	Contra	174,076,764	148,995,063
Fund Balance	A-1	<u>198,327,914</u>	<u>196,182,768</u>
		<u>434,520,272</u>	<u>401,344,350</u>
Federal and State Grant Fund:			
Encumbrances Payable	A-16	111,823,844	38,769,083
Reserve for State and Federal Grants - Appropriated	A-18	109,730,914	167,845,258
Reserve for State and Federal Grants - Unappropriated	A-19	28,214	28,119
Interfunds	A-20	<u>63,682,610</u>	<u>55,804,495</u>
		<u>285,265,582</u>	<u>262,446,955</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 719,785,854</u>	<u>663,791,305</u>

See accompanying notes to financial statements.

COUNTY OF UNION

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

Current Fund

Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Revenues and Other Income:		
Fund Balance Utilized	\$ 38,750,000	37,750,000
Miscellaneous Revenue Anticipated	234,987,664	224,405,615
Receipts from Current Taxes	373,722,967	367,295,299
Non-Budget Revenue	11,240,100	11,597,516
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	25,648,711	34,647,303
Cancellation of Prior Year Bills	5,820	
Cancellation of Accounts Payable	3,670,218	2,579,186
Cancellation of Appropriated Grants	4,559,794	13,989,448
	<hr/>	<hr/>
Total Revenues and Other Income	692,585,274	692,264,367
	<hr/>	<hr/>
Expenditures:		
Budget and Emergency Appropriations:		
Operations:		
Salaries and Wages	166,242,928	162,279,699
Other Expenses	328,662,561	302,133,071
Capital Improvement Fund	6,050,000	6,050,000
Debt Service	75,494,083	76,440,491
Deferred Charges and Statutory Expenditures	46,195,130	48,017,804
Interfunds Advanced (Net)	24,544,801	44,151,862
Grant Receivables Canceled	4,426,154	13,939,764
Refund of Prior Year Revenue	74,471	55,249
	<hr/>	<hr/>
Total Expenditures	651,690,128	653,067,940
	<hr/>	<hr/>
Statutory Excess to Surplus	40,895,146	39,196,427
Fund Balance, January 1,	<hr/>	<hr/>
	196,182,768	194,736,341
	<hr/>	<hr/>
	237,077,914	233,932,768
Decreased by:		
Fund Balance Utilized as Budget Revenue	38,750,000	37,750,000
	<hr/>	<hr/>
Fund Balance, December 31,	\$ <u>198,327,914</u>	<u>196,182,768</u>

See accompanying notes to the financial statements.

COUNTY OF UNION
Statement of Revenues-Regulatory Basis
Current Fund
Year Ended December 31, 2024

	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Surplus Anticipated	\$ 38,750,000	38,750,000	
Miscellaneous Revenues Anticipated:			
<i>Local Revenues:</i>			
County Clerk	1,700,000	1,535,363	(164,637)
Surrogate	190,000	242,120	52,120
Sheriff	1,000,000	1,241,462	241,462
Interest on Investments and Deposits	1,470,094	18,048,728	16,578,634
County Hospital Board of Pay Patients	12,500,000	15,188,908	2,688,908
Register - Realty Transfer Fees	6,400,000	5,718,417	(681,583)
Department of Parks and Recreation Facilities Revenue	7,500,000	8,514,292	1,014,292
Permits - County Road Department	150,000	270,420	120,420
	30,910,094	50,759,710	19,849,616
<i>State Aid:</i>			
County College Bonds (N.J.S.A. 18A:64A-22.6)	2,605,151	2,605,151	
<i>State Assumption of Costs:</i>			
Supplemental Social Security Income	1,729,906	1,448,287	(281,619)
<i>Public and Private Programs:</i>			
Alcohol/Drug Abuse (A/DA) Innovative Grant	34,115	34,115	
Area Plan Contract-COVID Carryover Funds Redistribution Award (ARPA)	185,642	185,642	
ARRIVE Together Grant Program	150,000	150,000	
Body Armor Replacement Fund	28,119	28,119	
Child Advocacy Development Grant - Treatment Services, Programs, Technology and Capital Improvement	246,240	246,240	
Childhood Lead Exposure Prevention Grant	440,507	440,507	
Clark Reservoir Dredging and Pollution Remediation Project	4,375,000	4,375,000	
Clean Communities Program	80,694	80,694	
Communication and Language Access Services Grant	70,000	70,000	
Community-Based Deer Management Grant Program	9,000	9,000	
Community Mental Health Services Block Grant	15,000	15,000	
Community Project Funding Grant	516,000	516,000	
Community Services Block Grant (CSBG)	968,023	968,023	
Comprehensive Alcohol Program	821,308	821,308	
Comprehensive Cancer Control Grant	73,100	73,100	
Comprehensive Traffic Safety Program	68,260	68,260	
County Clerk - 10th Congressional Special Primary & General Elections	897,160	897,160	
County Clerk - 2024 Cranford Special School Election Reimbursement	99,917	99,917	
County Clerk - 2024 Westfield Special School Election Reimbursement	101,017	101,017	
County Clerk - Mail-In Voter Education Program	309,000	309,000	
County Clerk - Scotch Plains-Fanwood Special School Election	119,131	119,131	
County Environmental Health Act (CEHA) - State	208,960	208,960	
County Environmental Health Act (CEHA) - Federal	45,264	45,264	
County Health Infrastructure Program	1,272,839	1,272,839	
Department of Corrections State Aid	3,500,000	3,500,000	

COUNTY OF UNION
Statement of Revenues-Regulatory Basis
Current Fund
Year Ended December 31, 2024

	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Department of Corrections Jail MAT Program	380,756	380,756	
Development, Capital and Operating Expenses - DLGS	2,000,000	2,000,000	
DOL - Adult Literacy Innovations Program	500,000	500,000	
DOL - Work First NJ - GA/SNAP	798,013	798,013	
DOL - Work First NJ - WFNJ TANF Program	1,415,656	1,415,656	
DOL - Workforce Innovation & Opportunity Act (WIOA) - Adult	1,011,143	1,011,143	
DOL - Workforce Innovation & Opportunity Act (WIOA) - Dislocated Worker	1,256,553	1,256,553	
DOL - Workforce Innovation & Opportunity Act (WIOA) - Youth	1,043,662	1,043,662	
DOL - Workforce Innovation & Opportunity Act (WIOA) - Data Reporting & Analysis	12,971	12,971	
Drug Recognition Expert (DRE) Callout Program	38,500	38,500	
Emergency Management Agency Assistance (EMAA)	55,000	55,000	
Family Court Services	248,737	248,737	
FY25 Legislative Grant Capital Projects (Mattano Park)	2,500,000	2,500,000	
G & Narcotics Task Force	1,000,000	1,000,000	
Governor Alliance to Prevent Alcoholism and Drug Abuse	244,862	244,862	
Green Acres Program - Jake's Law Grant	915,000	915,000	
Green Acres Program - Urban Parks Grant	500,000	500,000	
Green Lane Park Improvements	3,500,000	3,500,000	
Hazardous Materials Emergency Preparedness Grant Program FY23	11,400	11,400	
Home Health Aid Program - NJ Division of Public Welfare	100,000	100,000	
Horizon NJ National Fitness Campaign Grant	100,000	100,000	
Human Services Advisory Council (HSAC)	336,284	336,284	
Insurance Fraud Program	300,000	300,000	
Jail Diversion Program	66,950	66,950	
Jersey Assistance for Community Caregiving (JACC)	65,834	65,834	
Juvenile Detention Alternative Initiative (JDAI)	120,000	120,000	
Law Enforcement Officers Training & Equipment Fund (LEOTEF)	18,889	18,889	
LEAP County Coordinator Fellowship Grant	37,500	37,500	
LEAP Implementation Grant - Emergency Services Dispatch Center	279,750	279,750	
LEAP Implementation Grant - EMS Shared Services Project Plainfield	375,719	375,719	
Local Information Network Communications (LINC)	304,894	304,894	
Local Recreational Improvement 2024 Grant	65,000	65,000	
Low Income Home Energy Assistance Program (LIHEAP)	17,676	17,676	
Medicaid Reimbursement LogistiCare	40,000	40,000	
MRC STRONG Grant	31,230	31,230	
NACCHO MRC Operational Readiness Award	10,000	10,000	
NJACCHO Sustaining Local Public Health Infrastructure	168,049	168,049	
NJ DFD Code Blue (CB) Support	130,000	130,000	
NJ Historical Commission Grant	87,955	87,955	
NJ Job Access and Reverse Commute (NJ JARC)	395,000	395,000	
New Jersey State Council on the Arts Block Grant	434,400	434,400	
Office on Aging - State Aid	58,000	58,000	
Older Americans Act Title III - Area Plan Contract (APC) - Federal	2,904,433	2,904,433	
Older Americans Act Title III - Area Plan Contract (APC) - State	1,053,520	1,053,520	
Opioid Litigation Recovery Funds	1,834,689	1,834,689	
Opioid Public Health Crisis Response - Operation Helping Hand	100,000	100,000	
Paratransit Aging	141,292	141,292	
Paratransit - CRRSAA (ARPA)	300,000	300,000	
Paratransit Veterans	12,000	12,000	
Passaic Street Bi-County Bridge Replacement	1,307,810	1,307,810	

COUNTY OF UNION
Statement of Revenues-Regulatory Basis
Current Fund
Year Ended December 31, 2024

	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Paul Coverdell - Forensic Science Improvement Program	28,565	28,565	
Personal Assistance Service Program (PASP)	64,800	64,800	
Prosecutor's Office MOU-Temporary Mobility Assignment	261,333	261,333	
Public Safety Answering Point (PSAP) - 018	159,251	159,251	
Public Safety Answering Point (PSAP) - 019	141,556	141,556	
Radon Awareness Program Grant	2,000	2,000	
Recreational Opportunities for Individuals with Disabilities (ROID)	35,000	35,000	
Recycling Enhancement Act Grant	550,800	550,800	
Respite Care Program	352,000	352,000	
Right to Know Project	16,401	16,401	
SASS - (SSBG) Community Care Elderly Area Plan Contact - State	469,725	469,725	
Senior Citizens Disabled Resident Transportation Program (SCDR)	1,774,690	1,774,690	
Sexual Assault, Abuse & Rape Care (SAARC) - Expansion Direct Services	304,981	304,981	
Sexual Assault Response Team/Forensic Nurse Examiner Program-SANE	173,877	173,877	
SFY 2024 County Reentry Coordinators (CRC) Grant	100,000	100,000	
SNAP Admin. Funding Grant	334,248	334,248	
Social Services for the Homeless (SSH)	879,018	879,018	
Social Services for the Homeless (TANF)	155,304	155,304	
Springfield Avenue Park, Berkeley Heights - Upgrades/Improvements	3,500,000	3,500,000	
Special Enforcement Grant (Formerly STEP)	54,000	54,000	
State Health Insurance Assistance Program (SHIP)	38,000	38,000	
State Homeland Security Program	271,875	271,875	
State/Community Partnership Program (YSC)	736,143	736,143	
STOP Violence Against Women (VAWA) Program	45,686	45,686	
Subregional Transportation Planning Program (STP)	187,278	187,278	
Continuum of Care (COCR) Grant	5,244,531	5,244,531	
UCBOE - 10th Congressional Special Primary & General Elections	988,135	988,135	
UCBOE - 2024 Cranford Special School Election	26,550	26,550	
UCBOE - 2024 Drop Box Grant Award	122,345	122,345	
UCBOE - 2024 Early Voting Grant	1,233,556	1,233,556	
UCBOE - 2024 Scotch Plains-Fanwood Special School Election	50,020	50,020	
UCBOE Westfield School Board Election	31,500	31,500	
UCBOE Poll Worker Pay Reimbursement (Primary and General Election)	1,049,750	1,049,750	
Union County Dept. of Human Services Digital Integration Project	1,880,000	1,880,000	
Union County Improving Library Shared Services	250,000	250,000	
Union County Municipal Capital Improvement Aid	6,000,000	6,000,000	
Union County Reservoir Water Reclamation Project	20,400,000	20,400,000	
Union County Safe Street For All Project	699,271	699,271	
Union County Safe Street For All Project - Elizabeth	60,000	60,000	
Universal Service Fund - CWA Administration	11,784	11,784	
Urban Area Security Initiative Program (UASI)	2,090,307	2,090,307	
US DOJ - DNA Capacity Enhancement & Backlog Reduction Grant	703,909	703,909	
Victims of Crime Act (VOCA) Victim Assistance Grant (VAG) Program	129,781	129,781	
Victims of Crime Act - VOCA	490,833	490,833	
	<u>95,362,226</u>	<u>95,362,226</u>	

COUNTY OF UNION
Statement of Revenues-Regulatory Basis
Current Fund
Year Ended December 31, 2024

	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
<i>Other Special Items:</i>			
Constitutional Officers - Increased Fees (P.L. 2001, c. 370):			
County Clerk	1,400,000	1,400,454	454
Surrogate	310,000	283,627	(26,373)
Sheriff	625,000	802,989	177,989
Reimbursement from State and Federal Grant Programs:			
Fringe Benefits Expenditures	2,850,000	3,085,501	235,501
Indirect Costs	1,000,000	905,202	(94,798)
American Rescue Plan (ARPA) - Revenue Loss	10,000,000	10,000,000	
Debt Service - Open Space	4,225,843	4,225,843	
Quarry Revenue	90,000	29,190	(60,810)
New Jersey Division of Economic Assistance - Earned Grant	42,000,000	43,633,245	1,633,245
Franchise Fees - Jersey Gardens	150,000	360,008	210,008
Title IV D-Facility Reimbursement	1,500,000	1,916,728	416,728
Union College of Union County - Insurance Reimbursement	7,951,968	8,138,128	186,160
Pilot's	750,000	1,889,889	1,139,889
Open Space - Parks Maintenance	2,500,000	2,500,000	
Rental Income UC College/Trinitas Hospital Kellogg Building	160,000	183,333	23,333
Dispatch Services	750,000	1,218,179	468,179
Ambulance Services	1,750,000	2,239,974	489,974
Union County Utilities Authority	500,000	500,000	
Sale of Asset - County Infrastructure Program	1,500,000	1,500,000	
	<u>80,012,811</u>	<u>84,812,290</u>	<u>4,799,479</u>
 Total Miscellaneous Revenues Anticipated	 <u>210,620,188</u>	 <u>234,987,664</u>	 <u>24,367,476</u>
 Subtotal General Revenues	 249,370,188	 273,737,664	 24,367,476
 Amount to be Raised by Taxation	 <u>373,722,967</u>	 <u>373,722,967</u>	 <u> </u>
 Budget Totals	 <u>\$ 623,093,155</u>	 <u>647,460,631</u>	 <u>24,367,476</u>
 Miscellaneous Revenue Not Anticipated (Nonbudget)		 <u>11,240,100</u>	
		 <u>\$ 658,700,731</u>	

COUNTY OF UNION
Statement of Revenues-Regulatory Basis
Current Fund
Year Ended December 31, 2024

Added and Omitted County Taxes		\$ 1,795,197
Miscellaneous Revenue Not Anticipated:		
921 Elizabeth Avenue	\$ 124,820	
ATM Commissions	654	
Auction Proceeds	192,104	
Autopsy/Med Exam	597	
Bail Forfeitures	4,675	
Cell - AT&T Scotch Plains	42,210	
Cell - Verizon Scotch Plains	41,808	
Check Fees	320	
Constitutional Officers	204,330	
Construction Board Appeal	3,600	
Copies	578	
Corrections Processing Fee	18,412	
Countywide Vending Machines	10,112	
Courthouse Cafeteria Sorianos	6,100	
DDD Inst. Developmentally Disabled	294,254	
Educational Building Aid (UC Vo Tech)	88,528	
Elections - Clerk	126,848	
Elections - Election Board	40	
Electronic Recycling	3,113	
Fire Training Academy	164,165	
Health (Food) Inspections	8,820	
Hurricane Ida	319,300	
Insurance Refund/RX Rebates	442,759	
Jail Reimbursement State Prisoners	380	
Jobs in Blue (Admin.)	200,114	
Jobs in Blue (Vehicles Fee)	240,472	
Jury Duty	335	
Lease Fiber Optic Line	59,759	
Liens	2,277	
Meals	3,697	
Medcom Reimb. (Prior Years)	749,912	
Mental Health Director	12,000	
Miscellaneous	419,470	
Motor Vehicles	293,016	
Movie/TV/Film Permits and Fees	137,300	
Park Madison UCIA	443,159	
Park Police	3,155	
Patient Fund (closeout)	2,326	
Payroll Refunds	4,063	
Planning Board	5,884	
Postage Reimbursement	5,987	
Print & Dup.	45,512	
Probation	2,665	
Prosecutor Discovery	6,500	
Prosecutor OT	38,694	
Restitution	3,999	
Retiree Benefits due to County	463,429	
Sale Assets/Scrap	19,613	
Sale of Land	121,650	
Security Account	29,282	
Service Fees Court	130,871	
Shared Services Scotch Plains	63,673	
Shared Services Berkeley Heights	63,672	
Shared Services Cranford	80,108	
Shared Services Hillside Health	24,895	
Shared Services Hudson County	538	
Shared Services Roselle Health	238,722	
Sheriff Coop IVD	70,744	
Sheriff OT	4,980	
Site Plan Sub Fees	57,091	
Social Services Food Stamp Fraud	403,618	
Social Services Medically Needy Program	255,717	
Social Services Medicare Outstation	289,624	
Social Services Medical Assistance (MAP)	847,667	
Social Services Child Incentive	437,495	
SSA	10,400	
St. Rental Chancery Ct.	68,487	
Tax Refunds	83	
Towing Licenses	22,570	
Toxicology Testing	4,420	
Tuition Refunds	4,859	
UC Utilities Authority Intricl.	150,000	
UCPD Found Property/Currency	2,201	
Vacation Purchase	85,447	
Vertical Bridge - Scotch Plains	42,013	
Web Services	4,000	
Worker's Comp.	668,211	
	<u>9,444,903</u>	
		<u>\$ 11,240,100</u>

See accompanying notes to the financial statements.

COUNTY OF UNION
Statement of Expenditures-Regulatory Basis
Current Fund

Year Ended December 31, 2024

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
OPERATIONS:					
GENERAL GOVERNMENT					
County Manager's Office:					
Salaries and Wages	536,898	536,898	434,618	102,280	-
Other Expenses	750,500	750,500	187,827	562,673	-
Special Studies Initiatives	765,000	765,000	666,608	98,392	-
Board of County Commissioners:					
Salaries and Wages	565,787	565,787	557,015	8,772	-
Other Expenses	120,000	120,000	85,354	34,646	-
Annual Audit	240,000	240,000	-	240,000	-
Other Accounting and Auditing Fees	125,000	125,000	-	125,000	-
County Infrastructure and Improvement Program	1,500,000	1,500,000	1,500,000	-	-
Clerk of the Board:					
Salaries and Wages	1,076,046	1,076,046	967,649	108,397	-
Other Expenses	221,500	221,500	220,182	1,318	-
Status of Women Advisory Board	2,500	2,500	-	2,500	-
County Clerk:					
Salaries and Wages	2,627,123	2,627,123	2,302,045	325,078	-
Other Expenses	193,700	193,700	177,341	16,359	-
Board of Elections:					
Salaries and Wages	2,159,468	2,159,468	2,118,646	40,822	-
Other Expenses	665,000	665,000	643,663	21,337	-
Elections (County Clerk):					
Salaries and Wages	274,911	274,911	53,050	221,861	-
Other Expenses	1,613,200	1,613,200	1,431,896	181,304	-
Department of Finance:					
Office of Director:					
Salaries and Wages	267,957	267,957	203,271	64,686	-
Other Expenses	167,500	167,500	52,766	114,734	-
Public Obligations Registration Act P.L. 1983 Ch. 243					
Financial Administration:					
Other Expenses	100,000	100,000	-	100,000	-
Division of Reimbursement:					
Salaries and Wages	540,726	540,726	431,095	109,631	-
Other Expenses	3,500	3,500	100	3,400	-

COUNTY OF UNION
Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2024

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
Division of Treasurer:					
Salaries and Wages	404,555	404,555	356,737	47,818	-
Other Expenses	81,000	81,000	15,125	65,875	-
Division of Comptroller:					
Salaries and Wages	957,026	957,026	626,562	330,464	-
Other Expenses	28,000	28,000	11,706	16,294	-
Division of Internal Audit:					
Salaries and Wages	380,061	380,061	268,612	111,449	-
Other Expenses	7,600	7,600	1,201	6,399	-
Aid to Union County Improvement Authority	150,000	150,000	135,000	15,000	-
Department of Law:					
Office of County Counsel:					
Salaries and Wages	1,337,067	1,337,067	1,324,081	12,986	-
Other Expenses	83,100	83,100	43,250	39,850	-
Office of County Adjuster:					
Salaries and Wages	429,538	429,538	429,534	4	-
Other Expenses	1,000	1,000	658	342	-
Department of Administrative Services:					
Office of Director:					
Salaries and Wages	316,229	316,229	265,503	50,726	-
Other Expenses	15,700	15,700	11,824	3,876	-
Division of Motor Vehicles:					
Salaries and Wages	1,872,046	1,872,046	1,587,397	284,649	-
Other Expenses	5,180,000	5,180,000	4,810,685	369,315	-
Division of Personnel Management and Labor Relations:					
Salaries and Wages	1,231,021	1,231,021	1,115,531	115,490	-
Other Expenses	1,154,450	1,154,450	1,106,168	48,282	-
Division of Purchasing:					
Salaries and Wages	500,803	500,803	479,723	21,080	-
Other Expenses	249,130	249,130	247,965	1,165	-
Board of Taxation:					
Salaries and Wages	304,306	304,306	302,607	1,699	-
County Surrogate:					
Salaries and Wages	1,223,544	1,223,544	1,186,865	36,679	-
Other Expenses	38,200	38,200	36,376	1,824	-

COUNTY OF UNION

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2024

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
Department of Economic Development:					
Office of Director:					
Salaries and Wages	469,082	469,082	469,081	1	-
Other Expenses	102,000	102,000	51,626	50,374	-
Division of Information Technologies:					
Salaries and Wages	863,870	863,870	834,004	29,866	-
Other Expenses	2,126,000	2,126,000	1,815,561	310,439	-
Community Development and Housing:					
Salaries and Wages	200,634	200,634	145,937	54,697	-
Other Expenses	7,000	7,000	162	6,838	-
Division of Strategic Planning and Intergovernment:					
Salaries and Wages	719,695	719,695	610,968	108,727	-
Other Expenses	755,000	755,000	727,013	27,987	-
Insurance:					
Group Insurance Plan for Employees	60,732,777	60,732,777	57,992,057	2,740,720	-
Surety Bond Premiums	12,000	12,000	8,745	3,255	-
Other Insurance Premiums	10,310,184	10,310,184	8,711,502	1,598,682	-
Employees' Prescription Plan	27,432,410	27,432,410	22,339,586	5,092,824	-
Dental Plan	625,000	625,000	431,156	193,844	-
Disability	200,000	200,000	200,000	-	-
PUBLIC SAFETY					
Office of the Sheriff:					
Sheriff's Office:					
Salaries and Wages	24,332,547	24,332,547	22,923,838	1,408,709	-
Other Expenses	4,172,167	4,172,167	4,008,294	163,873	-
Division of Corrections:					
Salaries and Wages	5,935,337	5,935,337	4,994,003	941,334	-
Other Expenses	18,668,500	18,668,500	15,144,520	3,523,980	-
Juvenile Detention:					
Salaries and Wages	74,300	74,300	64,581	9,719	-
Other Expenses	2,000,000	2,000,000	1,702,839	297,161	-

COUNTY OF UNION

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2024

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
Department of Public Safety:					
Office of Director:					
Salaries and Wages	313,122	314,122	313,924	198	-
Other Expenses	1,201,000	1,201,000	1,199,987	1,013	-
Division of Weights and Measures:					
Salaries and Wages	402,265	403,265	400,893	2,372	-
Other Expenses	4,050	4,050	2,024	2,026	-
Division of Medical Examiner:					
Salaries and Wages	706,317	706,317	692,255	14,062	-
Office Expenses	885,744	885,744	747,740	138,004	-
Division of Emergency Management:					
Salaries and Wages	1,448,476	1,508,476	1,494,486	13,990	-
Office Expenses	481,575	481,575	378,365	103,210	-
Emergency Medical Services:					
Salaries and Wages	2,321,115	2,496,115	2,472,298	23,817	-
Other Expenses	215,000	215,000	214,452	548	-
Division of Police:					
Salaries and Wages	2,051,218	2,051,218	941,104	1,110,114	-
ARP - Salaries and Wages	10,000,000	10,000,000	10,000,000	-	-
Other Expenses	314,600	314,600	308,114	6,486	-
Division of Health:					
Salaries and Wages	404,123	404,123	336,769	67,354	-
Other Expenses	168,183	168,183	142,621	25,562	-
Bureau of Fire Academy:					
Salaries and Wages	-	-	-	-	-
Office Expenses	-	-	-	-	-
County Prosecutor's Office:					
Salaries and Wages	26,072,348	26,072,348	24,510,165	1,562,183	-
Other Expenses	1,917,082	1,917,082	1,353,206	563,876	-
Contribution to Soil Conservation District (N.J.S. 4:24:22(i)):	39,724	39,724	39,724	-	-

COUNTY OF UNION
Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2024

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
OPERATIONAL SERVICES					
Department of Engineering, Public Works and Facilities Management:					
Office of Director:					
Salaries and Wages	41,852	41,852	41,440	412	-
Other Expenses	9,700	9,700	7,424	2,276	-
Division of Public Works:					
Salaries and Wages	2,448,832	2,448,832	2,282,961	165,871	-
Other Expenses	221,200	221,200	197,336	23,864	-
Division of Facilities Management:					
Salaries and Wages	7,996,219	7,996,219	7,721,927	274,292	-
Other Expenses	8,424,500	8,424,500	8,410,771	13,729	-
Engineering, Land and Facilities Planning:					
Salaries and Wages	1,161,999	1,161,999	1,001,300	160,699	-
Other Expenses	434,500	434,500	415,820	18,680	-
Contribution for Flood Control	15,642	15,642	15,642	-	-
HEALTH & WELFARE					
Children's Specialized Hospital					
Cornerstone Psychiatric/Runnells Specialized Hospital:					
Salaries and Wages	50,000	50,000	50,000	-	-
Other Expenses	6,852,930	6,852,930	5,255,337	1,597,593	-
Adult Diagnostic Center:					
Other Expenses	7,438,520	7,438,520	6,758,874	679,646	-
Psychiatric Treatment:					
Other Expenses	9,000	9,000	-	9,000	-
Maintenance of Patients in State Institutions					
for Mental Diseases (N.J.S.A. 30:4-79)	5,000	5,000	-	5,000	-
Rutgers Behavioral Health Care	3,780,195	3,780,195	3,780,195	-	-
Maintenance of Patients in State Geriatric Center	36,476	36,476	36,476	-	-
Department of Human Services:	200,000	200,000	144,296	55,704	-
Office of Director:					
Salaries and Wages	965,977	965,977	898,102	67,875	-
Other Expenses	1,694,450	1,694,450	1,658,664	35,786	-
Division of Aging:					
Salaries and Wages	457,448	457,448	427,006	30,442	-

COUNTY OF UNION

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2024

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	Unexpended Balance <u>Cancelled</u>
Other Expenses	2,185,134	2,185,134	2,182,928	2,206	-
Division of Youth Services:					
Salaries and Wages	953,566	953,566	924,664	28,902	-
Other Expenses	111,439	111,439	104,666	6,773	-
Employment and Training:					
Salaries and Wages	271,278	271,278	194,547	76,731	-
Other Expenses	355,050	355,050	225,572	129,478	-
Division of Social Services:					
Salaries and Wages	38,392,339	38,392,339	37,458,630	933,709	-
Other Expenses	10,455,938	10,455,938	10,319,698	136,240	-
Division of Individual & Family Support Services:					
Salaries and Wages	629,618	629,618	629,330	288	-
Other Expenses	884,551	884,551	872,738	11,813	-
Division of Paratransit:					
Salaries and Wages	58,923	58,923	46,438	12,485	-
Other Expenses	2,600,000	2,600,000	2,600,000	-	-
Division of Outreach & Advocacy:					
Salaries and Wages	683,232	683,232	666,265	16,967	-
Other Expenses	27,100	27,100	26,564	536	-
RECREATIONAL					
Department of Parks and Recreation:					
Office of Director:					
Salaries and Wages	996,436	996,436	963,115	33,321	-
Other Expenses	4,366,500	4,366,500	3,943,002	423,498	-
Recreation Facilities:					
Salaries and Wages	2,286,913	2,286,913	2,142,417	144,496	-
Other Expenses	9,466,310	9,466,310	9,269,850	196,460	-
Division of Planning and Environmental Services:					
Salaries and Wages	687,638	687,638	586,651	100,987	-
Other Expenses	145,900	145,900	110,615	35,285	-
Park Maintenance:					
Salaries and Wages	3,095,162	3,095,162	2,601,893	493,269	-
Other Expenses	784,100	784,100	682,605	101,495	-

COUNTY OF UNION

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2024

	<u>Budget</u>	Budget after Modification and <u>Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	Unexpended Balance <u>Cancelled</u>
Cultural and Heritage Affairs:					
Salaries and Wages	212,578	212,578	183,295	29,283	-
Other Expenses	20,000	20,000	18,319	1,681	-
EDUCATIONAL					
Office of County Superintendent of Schools:					
Salaries and Wages	295,832	295,832	272,371	23,461	-
Other Expenses	12,500	12,500	9,454	3,046	-
Union County Community College System	16,133,582	16,133,582	16,133,582	-	-
Vocational Schools	5,553,393	5,553,393	5,553,393	-	-
Union County Extension Service in Agriculture, Home Economics and 4-H:					
Salaries and Wages	51,236	51,236	51,233	3	-
Other Expenses	135,500	135,500	-	135,500	-
Scholarship Program	190,000	190,000	190,000	-	-
Reimbursement for Residents Attending Out-of-County Two-Year Colleges and Vocational Technical Schools (N.J.S. 18A:64A-23) and (N.J.S. 18A:54-23.4)	217,000	217,000	131,933	85,067	-
Educational Services Commission (N.J.S.A. 40:23-6.11) and (N.J.S.A. 18A:6-67)	70,000	70,000	70,000	-	-
UNCLASSIFIED					
Prior Year Bills:					
2020 - Admin. Svcs - Personnel - U.C. Park Maint. Assoc	1,500	1,500	1,500	-	-
2021 - Admin. Svcs - Personnel - Atlantic Urgent Care LLC	90	90	90	-	-
2021 - Admin. Svcs - Personnel - Compsych	675	675	675	-	-
2021 - Admin. Svcs - Personnel - U.C. Park Maint. Assoc	1,500	1,500	1,500	-	-
2022 - Admin. Svcs - Personnel - IOA02	7,681	7,681	7,681	-	-
2021 - County Adjuster - New Bridge Medical Center	1,975	1,975	1,975	-	-
2022 - County Adjuster - Meadowview Psychiatric Hosp.	10,240	10,240	10,240	-	-
2022 - County Adjuster - New Bridge Medical Center	11,066	11,066	11,066	-	-
2020 - County Counsel - Thomson Reuters	1,342	1,342	1,342	-	-
2020 - Econ. Dev. - Comm Svcs - Criterion Pictures	395	395	395	-	-
2017 - Eng/PW/FM-Fac. Mgmt - Fyter Sales & Svcs Inc	460	460	460	-	-
2018 - Eng/PW/FM-Fac. Mgmt - N. Glantz & Son	839	839	839	-	-
2019 - Eng/PW/FM-Fac. Mgmt - Fyter Sales & Svcs Inc	64	64	64	-	-
2020 - Eng/PW/FM-Fac. Mgmt - Fyter Sales & Svcs Inc	77	77	77	-	-
2020 - Eng/PW/FM-Fac. Mgmt - N. Glantz & Son	268	268	268	-	-

COUNTY OF UNION

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2024

	<u>Budget</u>	Budget after Modification and Transfer	<u>Paid or Charged</u>	<u>Reserved</u>	Unexpended Balance <u>Cancelled</u>
2020 - Eng/PW/FM-Fac. Mgmt - SHI	2,590	2,590	2,590	-	-
2021 - Human Svcs - Cornerstone - IUK03	5,073	5,073	4,000	-	1,073
2021 - Public Safety - County Police - GTBM	26,280	26,280	26,280	-	-
2022 - Public Safety - County Police - Landauer	149	149	149	-	-
2022 - Public Safety - Med. Exam. - GENEDX Inc	500	500	500	-	-
2020 - Reimb. For Residents: OCC - Essex County College	2,721	2,721	1,027	-	1,694
2021 - Reimb. For Residents: OCC - Essex County College	3,494	3,494	441	-	3,053
Accumulated Leave Compensation	2,350,000	2,350,000	2,350,000	-	-
Salary Adjustment	1,883,359	1,646,359	-	1,646,359	-
UTILITIES (40A:4-45 4H)					
County	10,114,000	10,114,000	9,925,069	188,931	-
Cornerstone	8,600	8,600	6,945	1,655	-
Social Services	90,000	90,000	71,852	18,148	-
PUBLIC & PRIVATE PROGRAMS OFFSET					
BY REVENUES					
Matching Funds for Grants	248,963	248,963	-	248,963	-
Alcohol/Drug Abuse (A/DA) Innovative Grant	34,115	34,115	34,115	-	-
Area Plan Contract-COVID Carryover Funds Redistribution Award (ARPA)	185,642	185,642	185,642	-	-
ARRIVE Together Grant Program	150,000	150,000	150,000	-	-
Body Armor Replacement Fund	28,119	28,119	28,119	-	-
Child Advocacy Development Grant - Treatment Services, Programs, Technology and Capital Imp	246,240	246,240	246,240	-	-
Childhood Lead Exposure Prevention Grant	440,507	440,507	440,507	-	-
Clark Reservoir Dredging and Pollution Remediation Project	4,375,000	4,375,000	4,375,000	-	-
Clean Communities Program	80,694	80,694	80,694	-	-
Communication and Language Access Services Grant	70,000	70,000	70,000	-	-
Community-Based Deer Mnaagement Grant Program	9,000	9,000	9,000	-	-
Community Mental Health Services Block Grant	15,000	15,000	15,000	-	-
Community Project Funding Grant	516,000	516,000	516,000	-	-
Community Service Block Grant (CSBG)	968,023	968,023	968,023	-	-
Comprehensive Alcohol Program	821,308	821,308	821,308	-	-
Match	108,561	108,561	108,561	-	-
Comprehensive Cancer Control Grant	73,100	73,100	73,100	-	-
Comprehensive Traffic Safety Program	68,260	68,260	68,260	-	-

COUNTY OF UNION

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2024

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Cancelled
County Clerk - 10th Congressional Special Primary & General Elections	897,160	897,160	897,160	-	-
County Clerk - 2024 Cranford Special School Election Reimbursement	99,917	99,917	99,917	-	-
County Clerk - 2024 Westfield Special School Election Reimbursement	101,017	101,017	101,017	-	-
County Clerk - Mail-In Voter Education Program	309,000	309,000	309,000	-	-
County Clerk - Scotch Plains-Fanwood Special School Election	119,131	119,131	119,131	-	-
County Environmental Health Act (CEHA) - State	208,960	208,960	208,960	-	-
County Environmental Health Act (CEHA) - Federal	45,264	45,264	45,264	-	-
County Health Infrastructure Program	1,272,839	1,272,839	1,272,839	-	-
Department of Corrections State Aid	3,500,000	3,500,000	3,500,000	-	-
Department of Corrections Jail MAT Program	380,756	380,756	380,756	-	-
Development, Capital and Operating Expenses - DLGS	2,000,000	2,000,000	2,000,000	-	-
DOL - Adult Literacy Innovations Program	500,000	500,000	500,000	-	-
DOL - Work First NJ - GA/SNAP	798,013	798,013	798,013	-	-
DOL - Work First NJ - WFNJ TANF Program	1,415,656	1,415,656	1,415,656	-	-
DOL - Workforce Innovation & Opportunity Act (WIOA) - Adult	1,011,143	1,011,143	1,011,143	-	-
DOL - Workforce Innovation & Opportunity Act (WIOA) - Dislocated Worker	1,256,553	1,256,553	1,256,553	-	-
DOL - Workforce Innovation & Opportunity Act (WIOA) - Youth	1,043,662	1,043,662	1,043,662	-	-
DOL - Workforce Innovation & Opportunity Act (WIOA) - Data Reporting & Analysis	12,971	12,971	12,971	-	-
Drug Recognition Expert (DRE) Callout Program	38,500	38,500	38,500	-	-
Emergency Management Agency Assistance (EMAA)	55,000	55,000	55,000	-	-
Family Court Services	248,737	248,737	248,737	-	-
FY25 Legislative Grant Capital Projects (Mattano Park)	2,500,000	2,500,000	2,500,000	-	-
Glenside Avenue Park Improvements	1,000,000	1,000,000	1,000,000	-	-
Governor Alliance to Prevent Alcoholism and Drug Abuse	244,862	244,862	244,862	-	-
Green Acres Program - Jake's Law Grant	915,000	915,000	915,000	-	-
Green Acres Program - Urban Parks Grant	500,000	500,000	500,000	-	-
Green Lane Park Improvements	3,500,000	3,500,000	3,500,000	-	-
Hazardous Materials Emergency Preparedness Grant Program FY23	11,400	11,400	11,400	-	-
Home Health Aid Program - NJ Division of Public Welfare	100,000	100,000	100,000	-	-
Horizon NJ National Fitness Campaign Grant	100,000	100,000	100,000	-	-
Human Services Advisory Council (HSAC)	336,284	336,284	336,284	-	-
Match	15,900	15,900	15,900	-	-
Insurance Fraud Program	300,000	300,000	300,000	-	-
Jail Diversion Program	66,950	66,950	66,950	-	-
Jersey Assistance for Community Caregiving (JACC)	65,834	65,834	65,834	-	-

COUNTY OF UNION

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2024

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
Juvenile Detention Alternative Initiative (JDAI)	120,000	120,000	120,000	-	-
Law Enforcement Officers Training & Equipment Fund (LEOTEF)	18,889	18,889	18,889	-	-
LEAP County Coordinator Fellowship Grant	37,500	37,500	37,500	-	-
LEAP Implementation Grant - Emergency Services Dispatch Center	279,750	279,750	279,750	-	-
LEAP Implementation Grant - EMS Shared Services Project Plainfield	375,719	375,719	375,719	-	-
Local Information Network Communications (LINCS)	304,894	304,894	304,894	-	-
Local Recreational Improvement 2024 Grant	65,000	65,000	65,000	-	-
Low Income Home Energy Assistance Program (LIHEAP)	17,676	17,676	17,676	-	-
Medicaid Reimbursement LogistiCare	40,000	40,000	40,000	-	-
MRC STRONG Grant	31,230	31,230	31,230	-	-
NACCHO MRC Operational Readiness Award	10,000	10,000	10,000	-	-
NJACCHO Sustaining Local Public Health Infrastructure	168,049	168,049	168,049	-	-
NJ DFD Code Blue (CB) Support	130,000	130,000	130,000	-	-
NJ Historical Commission Grant	87,955	87,955	87,955	-	-
Match	37,500	37,500	37,500	-	-
NJ Job Access and Reverse Commute (NJ JARC)	395,000	395,000	395,000	-	-
Match	395,000	395,000	395,000	-	-
New Jersey State Council on the Arts Block Grant	434,400	434,400	434,400	-	-
Office on Aging - State Aid	58,000	58,000	58,000	-	-
Older Americans Act Title III - Area Plan Contract (APC) - Federal	2,904,433	2,904,433	2,904,433	-	-
Match	156,926	156,926	156,926	-	-
Older Americans Act Title III - Area Plan Contract (APC) - State	1,053,520	1,053,520	1,053,520	-	-
Match - Home Delivered Meals	20,470	20,470	20,470	-	-
Match - Safe Housing Program	49,143	49,143	49,143	-	-
Opioid Litigation Recovery Funds	1,834,689	1,834,689	1,834,689	-	-
Opioid Public Health Crisis Response - Operation Helping Hand	100,000	100,000	100,000	-	-
Paratransit Aging	141,292	141,292	141,292	-	-
Paratransit - CRRSAA (ARPA)	300,000	300,000	300,000	-	-
Paratransit Veterans	12,000	12,000	12,000	-	-
Passaic Street Bi-County Bridge Replacement	1,307,810	1,307,810	1,307,810	-	-
Paul Coverdell - Forensic Science Improvement Program	28,565	28,565	28,565	-	-
Personal Assistance Service Program (PASP)	64,800	64,800	64,800	-	-

COUNTY OF UNION

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2024

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Cancelled
Prosecutor's Office MOU-Temporary Mobility Assignment	261,333	261,333	261,333	-	-
Public Safety Answering Point (PSAP) - 018	159,251	159,251	159,251	-	-
Public Safety Answering Point (PSAP) - 019	141,556	141,556	141,556	-	-
Radon Awareness Program Grant	2,000	2,000	2,000	-	-
Recreational Opportunities for Individuals with Disabilities (ROID) Match	35,000	35,000	35,000	-	-
Recycling Enhancement Act Grant	7,000	7,000	7,000	-	-
Respite Care Program	550,800	550,800	550,800	-	-
Right to Know Project	352,000	352,000	352,000	-	-
SASS - (SSBG) Community Care Elderly Area Plan Contact - State Match	16,401	16,401	16,401	-	-
Senior Citizens Disabled Resident Transportation Program (SCDR)	469,725	469,725	469,725	-	-
Sexual Assault, Abuse & Rape Care (SAARC) - Expansion Direct Services	29,131	29,131	29,131	-	-
Sexual Assault Response Team/Forensic Nurse Examiner Program-SANE Match	1,774,690	1,774,690	1,774,690	-	-
SFY 2024 County Reentry Coordinators (CRC) Grant	304,981	304,981	304,981	-	-
SNAP Admin. Funding Grant	173,877	173,877	173,877	-	-
Social Services for the Homeless (SSH)	43,469	43,469	43,469	-	-
Social Services for the Homeless (TANF)	100,000	100,000	100,000	-	-
Springfield Avenue Park, Berkeley Heights - Upgrades/Improvements	334,248	334,248	334,248	-	-
Special Enforcement Grant (Formerly STEP)	879,018	879,018	879,018	-	-
State Health Insurance Assistance Program (SHIP)	155,304	155,304	155,304	-	-
State Homeland Security Program	3,500,000	3,500,000	3,500,000	-	-
State/Community Partnership Program (YSC)	54,000	54,000	54,000	-	-
STOP Violence Against Women (VAWA) Program Match	38,000	38,000	38,000	-	-
Subregional Transportation Planning Program (STP)	271,875	271,875	271,875	-	-
Continuum of Care (COCR) Grant	736,143	736,143	736,143	-	-
UCBOE - 10th Congressional Special Primary & General Elections	45,686	45,686	45,686	-	-
UCBOE - 2024 Cranford Special School Election	15,229	15,229	15,229	-	-
UCBOE - 2024 Drop Box Grant Award	187,278	187,278	187,278	-	-
UCBOE - 2024 Early Voting Grant	5,244,531	5,244,531	5,244,531	-	-
UCBOE - 2024 Scotch Plains-Fanwood Special School Election	988,135	988,135	988,135	-	-
UCBOE Westfield School Board Election	26,550	26,550	26,550	-	-
UCBOE Poll Worker Pay Reimbursement (Primary and General Election)	122,345	122,345	122,345	-	-
	1,233,556	1,233,556	1,233,556	-	-
	50,020	50,020	50,020	-	-
	31,500	31,500	31,500	-	-
	1,049,750	1,049,750	1,049,750	-	-

COUNTY OF UNION

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2024

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Cancelled
Union County Dept. of Human Services Digital Integration Project	1,880,000	1,880,000	1,880,000	-	-
Union County Improving Library Shared Services	250,000	250,000	250,000	-	-
Union County Municipal Capital Improvement Aid	6,000,000	6,000,000	6,000,000	-	-
Union County Reservoir Water Reclamation Project	20,400,000	20,400,000	20,400,000	-	-
Union County Safe Street For All Project	699,271	699,271	699,271	-	-
Union County Safe Street For All Project - Elizabeth	60,000	60,000	60,000	-	-
Universal Service Fund - CWA Administration	11,784	11,784	11,784	-	-
Urban Area Security Initiative Program (UASI)	2,090,307	2,090,307	2,090,307	-	-
US DOJ - DNA Capacity Enhancement & Backlog Reduction Grant	703,909	703,909	703,909	-	-
Victims of Crime Act (VOCA) Victim Assistance Grant (VAG) Program	129,781	129,781	129,781	-	-
Victims of Crime Act - VOCA	490,833	490,833	490,833	-	-
Match	122,708	122,708	122,708	-	-
Total Operation	494,855,489	494,855,489	462,179,463	32,670,206	5,820
Contingent	50,000	50,000	-	50,000	-
Total Operation Including Contingent	494,905,489	494,905,489	462,179,463	32,720,206	5,820
Detail:					
Salaries and Wages	166,242,928	166,242,928	153,048,769	13,194,159	-
Other Expenses (Including Contingent)	328,662,561	328,662,561	309,130,694	19,526,047	5,820
Capital Improvement					
Capital Improvement Fund	3,300,000	3,300,000	3,300,000	-	-
Road Resurfacing	2,750,000	2,750,000	2,750,000	-	-
Total Capital Improvements	6,050,000	6,050,000	6,050,000	-	-
County Debt Service					
Payment of Bond Principal					
County College Bonds	2,190,000	2,190,000	2,190,000	-	-
State Aid - County College Bonds (N.J.S. 18A:64A-22.6)	3,610,000	3,610,000	3,610,000	-	-
Vocational School Bonds	3,690,000	3,690,000	3,690,000	-	-
Other Bonds	41,470,000	41,470,000	41,470,000	-	-
Interest on Bonds					
County College Bonds	457,588	457,588	457,588	-	-
State Aid - County College Bonds (N.J.S. 18A:64A-22.6)	787,635	787,635	787,634	-	1

COUNTY OF UNION

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2024

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Cancelled
Vocational School Bonds	762,200	762,200	762,200	-	-
Other Bonds	7,807,563	7,807,563	7,507,562	-	300,001
Interest on Notes	3,520,000	3,520,000	3,500,000	-	20,000
Lease to Improvement Authority: U.C.I.A.	10,625,340	10,625,340	10,496,889	-	128,451
U.C.I.A. - State Aid - County College Bonds	812,669	812,669	812,669	-	-
Dam Restoration Loans: Principal	193,054	193,054	193,054	-	-
Interest	16,487	16,487	16,487	-	-
Total County Debt Service	75,942,536	75,942,536	75,494,083	-	448,453
Deferred Charges and Statutory Expenditures					
Deferred charges to future taxation: Ordinance #776-2016 A	12,438	12,438	12,438	-	-
Ordinance #795-2018 C	305,528	305,528	305,528	-	-
Statutory Charges: Contributions to: Public Employees' Retirement System	18,967,388	18,967,388	18,817,387	150,001	-
Social Security System (O.A.S.I.)	11,000,000	11,000,000	9,252,217	1,747,783	-
Police and Firemen's Retirement Fund of NJ	15,644,776	15,644,776	15,359,691	285,085	-
Defined Contribution Retirement Program	115,000	115,000	90,861	24,139	-
Unemployment Compensation Insurance (N.J.S.A. 43:21-3 et seq.)	150,000	150,000	150,000	-	-
Total Deferred Charges & Statutory Expenditures	46,195,130	46,195,130	43,988,122	2,207,008	-

COUNTY OF UNION

Statement of Expenditures-Regulatory Basis

Current Fund

Year Ended December 31, 2024

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
Total General Appropriations	\$ 623,093,155	623,093,155	587,711,668	34,927,214	454,273
Adopted Budget	543,423,187				
Added by N.J.S.A. 40A:4-87	<u>79,669,968</u>				
	\$ <u>623,093,155</u>				
		Cash	\$ 462,472,785		
		Reserve for Encumbrances	19,807,656		
		Transfer to Motor Vehicle Fund	2,750,000		
		Capital Improvement Fund	3,300,000		
		Deferred Charges to future taxation	317,965		
		Transfer to Unemployment Insurance Trust Fund Reserve	150,000		
		Transfer to Disability Insurance Trust Fund Reserve	200,000		
		Transfer to Accumulated Absences Trust Fund Reserve	2,350,000		
		Grants Appropriated	<u>96,363,262</u>		
			\$ <u>587,711,668</u>		

See accompanying notes to financial statements.

COUNTY OF UNION
Comparative Balance Sheet-Regulatory Basis

Trust Funds

December 31, 2024 and 2023

	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
<u>Assets</u>			
Other Trust Fund:			
Cash	B-1	\$ 163,346,769	152,541,619
Due from SSA - UCVTS Self-Insurance	B-3		2,276,747
		<u>163,346,769</u>	<u>154,818,366</u>
Open Space Preservation Trust Fund:			
Cash	B-1	32,409,463	25,213,414
Taxes Receivable	B-4	86,816	64,423
		<u>32,496,279</u>	<u>25,277,837</u>
Housing Trust Fund:			
Cash	B-1	6,244,588	6,399,022
Accounts Receivable	B-2	30,110,740	24,814,964
		<u>36,355,328</u>	<u>31,213,986</u>
Total Assets		<u>\$ 232,198,376</u>	<u>211,310,189</u>
<u>Liabilities, Reserves & Fund Balance</u>			
Other Trust Fund:			
Due to SSA - UCVTS Self-Insurance	B-3	619,418	
Reserve for Miscellaneous Deposits	B-7	98,146,999	99,077,216
Reserve for Motor Vehicle Fines	B-8	3,704,565	3,505,422
Commitments Payable - Other Trust	B-13	8,396,943	7,302,353
Commitments Payable - Motor Vehicle Trust	B-9	352,145	304,612
Interfunds	B-14	52,126,699	44,628,763
		<u>163,346,769</u>	<u>154,818,366</u>
Open Space Preservation Trust Fund:			
Reserve for County Open Space, Recreation, Farmland and Historic Preservation	B-11	20,588,865	13,682,018
Commitments Payable	B-12	4,248,720	4,249,360
Interfunds	B-14	7,658,694	7,346,459
		<u>32,496,279</u>	<u>25,277,837</u>
Housing Trust Fund:			
Interfunds	B-14	3,053,640	2,708,937
Commitments Payable - Housing Trust	B-10	14,909,873	12,526,033
Reserve for Unappropriated Project Funds	B-5	5,377,952	4,143,321
Reserve for Appropriated Project Funds	B-6	13,013,863	11,835,695
		<u>36,355,328</u>	<u>31,213,986</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 232,198,376</u>	<u>211,310,189</u>

See accompanying notes to financial statements.

COUNTY OF UNION
Comparative Balance Sheet-Regulatory Basis
General Capital Fund
December 31, 2024 and 2023

<u>Assets</u>	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
Cash	C-2/C-3	\$ 120,725,138	133,042,391
Grants Receivable	C-4	34,743,544	30,803,297
Deferred Charges to Future Taxation:			
Funded	C-5	548,209,306	448,542,360
Unfunded	C-6	<u>173,191,634</u>	<u>209,301,399</u>
Total Assets		<u>\$ 876,869,622</u>	<u>821,689,447</u>
 <u>Liabilities, Reserves and Fund Balance</u>			
General Serial Bonds	C-7	\$ 343,100,000	347,225,000
New Jersey Dam Restoration Loan Program	C-8	679,307	872,361
Capital Leases	C-9	204,430,000	100,445,000
Bond Anticipation Notes	C-10	25,800,000	70,000,000
Improvement Authorizations:			
Funded	C-11	37,302,772	52,303,168
Unfunded	C-11	110,567,108	124,417,573
Commitments Payable	C-12	53,736,477	48,308,644
Capital Improvement Fund	C-13	12,392,023	10,205,848
Reserve for Payment of Bonds	C-14	20,295,754	16,904,017
Reserve for Preliminary Expense - Redevelopment Counsel	C-15		29,695
Reserve for Preliminary Expense - Gurd Ave. Field	C-16		
Reserve for Preliminary Expense - Parking Deck	C-17		934,966
Reserve for Preliminary Expense - 921 Elizabeth Avenue	C-18		
Reserve for Arbitrage	C-19	8,597,382	5,717,531
Interfunds	C-21	45,306,462	36,771,029
Fund Balance	C-1	<u>14,662,337</u>	<u>7,554,615</u>
Total Liabilities		<u>\$ 876,869,622</u>	<u>821,689,447</u>

Footnote: There were Bonds and Notes Authorized But Not Issued on December 31, 2024 and 2023 of \$151,804,877 and \$139,364,075, respectively. (C-22)

See accompanying notes to the financial statements.

COUNTY OF UNION
Statement of Changes in Fund Balance-Regulatory Basis
General Capital Fund
For the Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Balance - January 1,	\$ 7,554,615	5,500,358
Increased by:		
Premium on Bond Sales	1,640,566	203,027
Additional Bond Proceeds		4
Accrued Interest on Bond Sale	62,447	
Premium on Note Sales	363,265	961,100
Reserve for Preliminary Expense - Gurd Ave. Field Cancelled	12,965	
Reserve for Preliminary Expense - Redevelopment Counsel Cancelled	29,695	
Reserve for Preliminary Expense - Parking Deck Cancelled	934,966	
Reserve for Preliminary Expense - UCIA Cancelled		223,125
Improvement Authorizations Cancelled	<u>5,699,824</u>	<u>868,016</u>
	<u>8,743,728</u>	<u>2,255,272</u>
	16,298,343	7,755,630
Decreased by:		
Premium on Bond/Note Sales	1,632,000	199,000
Premium & Accrued Interest on Ch. 12 Bond Sale - State of NJ	<u>4,006</u>	<u>2,015</u>
	<u>1,636,006</u>	<u>201,015</u>
Balance - December 31,	<u>\$ 14,662,337</u>	<u>7,554,615</u>

See accompanying notes to the financial statements.

COUNTY OF UNION

Comparative Statement of General Fixed Assets-Regulatory Basis

December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<u>General Fixed Assets:</u>		
Land and Improvements	\$ 597,453,028	593,255,620
Buildings and Improvements	347,500,276	340,584,923
Machinery and Equipment	49,327,421	39,534,295
Vehicles	<u>40,304,707</u>	<u>39,784,380</u>
	<u>\$ 1,034,585,432</u>	<u>1,013,159,218</u>
 Investment in Fixed Assets	 <u>\$ 1,034,585,432</u>	 <u>1,013,159,218</u>

See accompanying notes to financial statements.

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The financial statements of the County of Union 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 and account group which differ from the fund structure required by GAAP.

A. Reporting Entity

The County of Union (the “County”) was organized under an act of the New Jersey Legislative on March 19, 1857 and operates under an elected Freeholder form of County government. On August 21, 2020, Senate Bill 855 changed the title from Freeholder to Commissioner. 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 Union County Utilities Authority, Union County Community College, and the Vocational-Technical High School which are considered component units under GAAP. Complete financial statements of the above components can be obtained by contacting the Treasurer of the respective entity.

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

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

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

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

The County has the following funds and account group:

Current Fund - This fund is used to account for the resources and expenditures for governmental operations of a general nature, including Federal and State grants for operations.

Trust Funds - 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 the Trust Funds.

Other 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 Reservation 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.

Housing and Urban 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 Account Group - To account for all fixed assets of the County. The County's infrastructure is not reported in the group.

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

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

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

Basis of Accounting

A modified accrual basis of accounting is followed by the County of Union. Under this method of accounting revenues are recognized when received and expenditures are recorded, when incurred. The accounting principles and practices prescribed for counties by the Division differ in certain respects from accounting principles generally accepted in the United States of America (GAAP) applicable to local government units.

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 account period when they become subsequent to accrual, reduced by an allowance for doubtful accounts.

Miscellaneous Revenues - Miscellaneous revenues are recognized on a cash basis. Receivables for the miscellaneous items that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the 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 per N.J.S.A. 40A:4 et seq.

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

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

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

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 29, of the fiscal year. The budget shall be adopted not later than April 30, and prior to adoption must be certified by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The Director of the Division of Local Government Services, with the approval of the Local Finance Board may extend the introduction and approval and adoption dates of the 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. During the years ended December 31, 2024 and 2023, the Governing Body approved additional revenues and appropriations of \$79,669,968 and \$68,663,198, respectively, in accordance with N.J.S.A. 40A:4-87. In addition, several budget transfers were approved by the governing body in 2024 and 2023.

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

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

Sale of Municipal Assets - The proceeds from the sale of municipal assets can be held in a reserve until anticipated as revenue in a future budget. GAAP requires such proceeds to be recorded as revenue in the year of sale.

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

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

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

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

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

Self-Insurance Contributions - Payments to self-insurance funds are charged to current budget appropriations. GAAP requires payments to be accounted for as an operating transfer and not as an expenditure.

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

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

Cash and Investments - Cash includes amounts in demand deposits as well as short-term investments with a maturity date within one year of the date acquired by the government. Investments are stated at cost which approximates fair value and are limited by N.J.S.A. 40A:5-15.1 to bonds or obligations of, or guaranteed by, the Federal Government and bonds or other obligations of Federal or local units having a maturity date not more than twelve months from the date of purchase.

Incurred But Not Reported (IBNR) Reserves - The County has not created a reserve for any potential unreported losses which have taken place but in which the County has not received notices or report of losses. Additionally, the County has not recorded a liability for those claims filed, but which have not been paid. GAAP requires the establishment of reserves for such potential claims.

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

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

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

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 nonfunding of the authorized cost of capital projects. According to 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.

General Fixed Assets - The provisions the New Jersey Administrative Code (N.J.A.C. 5:30-5.6) codify and continue the provisions of Technical Accounting Directive No. 85-2, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles, requires the inclusion of a statement of general fixed assets of the County as part of its basic financial statements. General fixed assets are defined as nonexpendable personal and real property having a physical existence, a useful life of more than one year and as 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. General Fixed Assets that have been acquired and are utilized in a governmental fund operation are accounted for in the General Fixed Assets Group rather than in a governmental fund. No depreciation has been provided on general fixed assets or reported in the financial statements.

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.

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

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

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

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

Recent Accounting Pronouncements

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

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

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

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

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

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

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

C. Basic Financial Statements

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

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The 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, 2024 and 2023, \$-0- of the County's bank balance of \$708,620,699 and \$719,714,585, respectively, were 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.

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS, (continued)

Concentration of Credit Risk

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

NOTE 3. COUNTY DEBT

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

<u>2024</u>	<u>Balance</u> <u>Dec. 31, 2023</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>Dec. 31, 2024</u>	<u>Amounts Due</u> <u>Within</u> <u>One Year</u>
Bonds Payable - General					
Obligation Debt	\$347,225,000	\$46,835,000	\$50,960,000	\$343,100,000	\$49,120,000
Capital Leases Payable	100,445,000	109,645,000	5,660,000	204,430,000	9,205,000
Other Liabilities:					
Compensated Absences	6,527,039	2,051,635	2,395,940	6,182,734	
New Jersey:					
Dam Restoration					
Loan Program	<u>872,361</u>	<u> </u>	<u>193,054</u>	<u>679,307</u>	<u>196,933</u>
	<u>\$455,069,400</u>	<u>\$158,531,635</u>	<u>\$59,208,994</u>	<u>\$554,392,041</u>	<u>\$58,521,933</u>
<u>2023</u>	<u>Balance</u> <u>Dec. 31, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>Dec. 31, 2023</u>	<u>Amounts Due</u> <u>Within</u> <u>One Year</u>
Bonds Payable - General					
Obligation Debt	\$397,240,000	\$4,065,000	\$54,080,000	\$347,225,000	\$50,960,000
Capital Leases Payable	106,320,000		5,875,000	100,445,000	5,660,000
Other Liabilities:					
Compensated Absences	6,687,994	2,430,713	2,591,668	6,527,039	
New Jersey:					
Dam Restoration					
Loan Program	<u>1,061,611</u>	<u> </u>	<u>189,250</u>	<u>872,361</u>	<u>193,054</u>
	<u>\$511,309,605</u>	<u>\$6,495,713</u>	<u>\$62,735,918</u>	<u>\$455,069,400</u>	<u>\$56,813,054</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 UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 3. COUNTY DEBT, (continued)

The County's debt is summarized as follows:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Issued			
General			
Bonds, Notes and Loans	\$369,579,307	\$418,097,361	\$443,301,611
Bonds Authorized by Another Public Body Guaranteed by the County	<u>192,054,582</u>	<u>74,724,582</u>	<u>77,344,582</u>
Total Issued	<u>561,633,889</u>	<u>492,821,943</u>	<u>520,646,193</u>
Authorized But Not Issued			
General			
Bonds, Notes and Loans	<u>151,804,877</u>	<u>139,364,075</u>	<u>122,829,200</u>
Total Issued and Authorized But Not Issued	<u>713,438,766</u>	<u>632,186,018</u>	<u>643,475,393</u>
Less: Funds Temporarily Held to Pay Bonds and Notes	24,708,998	16,966,694	17,053,052
Bonds issued and bonds authorized but not issued - Capital projects for County Colleges	14,080,000	13,677,500	13,282,500
Bonds Authorized by Another Public Body Guaranteed by the County	<u>192,054,582</u>	<u>74,724,582</u>	<u>77,344,582</u>
Total Deductions	<u>230,843,580</u>	<u>105,368,776</u>	<u>107,680,134</u>
Net Debt	<u>\$482,595,186</u>	<u>\$526,817,242</u>	<u>\$535,795,259</u>

The summarized statement of debt condition which follows is extracted from the County's Annual Debt Statement, indicates a statutory net debt of .481% and .577% at December 31, 2024 and 2023, respectively.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
<u>2024</u>			
General debt	<u>\$713,438,766</u>	<u>\$230,843,580</u>	<u>\$482,595,186</u>
<u>2023</u>			
General debt	<u>\$632,186,018</u>	<u>\$105,368,776</u>	<u>\$526,817,242</u>

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 3. COUNTY DEBT, (continued)

The County's remaining borrowing power under N.J.S. 40A:2-6, as amended, at December 31 2024 and 2023 was as follows:

	<u>2024</u>	<u>2023</u>
2% of equalized valuation basis (county)	\$2,005,528,694	\$1,824,983,972
Net debt	<u>482,595,186</u>	<u>526,817,242</u>
Remaining Borrowing Power	<u>\$1,522,933,508</u>	<u>\$1,298,166,730</u>

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

Paid by Current Fund:

General Obligation Bonds

	<u>2024</u>	<u>2023</u>
\$62,165,000, 2012 General Improvement Bonds, due in annual installments of \$3,450,000 to \$6,900,000 through March 1, 2024, interest rates at 3.00%	\$	\$6,750,000
\$23,190,000, 2012 County Vocational-Technical School Bonds, due in annual installments of \$820,000 to \$1,640,000 through March 1, 2032, interest at various rates from 3.00% to 3.50%	13,120,000	14,020,000
\$10,355,000, 2012 Redevelopment Bonds, due in annual installments of \$370,000 to \$740,000 through March 1, 2032, interest at various rates from 3.00% to 3.50%	5,915,000	6,285,000
\$53,850,000, 2013 General Improvement Refunding Bonds, due in annual installments of \$2,200,000 to \$4,400,000 through March 1, 2023, interest at various rates from 2.00% to 3.25%	26,400,000	30,800,000
\$2,460,000, 2014 County Vocational-Technical School Refunding Bonds, due in annual installments of \$205,000 through March 1, 2026, interest at various rates from 2.00% to 3.00%	410,000	615,000
\$5750,000, 2014 County College Bonds Series A, Ch. 12 State Aid, due in annual installments of \$380,000 to \$385,000 through March 1, 2029, interest rates from 2.00% to 3.125%	1,925,000	2,310,000

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

	<u>2024</u>	<u>2023</u>
NOTE 3. COUNTY DEBT, (continued)		
\$720,000, 2014 Redevelopment Bonds, due in annual installments of \$45,000 through March 1, 2030, interest at various rates from 2.00% to 3.25%	\$270,000	\$315,000
\$64,850,000, 2015 General Improvement Refunding Bonds, due in annual installments of \$5,860,000 to \$7,040,000 through February 15, 2028, interest at various rates from 2.00% to 5.00%	27,290,000	34,330,000
\$62,810,000, 2016 General Improvement Bonds, due in annual instalments of \$2,750,000 to \$5,500,000 through March 1, 2030, interest at 2.00%	32,410,000	37,260,000
\$2,075,000, 2016 County Vocational-Technical School Bonds, due in annual installments of \$200,000 to \$275,000 through March 1, 2026, interest at 2.00%	475,000	675,000
\$3,000,000, 2016 County College Bonds, Series A, Ch. 12 State Aid, due in annual installments of \$300,000 though March 1, 2026, interest at 2.00%	600,000	900,000
\$9,615,000, 2016 County College Bonds, Series B, due in annual installments of \$615,000 to \$1,000,000 through March 1, 2026, interest at 2.00%	1,615,000	2,615,000
\$37,460,000, 2017 General Improvement Refunding Bonds, due in annual installments of \$400,000 to \$3,785,000 through March 1, 2031, interest at various rates from 0.00% to 4.00%	25,810,000	29,530,000
\$3,240,000, 2017 County Vocational-Technical School Refunding Bonds, due in annual installments of \$35,000 to \$1,080,000 though March 1, 2024, interest at various rates from 0.00% to 4.00%		1,060,000
\$1,735,000, 2017 Redevelopment Bonds, due in annual installments of \$15,000 to \$175,000 through March 1, 2031, interest at various rates from 0.00% to 4.00%	1,195,000	1,370,000

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

	<u>2024</u>	<u>2023</u>
NOTE 3. <u>COUNTY DEBT, (continued)</u>		
\$3,300,000 2017 County College Bonds, Series A, Ch. 12 State Aid, due in annual installments of \$330,000 through December 1, 2027, interest at various rates from 2.00% to 2.50%	\$990,000	\$1,320,000
\$65,850,000, 2018 General Improvement Bonds, due in annual installments of \$3,350,000 to \$6,500,000 through March 1, 2030, interest at 3.00%	38,500,000	44,000,000
\$12,000,000, 2018 County Vocational-Technical School Refunding Bonds, due in annual installments of \$1,000,000 through March 1, 2030, interest at 3.00%	6,000,000	7,000,000
\$3,600,000, 2018 County College Bonds, Series A, Ch. 12 State Aid, due in annual installments of \$360,000 through March 1, 2030, interest at 3.00%	1,440,000	1,800,000
\$11,750,000, 2019 County College Bonds, Series B, due in annual installments of \$1,305,000 to \$1,310 through March 1, 2027, interest at 3.00%	3,920,000	5,225,000
\$7,100,000, 2019 County College Bonds, Ch. 12 State Aid, due in annual installments of \$710,000 through March 1, 2029, interest at 2.00%	3,550,000	4,260,000
\$53,960,000, 2020 General Improvement Bonds, due in annual installments of \$4,340,000 to \$5,505,000 through March 1, 2031, interest at various rates from 0.50% to 2.00%	35,955,000	40,595,000
\$1,840,000, 2020 County Vocational-Technical School Bonds, due in annual installments of \$165,000 to \$170,000 through March 1, 2031, interest at various rates from 0.50% to 2.00%	1,180,000	1,345,000
\$3,900,000, 2020 County College Bonds, due in annual installments of \$485,000 to \$490,000 through March 1, 2028, interest at various rates from 0.50% to 2.00%	1,960,000	2,445,000

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

	<u>2024</u>	<u>2023</u>
NOTE 3. <u>COUNTY DEBT, (continued)</u>		
\$3,600,000, 2021 County College Bonds, Ch. 12 State Aid, due in annual installments of \$360,000 through March 1, 2031, interest at various rates from 1.00% to 2.00%	\$2,520,000	\$2,880,000
\$47,680,000, 2022 General Improvement Bonds, due in annual installments of \$2,580,000 to \$5,150,000 through March 1, 2034, interest at various rates from 3.00% to 4.00%	42,425,000	45,100,000
\$1,790,000, 2022 Country Vocational-Technical School Bonds, due in annual installments of \$155,000 to \$205,000 through March 1, 2032, interest at various rates from 3.00% to 4.00%	1,475,000	1,635,000
\$10,650,000, 2022 County College Bonds, Series A, Ch. 12 State Aid, due in annual installments of \$830,000 to \$980,000 through March 1, 2034, interest at various rates from 3.00% to 4.00%	8,980,000	9,820,000
\$7,585,000, 2022 County College Bonds, Series B, due in annual installments of \$685,000 to \$800,000 through March 1, 2032, interest at various rates from 3.00% to 4.00%	6,195,000	6,900,000
\$4,065,000, 2023 County College Bonds, Ch. 12 State Aid, due in annual installments of \$325,000 to \$500,000 through March 1, 2033, interest at various rates from 3.00% to 4.00%	3,740,000	4,065,000
\$38,510,000, 2024 General Improvement Bonds, due in annual installments of \$2,410,000 to \$4,505,000 through March 1, 2036, interest at 4.00%	38,510,000	
\$1,375,000, 2024 County Vocational-Technical School Bonds, due in annual installments of \$110,000 to \$160,000 through March 1, 2034, interest at 4.00%	1,375,000	
\$4,415,000, 2024 County College Bonds, Series A, Ch. 12 State Aid, due in annual installments of \$290,000 to \$435,000 through March 1, 2036, interest at 4.00%	4,415,000	

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

	<u>2024</u>	<u>2023</u>
NOTE 3. COUNTY DEBT, (continued)		
\$2,535,000, 2024 County College Bonds, Series B, due in annual installments of \$220,000 to \$300,000 through March 1, 2034, interest at 4.00%	<u>2,535,000</u>	<u> </u>
	<u>\$343,100,000</u>	<u>\$347,225,000</u>

Intergovernmental Loans Payable

The County has entered into a loan agreement with New Jersey Department of Environmental Protection for the financing relating to the Dam Restoration Program.

	<u>2024</u>	<u>2023</u>
\$800,000 2007 Loan, due in semi-annual installments of \$17,974 to \$51,180 through July 1, 2026, interest at 2.00%	\$101,351	\$150,534
\$1,693,890 2009 Loan, due in semi-annual installments of \$35,727 to \$102,745 through January 14, 2029, interest at 2.00%	451,136	546,019
\$750,000 2009 Loan, due in semi-annual installments of \$18,630 to \$50,977 through February 9, 2027, interest at 2.00%	<u>126,820</u>	<u>175,808</u>
	<u>\$679,307</u>	<u>\$872,361</u>

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 3. COUNTY DEBT, (continued)

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

Calendar Year	Bonds		Loans		Total
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2025	\$49,120,000	\$10,462,588	\$196,933	\$12,606	\$59,792,127
2026	49,840,000	8,627,003	200,893	8,648	58,676,544
2027	48,655,000	7,160,225	126,592	4,870	55,946,687
2028	47,295,000	5,677,213	102,745	2,587	53,077,545
2029	40,160,000	4,333,206	52,144	521	44,545,871
2030-2034	98,225,000	8,192,219			106,417,219
2035-2036	<u>9,805,000</u>	<u>393,100</u>			<u>10,198,100</u>
	<u>\$343,100,000</u>	<u>\$44,845,554</u>	<u>\$679,307</u>	<u>\$29,232</u>	<u>\$388,654,093</u>

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 legal installment must be paid if the notes are to be renewed beyond the fourth and fifth anniversary date of the original issuance.

On December 31, 2024 and 2023, the County had \$25,800,000 and \$70,000,000, respectively, in outstanding General Capital bond anticipation notes.

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 4. BOND ANTICIPATION NOTES, (continued)

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

<u>2024</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
BofA Securities, Inc.	\$	\$25,800,000	\$	\$25,800,000
JP Morgan	70,000,000		70,000,000	0
	<u>\$70,000,000</u>	<u>\$25,800,000</u>	<u>\$70,000,000</u>	<u>\$25,800,000</u>
<u>2023</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
BofA Securities, Inc.	\$45,000,000	\$	\$45,000,000	\$0
JP Morgan		70,000,000		70,000,000
	<u>\$45,000,000</u>	<u>\$70,000,000</u>	<u>\$45,000,000</u>	<u>\$70,000,000</u>

NOTE 5. CAPITAL LEASES PAYABLE

The County of Union and the Union County Improvement Authority entered into agreements which:

- A. Leases a parcel of land owned by the County to the Authority upon which the Authority constructed a Correctional Facility Project. The Authority is to pay the sum \$1 per year to the County under the terms of the lease.
- B. Leases the Authority’s Correctional Facility Project to the County. The lease requires the County to pay the Authority a “basic” annual rent which is equal to the debt service on all project bonds outstanding. The Union County Improvement Authority issued Revenue Refunding Bonds in order to refund a portion of the project bonds and to restructure the County’s basic annual rent. As additional rent, the County will pay the annual administrative fee and actual legal and accounting expenses incurred by the Authority.
- C. Leases certain items of equipment and projects to the County. The leases require the County to pay to the Authority a “basic” Annual rent equal to the debt service on the equipment and project Lease Revenue Bonds outstanding. As additional rent, the County will pay the administrative fees incurred by the Authority.

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 5. CAPITAL LEASES PAYABLE, (continued)

Annual debt service requirements for these capital leases are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$9,205,000	\$8,383,554	\$17,588,554
2026	9,485,000	8,009,553	17,494,553
2027	8,040,000	7,634,406	15,674,406
2028	8,350,000	7,304,789	15,654,789
2029	8,215,000	6,955,694	15,170,694
2030-2034	47,105,000	28,991,457	76,096,457
2035-2039	30,160,000	20,862,825	51,022,825
2040-2044	29,495,000	14,368,468	43,863,468
2045-2049	24,355,000	8,867,531	33,222,531
2050-2054	<u>30,020,000</u>	<u>3,197,906</u>	<u>33,217,906</u>
	<u>\$204,430,000</u>	<u>\$114,576,183</u>	<u>\$319,006,183</u>

NOTE 6. DEFICIENCY AND GUARANTEE AGREEMENTS

The County has an agreement with the Union County Improvement Authority in which the County agreed to guarantee the punctual payment of the principal and interest on the following Long-Term Bonds issued by the Authority.

	<u>2024</u>	<u>2023</u>
\$2,900,000, Guaranteed Revenue Bonds: Linden Theater Redevelopment Project Series 2004 due in annual installments of \$95,000 to \$220,000 through March 1, 2025, interest at various rates from 0.00% to 5.12%	\$220,000	\$430,000
\$2,575,000, Guaranteed Lease Revenue Bonds: Union County Child Advocacy Center Project Series 2010 due in annual installments of \$130,000 to \$215,000 through September 1, 2025, interest at various rates from 1.50% to 4.00%	215,000	420,000
\$2,179,582, Guaranteed Lease Revenue Bonds: Union County Oakland Plaza-Elizabeth Project Series 2015 (Federally Taxable) due in one installment of \$2,179,582 through December 1, 2047, interest at various rates from 0.00% to 0.963%	2,179,582	2,179,582

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 6. DEFICIENCY AND GUARANTEE
AGREEMENTS, (continued)

<p>\$7,860,000, Guaranteed Lease Revenue Bonds: Union County Family Court Building Project Series 2017 due in annual installments of \$200,000 to \$470,000 through May 1, 2042, interest at various rates from 2.125% to 4.00%</p>	\$6,320,000	\$6,565,000
<p>\$19,620,000, Guaranteed Lease Revenue Bonds: Union County Oakwood Plaza-Elizabeth Project Series 2019 (Federally Taxable) due in annual installments of \$95,000 to \$ 1,555,000 through December 1, 2040, interest at various rates from 3.216% to 5.75%</p>	16,910,000	17,555,000
<p>\$46,205,000, Guaranteed Lease Revenue Refunding Bonds: Union County Family Court Building Project Series 2021 (Federally Taxable) due in annual installments of \$360,000 to \$3,020,000 through May 1, 2042, interest at various rates from 0.163% to 3.152%</p>	44,200,000	44,560,000
<p>\$5,055,000, Guaranteed Revenue Bonds: Renewable Energy Project Series 2021 due in annual installments of \$1,005,000 to \$1,040,000 through October 5, 2026, interest at 5.00%</p>	2,010,000	3,015,000
<p>\$109,645,000, Guaranteed Revenue Bonds: Union County Administration Complex Project Series 2024 due in annual installments of \$1,650,000 to \$6,510,000 through April 15, 2054, interest at various rates from 4.125% to 5.00%</p>	<u>109,645,000</u>	<hr style="width: 100%;"/>
	<u>\$181,699,582</u>	<u>\$74,724,582</u>

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COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 7. FIXED ASSETS

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

<u>2024</u>	Balance <u>Dec. 31, 2023</u>	Additions	Deletions	Balance <u>Dec. 31, 2024</u>
Land	\$593,255,620	\$4,197,408	\$	\$597,453,028
Buildings and Improvements	340,584,923	6,915,353		347,500,276
Machinery and Equipment	39,534,295	10,635,507	842,381	49,327,421
Vehicles	<u>39,784,380</u>	<u>1,899,010</u>	<u>1,378,683</u>	<u>40,304,707</u>
	<u>\$1,013,159,218</u>	<u>\$23,647,278</u>	<u>\$2,221,064</u>	<u>\$1,034,585,432</u>

<u>2023</u>	Balance <u>Dec. 31, 2022</u>	Additions	Deletions	Balance <u>Dec. 31, 2023</u>
Land	\$586,472,541	\$6,783,079	\$	\$593,255,620
Buildings and Improvements	333,566,121	7,018,802		340,584,923
Machinery and Equipment	37,892,272	2,701,127	1,059,104	39,534,295
Vehicles	<u>38,799,955</u>	<u>1,176,425</u>	<u>192,000</u>	<u>39,784,380</u>
	<u>\$996,730,889</u>	<u>\$17,679,433</u>	<u>\$1,251,104</u>	<u>\$1,013,159,218</u>

NOTE 8. INTERFUND BALANCES AND ACTIVITY

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

\$63,682,610	Due to the Current Fund from the Federal and State Grant Fund for expenditures not reimbursed by the Federal and State Grant Fund.
45,306,462	Due to the Current Fund from the Capital Fund for excess funds.
52,126,699	Due to the Current Fund from the Other Trust Fund for expenditures not reimbursed.
7,658,694	Due to the Current Fund from the Open Space Preservation for expenditures not reimbursed.
<u>3,053,640</u>	Due to the Current Fund from the Housing Trust Fund for expenditures not reimbursed.
<u>\$171,828,105</u>	

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 9. FUND BALANCES APPROPRIATED

Fund balances at December 31, which were appropriated and included as anticipated revenue in their own respective funds for the succeeding years were as follows:

	<u>2025</u>	<u>2024</u>
Current Fund	<u>\$38,750,000</u>	<u>\$38,750,000</u>

NOTE 10. ACCUMULATED VACATION AND SICK PAY (UNAUDITED)

Under the existing policies of the county, certain employees are allowed to accumulate (with certain restrictions) unused vacation and sick pay over the life of their working careers and to redeem such unused leave time in cash upon retirement or by extended absence immediately preceding retirement.

The maximum sick leave benefits an employee is entitled to at retirement is \$18,000 depending on the employee's number of unused sick days within their existing contract.

It is estimated that the current cost of such unpaid compensation, which was not audited by us would approximate \$6,182,734 and \$6,527,039 at December 31, 2024 and 2023, respectively. These amounts which are considered material to the financial statements, are not reported either as an expenditure or liability. The County has accumulated reserves to offset annual costs of \$1,710,824 and \$685,080 at December 31, 2024 and 2023, respectively.

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COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 11. EMPLOYEE RETIREMENT SYSTEM

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

Benefits Provided

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

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 before age 62 with 25 or more years of service credit and Tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 11. EMPLOYEE RETIREMENT SYSTEM, (continued)

member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Police and Firemens' Retirement System (PFRS)

Plan Description

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

Benefits Provided

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

<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.

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 11. EMPLOYEE RETIREMENT SYSTEM, (continued)

Defined Contribution Retirement Program

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

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

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

Contribution Requirements

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

The 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>
2024	\$18,817,387	\$15,344,776	\$90,861
2023	19,719,708	16,747,393	99,939
2022	18,932,913	17,807,071	89,190

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 11. EMPLOYEE RETIREMENT SYSTEM, (continued)

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

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

Public Employees Retirement System (PERS)

At June 30, 2024, the County had a liability of \$119,691,297 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023 which was rolled forward to June 30, 2024. The 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, 2024, the County's proportion was 0.8808573293 percent, which was an increase/(decrease) of (0.0103264397) percent from its proportion measured as of June 30, 2023.

For the year ended December 31, 2024, the County recognized pension expense of \$18,817,387.

At June 30, 2024, 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	\$2,397,637	\$318,651
Changes of assumptions	148,694	1,361,812
Net difference between projected and actual earnings on pension plan investments		5,549,758
Changes in proportion and differences between the County's contributions and proportionate share of contributions	<u>720,576</u>	<u>11,508,204</u>
Total	<u>\$3,266,907</u>	<u>\$18,738,425</u>

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 11. EMPLOYEE RETIREMENT SYSTEM, (continued)

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

Public Employees Retirement System (PERS), (continued)

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

Year ended June 30:	
2025	(\$5,081,800)
2026	3,932,145
2027	(2,262,248)
2028	(1,305,977)
2029	33,990

Changes in Proportion

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

Additional Information

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

	<u>June 30, 2024</u>	<u>June 30, 2023</u>
Collective deferred outflows of resources	\$1,079,580,780	\$1,080,204,730
Collective deferred inflows of resources	1,611,322,898	1,780,216,457
Collective net pension liability	13,588,045,796	14,484,374,047
County's Proportion	0.8808573293%	0.8911837690%

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 11. EMPLOYEE RETIREMENT SYSTEM, (continued)

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

Public Employees Retirement System (PERS), (continued)

Actuarial Assumptions

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

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

Mortality Rates

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

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

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 11. EMPLOYEE RETIREMENT SYSTEM, (continued)

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

Public Employees Retirement System (PERS), (continued)

Long-Term Rate of Return

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

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

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 11. EMPLOYEE RETIREMENT SYSTEM, (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, 2024. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

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

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

	June 30, 2024		
	1%	At Current	1%
	Decrease	Discount Rate	Increase
	<u>6.00%</u>	<u>7.00%</u>	<u>8.00%</u>
County's proportionate share of the pension liability	\$159,371,530	\$119,691,297	\$85,923,638

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 11. EMPLOYEE RETIREMENT SYSTEM, (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)

Pension Plan Fiduciary Net Position

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

The following PFRS pension information is as of June 30, 2023 which is the latest information available. This information is eighteen months prior to December 31, 2024. GASB Statement No. 68 requires that the information to be no more than twelve months prior to the employer's fiscal year end. No modification of the Independent Auditor's Report is being made since the Division of Local Government Services, Department of County Affairs, State of New Jersey, is permitting the regulatory basis financial statements of Municipal, County and Library's to be issued with unmodified opinion's until such time current pension information is available.

Police and Firemen's Retirement System (PFRS)

At June 30, 2023, the County had a liability of \$118,501,452 for its proportionate share of the PFRS net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022 which was rolled forward to June 30, 2023. 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 1.07252947 percent, which was an increase/(decrease) of (0.13398107) percent from its proportion measured as of June 30, 2022.

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 11. EMPLOYEE RETIREMENT SYSTEM, (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)

Police and Firemen's Retirement System (PFRS)

For the year ended December 31, 2024, the County recognized pension expense of \$15,344,776.

At June 30, 2023, deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference in actual and expected experience	\$5,073,995	\$5,651,467
Changes of assumptions	255,768	8,001,687
Net difference between projected and actual earnings on pension plan investments	6,035,055	
Changes in proportion and differences between County contributions and proportionate share of contributions	<u>7,676,440</u>	<u>41,182,271</u>
Total	<u>\$19,041,258</u>	<u>\$54,835,425</u>

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COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 11. EMPLOYEE RETIREMENT SYSTEM, (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	(\$4,611,662)
2025	(4,425,706)
2026	7,120,512
2027	(612,420)
2028	218,588
Thereafter	22,352

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	13,084,649,602	13,483,472,009
County's Proportion	1.0725294700%	1.2065105400%

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 11. EMPLOYEE RETIREMENT SYSTEM, (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 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 actuarial assumptions:

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

Mortality Rates

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

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

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 11. EMPLOYEE RETIREMENT SYSTEM, (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 UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 11. EMPLOYEE RETIREMENT SYSTEM, (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	\$173,699,379	\$118,501,452	\$72,534,767

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 11. EMPLOYEE RETIREMENT SYSTEM, (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, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The legislation, which legally obligates the State, is as follows: Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amount contributed on behalf of the local participating employers 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. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specified financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers related to this legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net pension liability that is associate with the local participating employer.

At June 30, 2023 and 2022, the State proportionate share of the net pension liability attributable to the County for the PFRS special funding situation is \$21,835,272 and \$24,578,017, respectively. For the years ended December 31, 2024 and 2023, 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 \$2,483,717 and \$2,835,653, respectively, which is more than the actual contributions the State made on behalf of the County of \$2,497,114 and \$3,059,843, 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 UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 12. SELF-INSURANCE DISABILITY

The County has established a disability plan for its employees. The County funds the entire cost of the plan. Claims are paid directly by the plan. The County also budgets funds in each year's budget to meet current claims. The County has created a loss reserve for claims incurred and claims not reported which were unpaid at December 31, 2024 and 2023. These reserve amounts are \$5,844,986 for 2024 and \$8,104,605 for 2023. Exhibit B-7 summarizes the 2024 transactions of the plan.

NOTE 13. SELF-INSURANCE RETIREE HEALTH BENEFITS PLAN

The County has established a Retiree Health Benefits plan for its employees. The County funds the vast majority cost of the plan. Claims are paid directly by the plan up to a maximum of \$375,000 per employee per year, with any excess benefit being reimbursed through a Re-Insurance Agreement with Horizon Blue Cross Blue Shield of New Jersey for an unlimited amount per employee per year. The County has created a loss reserve for claims incurred and claims not reported which were unpaid at December 31, 2024 and 2023. These reserve amounts are \$69,959,600 for 2024 and \$67,459,600 for 2023.

NOTE 14. CLAIMS AND JUDGEMENTS

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

NOTE 15. DEFERRED COMPENSATION PLAN

The County offers its employees two deferred compensation plans created in accordance with Internal Revenue Code Sections 403 (b) and 457. The plans, available to all County employees, permit them to defer a portion of their salaries until future years. The County does not make any contribution to the plans. The deferred compensation is not available to employees until retirement, death, disability, termination or financial hardships.

In accordance with the requirements of the Small Business Job Protection Act of 1996 and the funding requirements of Internal Revenue Code Section 457(g), the County's plan was amended to require that all amounts of compensation deferred under the Plan are held for

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 15. DEFERRED COMPENSATION PLAN, (continued)

the exclusive benefits of plan participants and beneficiaries. All assets and income under the Plan are held in trust, in annuity contracts or custodial accounts.

All assets of the plans are held by an independent administrator, Empower Retirement, LLC.

The accompanying financial statements do not include the County's Deferred Compensation Plan activities. The County's Deferred Compensation Plan financial statements are contained in a separate review report.

NOTE 16. RELATED PARTY TRANSACTIONS

During 2024, the County of Union provided operating or capital funding to the following Union County Governmental Units:

Union County College
Union County Vocational and Technical Schools
Union County Improvement Authority

All debt obligations of these units must be authorized by the Union County Board of County Commissioners and are liabilities of the County, not the governmental units.

NOTE 17. LITIGATION

General Litigation

The County is involved in a number of legal proceedings, the resolution of which, in the opinion of County Counsel, could result in the aggregate \$2,833,910 in damages against the County. These potential liabilities under New Jersey reporting requirements will be reflected in the financial statements when paid. In addition, there are other pending lawsuits in which the County is involved. Many of these lawsuits are presently in the preliminary or discovery stages, with the probability of a successful defense unknown at this time and the amounts of eventual settlements cannot be accurately determined.

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 18. ARBITRAGE REBATE

The County sometimes temporarily reinvests the proceeds of its tax-exempt debt in higher yielding taxable investments which is referred to as arbitrage by the federal tax code. In certain situations, the County is permitted to keep the extra earnings that result from arbitrage. Otherwise, any excess earnings resulting from arbitrage must be rebated to the federal government. Federal law requires that arbitrage be calculated and rebated at the end of each five-year period that tax-exempt debt is outstanding.

NOTE 19. RISK MANAGEMENT

The County established an insurance program in accordance with New Jersey Statute Chapter 40A:10. The County is currently self-insured for general liability, workers' compensation and drug prescription exposure. The County is covered through insurance policies and through membership in the New Jersey Counties Excess Joint Insurance Fund as follows:

- Excess Workers' Compensation including Employers' Liability
- Excess Liability including General, Law Enforcement, Automobile and Employee Benefits
- Excess Property including Boiler & Machinery
- Public Officials Liability/Employment Practices Liability
- Crime
- Pollution Liability
- Employed Lawyers Liability
- Non-Owned Aircraft Liability
- Cyber

The above list of policies is intended to provide a brief summary and various limits are applicable to each of the policies and the members of the Joint Insurance Fund share the limits

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 19. RISK MANAGEMENT, (continued)

Additionally the County maintains insurance policies as follows:

- Accident and Health Insurance for Watchung Stables
- Horse Accidental Death Police
- Group Accident Volunteers
- Public Official Accidental Travel Insurance
- Fire Boat Insurance
- Equipment Insurance (Electronic Specialty) Specialty
- Ambulance Emergency Transport (Terrorism Coverage)
- Ambulance Insurance
- Staff Doctors Medical Professional Liability
- Hospital General Liability and Professional Insurance
- Medical Director Liability Insurance
- Excess Hospital General Liability and Professional Insurance
- Third Party Administrators for General Liability
- Third Party Administrators for Workers' Compensation and Automobile

The County has retained two agencies as its insurance consultants.

The County appropriates annually as required to provide for claims in the year payment is made.

NOTE 20. POST RETIREMENT BENEFITS

Basis of Valuation

This valuation has been conducted as of December 31, 2024 based on census, plan design and premium information provided by the County. Census (as of December 31, 2023) includes 2,171 retired participants (including spouses) and 1,834 active participants.

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 20. POST RETIREMENT BENEFITS, (continued)

Actuarial Methods and Assumptions

1. Data used in the Valuation

Is based on a file, provided by Union County of all active employees as well as all retirees who were participants in the Plan as of December 31, 2023. The plan provisions were obtained from documents provided by Union County.

The Measurement Date and the valuation date for each fiscal year is as of the end of the year.

2. Method of Valuation

The values are determined in accordance with GASB 75 including the Individual Entry Age Normal Cost method with the normal cost determined as a percentage of pay. Standard roll forward and backward techniques were used to adjust valuation dates to measurement dates.

For retirees eligible for subsidies it was assumed that the actual cost to the County would be the cost of the plan less the subsidy for those who were Medicare eligible. For those retirees not Medicare eligible (under age 65) the cost to the County was the cost of the pre 65 plan less the subsidy.

3. Economic Assumptions

a. Discount Rate

Based on S&P Municipal Bond 20 Year High Grade Index

4.00% at December 31, 2023

4.30% at December 31, 2024

b. Investment Rate of Return

Since the County invests only in fixed income investments, the investment return is assumed to equal the Muni 20 year Aa bond rate. This is also the discount rate.

c. Inflation Rate

2.50%

d. Salary Increases

3.00%

e. Health Care Cost Trend

6.75% for 2024 grading down to 3.5% (by 0.25% increments) in 2037.

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 20. POST RETIREMENT BENEFITS, (continued)

Actuarial Methods and Assumptions

4. Claims Assumption

a. *Per Capita Claims Cost*

The annual per capita cost for 2024 for the retiree and spouse at age 64 was \$21,410 and at age 65 was \$5,970

b. *Premium Rates*

Premium Rates used to determine the retiree contribution (net of the Subsidy) are shown below

	Under 65	Over 65	Under/Over
Single	\$739.61	\$539.73	
Couple	\$2,107.79	\$1,079.71	\$1,215.74
Family	\$2,107.79	\$1,726.96	\$1,763.27
Parent/ Child	\$2,107.79	\$1,320.68	

c. *Age Based Utilization*

Per capita costs (non Medicare eligible) are adjusted to reflect expected cost changers related to age. Age factors are shown below.

Projection of Claim Costs by Age

<u>Age</u>	<u>Pre Medicare Eligibility Factors</u>	<u>Medicare Eligible Factors</u>
<30	0.60	
30-34	0.75	
35-39	0.95	
40-44	1.10	
45-49	1.30	
50-54	1.50	
55-59	1.75	
60-64	2.15	
65-70	2.55	0.85
71-74	3.00	1.00
75+	3.00	1.15

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 20. POST RETIREMENT BENEFITS, (continued)

Actuarial Methods and Assumptions

d. Administrative Expenses

The per capita costs above include an allowance of 6.5% for administration.

e. Medicare Part D subsidy

The County is eligible for and does apply for the Medicare Part D subsidy. However, in accordance with GASB guidance, the subsidy is not taken into account for purposes of determining the post retirement benefit obligation.

5. Demographic Assumptions

a. Rates of Mortality

PUB 2010 projected with scale MP 2021

b. Rates of Turnover

Ultimate termination rates vary by age as follows:
 (Note that all active participants have at least 10 years of service)

Ultimate termination rates vary by age

<u>Age</u>	<u>Ultimate</u>
30	6.1%
35	4.0%
40	2.9%
45	2.7%
50	2.0%
55	1.6%
60	1.5%

c. Rates of Retirement

Retirements are assumed to occur in accordance with the following rates:

<u>Sample Ages</u>	<u>Rate</u>
55	11.7%
60	7.8%
65	16.5%
69	11.5%

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 20. POST RETIREMENT BENEFITS, (continued)

Actuarial Methods and Assumptions

d. Rates of Disability

None assumed.

e. Spouse Assumption

Spouse dates of birth were provided for all retired employees. For actives, 50% are assumed to be married with males assumed to be 3 years older than females. Marital status is assumed not to change prior to or after retirement.

f. Retiree Participation

100% of eligible “Free for Life” retirees are assumed to elect to participate in the plan while 75% of retirees eligible for a subsidy are assumed to elect coverage.

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COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 20. POST RETIREMENT BENEFITS, (continued)

I. <u>Change in Net OPEB Liability</u>	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(a) - (b)
A. Balance as Beginning of year	<u>\$ 586,837,789</u>	<u>\$ 67,459,600</u>	<u>\$ 519,378,189</u>
B. Changes for the year:			
Service Cost	9,343,496		9,343,496
Interest Cost	22,974,322		22,974,322
Change of Benefit terms (plan change)	0		0
Difference between Actual and Expected Experience (gains)/losses	0		0
Assumption changes	(22,258,663)		(22,258,663)
Contributions - employer		24,959,501	(24,959,501)
Net Investment Income		2,500,000	(2,500,000)
Benefits Paid	(24,959,501)	(24,959,501)	0
Net Changes	<u>571,937,443</u>	<u>2,500,000</u>	<u>(17,400,346)</u>
C. Balance as of End of Year			
Actives	\$ 216,218,606		
Inactives	<u>355,718,837</u>		
Total	<u>\$ 571,937,443</u>	<u>\$ 69,959,600</u>	<u>\$ 501,977,843</u>
D. Covered Employees Payroll	\$ 146,720,000		\$ 146,720,000
OPEB Liability as a Percentage of Covered Payroll	390%		342%
II. <u>Sensitivity</u>			
A. Changes in Discount Rate	4.30%		
1% Decrease	\$ 654,193,088		
Discount rate	\$ 571,937,443		
1% Increase	\$ 503,673,497		
B. Changes in Healthcare Cost Trend			
1% Decrease	\$ 509,022,202		
Trend rate	\$ 571,937,443		
1% Increase	\$ 646,163,436		
III <u>Summary of Participant Data</u>			
<i>Measurement Date</i>	12/31/2024		
<i>Fiscal Year End</i>	12/31/2024		
A. Actives	1,834		
B. Retirees (including spouses)	<u>2,171</u>		
C. Total	4,005		

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 20. POST RETIREMENT BENEFITS, (continued)

IV. <u>OPEB Expense</u>	FYE 12/31/24
A. Service Cost	\$ 9,343,496
B. Interest Cost	22,974,322
C. Plan Changes	-
D. Projected Investment Income	(2,698,384)
<i>Current Period Recognition of deferred (inflows)/outflows of resources</i>	
E. Difference in projected and actual earnings on assets	(2,666,330)
F. Change in assumptions	16,342,286
G. Difference in actual and expected experience	(37,421,903)
H. OPEB Expense	\$ 5,873,487

Amounts reported as Deferred Outflows of Resources and Deferred Inflows of

V. Resources related to OPEB expense

Fiscal Year ended 12/31		
	2025	\$ (13,056,155)
	2026	\$ (34,032,006)
	2027	\$ (27,208,865)
	2028	\$ (13,632,497)
	2029	\$ (3,709,778)
Thereafter		\$ 0

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of

VI. Resources Related to OPEB

	Deferred Outflows of Resources	Deferred Inflows of Resources
A. Net difference between projected and actual earnings on OPEB plan investments	\$ 385,039	\$ (1,422,692)
B. Changes of assumptions or other inputs	39,896,534	(59,356,515)
C. Differences between expected and actual experience	-	(71,141,667)
Total	\$ 40,281,573	\$ (131,920,874)

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 20. POST RETIREMENT BENEFITS, (continued)

Schedule of Changes in Total OPEB Liability and Related Ratios

	Fiscal Year Ending December 31,						
	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability							
Service Cost	\$ 9,343,496	\$ 8,513,852	\$ 9,660,782	\$ 10,998,575	\$ 7,374,391	\$ 11,790,189	\$ 12,610,881
Interest Cost	22,974,322	25,346,223	13,118,071	15,121,199	18,574,640	24,679,728	22,005,190
Plan changes	-	-	-	-	-	-	-
Difference between Actual and Expected Experience (gains)/losses	-	(63,583,414)	-	(67,406,746)	(37,702,856)	(55,838,405)	13,021,766
Assumption changes	(22,258,663)	3,809,038	(81,615,261)	26,024,469	74,840,249	97,253,881	(38,770,483)
Benefits Paid (implicit)	(24,959,501)	(25,288,491)	(24,415,818)	(28,478,260)	(20,379,167)	(18,468,940)	(21,533,733)
Net Change in Total OPEB Liability	\$ (14,900,346)	\$ (51,202,791)	\$ (83,252,227)	\$ (43,740,764)	\$ 42,707,257	\$ 59,416,453	\$ (12,666,378)
Total OPEB Liability - Beginning of Year	\$ 586,837,789	\$ 638,040,580	\$ 721,292,807	\$ 765,033,570	\$ 722,326,313	\$ 662,909,861	\$ 675,576,239
Total OPEB Liability - End of Year	\$ 571,937,443	\$ 586,837,789	\$ 638,040,580	\$ 721,292,807	\$ 765,033,570	\$ 722,326,313	\$ 662,909,861
Plan Fiduciary Net Position							
Contributions - Employer	\$ 24,959,501	\$ 25,288,491	\$ 24,415,818	\$ 28,478,260	\$ 20,379,167	\$ 18,468,940	\$ 29,913,017
Net Investment Income	2,500,000	2,500,000	750,000	8,233,000	8,230,000	3,500,000	-
Benefit payments	(24,959,501)	(25,288,491)	(24,415,818)	(28,478,260)	(20,379,167)	(18,468,940)	(21,533,733)
Net Change in plan fiduciary position	\$ 2,500,000	\$ 2,500,000	\$ 750,000	\$ 8,233,000	\$ 8,230,000	\$ 3,500,000	\$ 8,379,284
Plan fiduciary net position - beginning	\$ 67,459,600	\$ 64,959,600	\$ 64,209,600	\$ 55,976,600	\$ 47,746,600	\$ 44,246,600	\$ 35,867,316
Plan fiduciary net position - end	\$ 69,959,600	\$ 67,459,600	\$ 64,959,600	\$ 64,209,600	\$ 55,976,600	\$ 47,746,600	\$ 44,246,600
Net OPEB Liability	501,977,843	519,378,189	573,080,980	657,083,207	709,056,970	674,579,713	618,663,261
Plan fiduciary net position as a percentage of the total OPEB liability	12.23%	11.50%	10.18%	8.90%	7.32%	6.61%	6.67%
Covered Employee Payroll	146,720,000	142,446,602	137,024,578	133,033,571	142,675,136	152,512,100	149,655,229
Net OPEB Liability as a percent of Covered Employee Payroll	342%	365%	418%	494%	497%	442%	413%
End of year Discount Rate	4.30%	4.05%	4.05%	1.85%	2.00%	2.75%	3.72%

Notes to Schedule:

Change in Benefit Terms

There have been no changes in the benefit terms since the adoption of GASB 75.

Change in Assumptions

The mortality table was changed from RP 2014 projected to 2024 with scale MP 18 to PUB 2010 projected to 2025 with scale MP 20 effective 12/31/20 and the PUB 2010 projected with scale MP 21 effective 12/31/21.

The discount rate is changed annually as shown in the above exhibit.

The medical trend rate was changed to 7.0% grading down to 3.50% in 0.25% increments beginning with 2023.

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 20. POST RETIREMENT BENEFITS, (continued)

Schedule of Deferred Inflows and Outflows of Resources

Fiscal Year Established	Original Amount	Original Period of Recognition	Unrecognized Amount at Last Measurement Date	Amount Recognized in Current OPEB Expense	Unrecognized Amount at This Measurement Date	Amount Recognized in OPEB Expense for Fiscal Year Ending					After next 5 years
						12/31/2024	12/31/2025	12/31/2026	12/31/2027	12/31/2028	
Investment (gains) losses											
<i>Investment Earnings Less than expected - Deferred Outflow</i>											
12/31/2022	369,532		221,720	73,906	147,814	73,906	73,908	-	-	-	-
12/31/2023	130,864		104,691	26,173	78,518	26,173	26,173	26,172	-	-	-
12/31/2024	198,384		-	39,677	158,707	39,677	39,677	39,677	39,676	-	-
Total			326,411	139,756	385,039	139,756	139,758	65,849	39,676	-	-
<i>Investment Earnings Greater than expected - Deferred Inflow</i>											
12/31/2019	(1,854,026)		-	-	-	-	-	-	-	-	-
12/31/2020	(6,916,968)		(1,383,392)	(1,383,392)	-	-	-	-	-	-	-
12/31/2021	(7,113,468)		(2,845,386)	(1,422,694)	(1,422,692)	(1,422,692)	-	-	-	-	-
Total			(4,228,778)	(2,806,086)	(1,422,692)	(1,422,692)	-	-	-	-	-
Total Investment			(3,902,367)	(2,666,330)	(1,037,653)	(1,282,936)	139,758	65,849	39,676	-	-
Change in Assumptions											
<i>Liability increase - Deferred Outflows</i>											
12/31/2019	97,253,881		32,417,961	16,208,980	16,208,981	16,208,981	-	-	-	-	-
12/31/2020	74,840,249		24,946,749	12,473,375	12,473,374	12,473,374	-	-	-	-	-
12/31/2021	26,024,469		13,012,233	4,337,412	8,674,821	4,337,412	4,337,409	-	-	-	-
12/31/2023	3,809,038		3,174,198	634,840	2,539,358	634,840	634,840	634,840	634,838	-	-
Total			73,551,141	33,654,607	39,896,534	33,654,607	4,972,249	634,840	634,838	-	-
<i>Liability (decrease) - Deferred Inflows</i>											
12/31/2022	(81,615,261)		(54,410,173)	(13,602,544)	(40,807,629)	(13,602,544)	(13,602,544)	(13,602,541)	-	-	-
12/31/2024	(22,258,663)		-	(3,709,777)	(18,548,886)	(3,709,777)	(3,709,777)	(3,709,777)	(3,709,777)	(3,709,778)	-
Total			(54,410,173)	(17,312,321)	(59,356,515)	(17,312,321)	(17,312,321)	(17,312,318)	(3,709,777)	(3,709,778)	-
Total Assumptions			19,140,968	16,342,286	(19,459,981)	16,342,286	(12,340,072)	(16,677,478)	(3,074,939)	(3,709,778)	-
Expected vs. Actual Experience											
<i>Economic/demographic losses - Deferred Outflows</i>											
12/31/2018	13,021,766		-	-	-	-	-	-	-	-	-
Total			-	-	-	-	-	-	-	-	-
<i>Economic/demographic (gains) - Deferred Inflows</i>											
12/31/2019	(55,838,405)		(9,306,400)	(9,306,400)	-	-	-	-	-	-	-
12/31/2020	(37,702,856)		(12,567,620)	(6,283,809)	(6,283,811)	(6,283,811)	-	-	-	-	-
12/31/2021	(67,406,746)		(33,703,372)	(11,234,458)	(22,468,914)	(11,234,458)	(11,234,456)	-	-	-	-
12/31/2023	(63,583,414)		(52,986,178)	(10,597,236)	(42,388,942)	(10,597,236)	(10,597,236)	(10,597,236)	(10,597,234)	-	-
Total			(108,563,570)	(37,421,903)	(71,141,667)	(28,115,505)	(21,831,692)	(10,597,236)	(10,597,234)	-	-
Total Experience			(108,563,570)	(37,421,903)	(71,141,667)	(28,115,505)	(21,831,692)	(10,597,236)	(10,597,234)	-	-
Total Outflows			73,877,552	33,794,363	40,281,573	33,794,363	5,112,007	700,689	674,514	-	-
Total Inflows			(167,202,521)	(57,540,310)	(131,920,874)	(46,850,518)	(39,144,013)	(27,909,554)	(14,307,011)	(3,709,778)	-
Total	(128,641,624)		(93,324,969)	(23,745,947)	(91,639,301)	(13,056,155)	(34,032,006)	(27,208,865)	(13,632,497)	(3,709,778)	0

COUNTY OF UNION, N.J.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(continued)

NOTE 21. OTHER MATTERS

On March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 into effect. This plan, among other things, provides direct federal funding to aid county and municipal governments to help offset revenue losses 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 Union is \$130,591,800 which will be available for use until December 31, 2024.

NOTE 22. SUBSEQUENT EVENTS

The County had the following debt activity subsequent to the date of the financial statements:

The County issued County College Bonds (Chapter 12 State Aid) dated June 15, 2025 in the amount of \$2,965,000 payable from 2026 through 2035 at 4.00%.

The County issued Bond Anticipation Notes dated June 12, 2025 in the amount of \$49,280,000 payable on June 12, 2026 at 4.00%.

The County has evaluated subsequent events through July 10, 2025, the date which the financial statements were available to be issued and no other items were noted for disclosure.



WIELKOTZ & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS

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ACCOUNTANT'S COMPILATION REPORT

The Honorable Director and Members
of the Board of Commissioners
County of Union
County Administration Building

We have compiled the accompanying balance sheets - regulatory basis of the individual funds from the 2025 Annual Financial Statement (AFS) of the County of Union, New Jersey as of December 31, 2025 and the related statements of operations and changes in fund balances - regulatory basis for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The financial statements - regulatory basis have been prepared on a prescribed basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the modified accrual basis, with certain exceptions, and the budget laws of New Jersey, which is a comprehensive basis of accounting other than generally accepted accounting principles.

A compilation is limited to representing in the form of financial statements information that is the representation of management of the County of Union. We have not audited or reviewed the accompanying financial statements - regulatory basis and, accordingly, do not express an opinion or any other form of assurance on them.

Management of the County of Union has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on the regulatory basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the County of Union's financial position - regulatory basis and the results of its operations and changes in its fund balance - regulatory basis. Accordingly, these financial statements are not designed for those who are not informed about such matters.

WIELKOTZ & COMPANY, LLC
Certified Public Accountants

/s/ Steven D. Wielkotz
Steven D. Wielkotz, C.P.A., R.M.A.

April 8, 2026



COUNTY OF UNION, NEW JERSEY
CURRENT FUND
BALANCE SHEET-REGULATORY BASIS
DECEMBER 31, 2025 (UNAUDITED)

ASSETS AND DEFERRED CHARGES

Regular Fund

Cash and Investments

245,672,461

Change Fund

2,900

245,675,361

Receivables and Other Assets with Full Reserves:

Added and Omitted taxes

1,559,899

Other Receivables

59,977

Due From Trust Funds

68,753,523

Due From Grant Fund

69,865,174

Due From General Capital Fund

63,414,891

203,653,464

Deferred Charges:

Emergency Authorization

1,041,583

Special Emergency Authorizations (N.J.S. 40A:4-55)

1,041,583

450,370,408

Federal and State Grant Fund

Cash and Investments

124,346,842

Grants Receivable

115,107,112

239,453,954

689,824,362

COUNTY OF UNION, NEW JERSEY
CURRENT FUND
BALANCE SHEET-REGULATORY BASIS
DECEMBER 31, 2025 (UNAUDITED)

LIABILITIES, RESERVES AND FUND BALANCE

Regular Fund

Liabilities:

Appropriation Reserves	29,476,703
Reserve for Encumbrances	12,509,697
Accounts Payable	2,167,208
Reserve for Sale of Assets	5,109,065

49,262,673

Reserve for Receivables and Other Assets	203,653,464
Fund Balance	197,454,271

450,370,408

Federal and State Grant Fund

Interfund Accounts Payable	69,865,174
Encumbrances	133,615,385
Accumulated Revenue Unappropriated	
Appropriated Reserves for Federal and State Grants	35,973,395

239,453,954

689,824,362

COUNTY OF UNION, NEW JERSEY
CURRENT FUND
STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE
DECEMBER 31, 2025 (UNAUDITED)

Revenue and Other Income

Fund Balance Utilized	38,750,000
Receipts from Current Taxes	380,263,119
Miscellaneous Revenue Anticipated	167,783,875
Nonbudget Revenue	11,848,875
Other Credits to Income	26,206,494
	624,852,363

Expenditures

Budget Appropriations	557,360,691
Miscellaneous Other Expenditures	30,656,898
	588,017,589

Excess in Revenue 36,834,774

Adjustments to Income before Fund Balance:	
Expenditure Included Above Which are by Statute Deferred	
Charges to Budget of Succeeding Year	1,041,583
	1,041,583

Statutory Excess to Fund Balance 37,876,357

Fund Balance

Balance January 1	198,327,914
	236,204,271
Decreased by:	
Utilized as Anticipated Revenue	38,750,000
	197,454,271
Balance December 31	197,454,271

COUNTY OF UNION, NEW JERSEY
TRUST FUND
BALANCE SHEET-REGULATORY BASIS
DECEMBER 31, 2025 (UNAUDITED)

ASSETS

Open Space Trust Fund:	
Cash	41,233,422
Accounts Receivable	66,199
	41,299,621
Community Development Block Grant Trust Fund:	
Cash	5,733,274
Various Receivables	34,404,931
	40,138,205
Other Trust Fund:	
Cash	172,227,408
Due from Vo-Tech Health Insurance	7,134,870
	179,362,278
	260,800,104

LIABILITIES AND FUND BALANCE

Open Space Trust Fund:	
Commitments Payable	4,133,650
Due to Current Fund	7,938,269
Open Space-Appropriated	13,330,786
Open Space-Reserves	15,896,916
	41,299,621
Community Development Block Grant Trust Fund:	
Various Reserves	37,137,989
Due to Current Fund	3,000,216
	40,138,205
Other Trust Fund:	
Reserve for Motor Vehicle Fund	
Commitments Payable	9,339,400
Due to Current Fund	57,815,038
PERS	998,312
PERS Contributory Insurance	124,349
PERS Supplemental Insurance	43,328
Police and Fire Pension	457,807
Police and Fireman S.A.	631
State Unemployment Tax	3,240,624
Due to Vo-Tech Health Insurance	337,619
UCVT Reserves	217,121
Reserve for Motor Vehicle-Fund Balance	4,485,059
Total Miscellaneous Trust Reserves	101,261,904
Total Trust Escrow Reserves	1,041,086
	179,362,278
	260,800,104

COUNTY OF UNION, NEW JERSEY
GENERAL CAPITAL FUND
BALANCE SHEET-REGULATORY BASIS
DECEMBER 31, 2025 (UNAUDITED)

ASSETS AND DEFERRED CHARGES

Cash and Investments	133,292,608
Grants Receivable	
Federal and State Grants Receivable	37,058,984
Guaranteed Capital Leases	195,225,000
Deferred Charges to Future Taxation:	
Funded	296,945,000
Unfunded	201,179,266
Funded DAM Loans	482,373
	864,183,231

LIABILITIES, RESERVES AND FUND BALANCE

General Serial Bonds	296,945,000
Bond Anticipation Notes	49,280,000
Capital Leases Payable	195,225,000
Capital Improvement Fund	8,868,224
Loan Payable	482,373
Interfund Accounts Payable	63,414,891
Reserve for Serial Bonds	18,820,755
Reserve for Serial Bonds-Green Acres	1,475,000
Reserve for Arbitrage	11,011,927
Funded	34,774,920
Unfunded	115,794,565
Encumbered	60,802,907
Fund Balance	7,287,669
	864,183,231
	151,933,322

Bonds and Notes Authorized but Not Issued

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APPENDIX B

PROPOSED FORM OF BOND COUNSEL OPINION

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STEVEN L. ROGUT
THOMAS J. BACE†
JOSHUA A. CUCUZZELLA

DANIEL J. McCARTHY, Of Counsel
DIANE U. DABULAS, Of Counsel

† ALSO ADMITTED IN FL AND DC

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APPENDIX B

[Proposed Form of Bond Counsel Opinion]

June __, 2026

Board of County Commissioners
County of Union, New Jersey

Dear Board Members:

We have acted as bond counsel in connection with the issuance of \$29,250,000 aggregate principal amount of bonds consisting of \$19,980,000 aggregate principal amount of General Improvement Bonds of 2026 (the "General Improvement Bonds"), \$1,270,000 aggregate principal amount of County Vocational-Technical School Bonds of 2026 (New Jersey School Bond Reserve Act) (the "County Vocational-Technical School Bonds"), \$4,000,000 aggregate principal amount of County College Bonds of 2026 (Series A) (Chapter 12 State Aid) (the "County College Bonds (Series A)") and \$4,000,000 County College Bonds of 2026 (Series B) (the "County College Bonds (Series B)") (collectively, the "Bonds") by the County of Union, a political subdivision of the State of New Jersey (the "County"). The Bonds are dated June 1, 2026 and comprise four issues of registered bonds. The Bonds bear interest from their date, payable on each March 1 and September 1, commencing March 1, 2027 (each, an "Interest Payment Date"), in each year until maturity or prior redemption.

The General Improvement Bonds are payable in annual installments on March 1 in each year, and bear interest at the rates per annum, as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2027	\$ 710,000	%	2036	\$1,150,000	%
2028	750,000		2037	1,200,000	
2029	800,000		2038	1,250,000	
2030	850,000		2039	1,300,000	
2031	900,000		2040	1,350,000	
2032	950,000		2041	1,400,000	
2033	1,000,000		2042	1,400,000	
2034	1,050,000		2043	1,400,000	
2035	1,100,000		2044	1,420,000	

The County Vocational-Technical School Bonds are payable in annual installments on March 1 in each year, and bear interest at the rates per annum, as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2027	\$ 85,000	%	2032	\$135,000	%
2028	95,000		2033	145,000	
2029	105,000		2034	155,000	
2030	115,000		2035	155,000	
2031	125,000		2036	155,000	

The County College Bonds (Series A) are payable in annual installments on March 1 in each year, and bear interest at the rates per annum, as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2027	\$300,000	%	2032	\$425,000	%
2028	325,000		2033	425,000	
2029	350,000		2034	450,000	
2030	375,000		2035	475,000	
2031	400,000		2036	475,000	

The County College Bonds (Series B) are payable in annual installments on March 1 in each year, and bear interest at the rates per annum, as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2027	\$300,000	%	2032	\$425,000	%
2028	325,000		2033	425,000	
2029	350,000		2034	450,000	
2030	375,000		2035	475,000	
2031	400,000		2036	475,000	

The Bonds maturing on or before March 1, 2033 are not subject to redemption prior to their stated maturities. The Bonds maturing on or after March 1, 2034 are subject to redemption at the option of the County prior to maturity, in whole on any date or in part on any Interest Payment Date, on or after September 1, 2033, upon notice as set forth in the resolutions referred to below at the redemption price of 100% of the principal amount being redeemed, plus accrued interest to the date fixed for redemption.

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

The Bonds are issued pursuant to the Local Bond Law (Chapter 2 of Title 40A of the New Jersey Statutes, as amended). The General Improvement Bonds are also issued pursuant to eleven bond ordinances adopted by the Board of County Commissioners of the County on October 9, 2008 (Ord. No. 671-2008, as amended by the following four ordinances: Ord. No. 714-2010 adopted on December 8, 2010; Ord. No. 730-2012 adopted on March 22, 2012; Ord. No. 741-2012 adopted on September 13, 2012; and Ord. No. 760-2014 adopted on October 9, 2014), August 25, 2011 (Ord. No. 723-2011, as amended by the following three ordinances: Ord. No. 741-2012 adopted on September 13, 2012; Ord. No. 760-2014 adopted on October 9, 2014; and Ord. No. 845-2023 adopted on September 7, 2023), September 13, 2012 (Ord. No. 740-2012, as amended by the following four ordinances: Ord. No. 760-2014 adopted on October 9, 2014; Ord. No. 786-2017 adopted on August

17, 2017; Ord. No. 845-2023 adopted on September 7, 2023; and Ord. No. 860-2025 adopted on September 18, 2025), September 11, 2014 (Ord. No. 759-2014, as amended by Ord. No. 786-2017 adopted on August 17, 2017, and as further amended by Ord. No. 805-2019 adopted on February 14, 2019), August 18, 2016 (Ord. No. 776-2016, as amended by the following three ordinances: Ord. No. 805-2019 adopted on February 14, 2019; Ord. No. 810-2019 adopted on December 19, 2019; and Ord. No. 860-2025 adopted on September 18, 2025), August 17, 2017 (Ord. No. 787-2017, as amended by the following three ordinances: Ord. No. 805-2019 adopted on February 14, 2019; Ord. No. 845-2023 adopted on September 7, 2023; and Ord. No. 860-2025 adopted on September 18, 2025), September 13, 2018 (Ord. No. 795-2018, as amended by Ord. No. 845-2023 adopted on September 7, 2023, and as further amended by Ord. No. 860-2025 adopted on September 18, 2025), July 25, 2019 (Ord. No. 808-2019, as amended by the following three ordinances: Ord. No. 825-2021 adopted on March 25, 2021; Ord. No. 845-2023 adopted on September 7, 2023; and Ord. No. 860-2025 adopted on September 18, 2025), November 5, 2020 (Ord. No. 820-2020, as amended by Ord. No. 845-2023 adopted on September 7, 2023, and as further amended by Ord. No. 860-2025 adopted on September 18, 2025), December 2, 2021 (Ord. No. 834-2021, as amended by Ord. No. 845-2023 adopted on September 7, 2023, and as further amended by Ord. No. 860-2025 adopted on September 18, 2025), and October 6, 2022 (Ord. No. 839-2022, as amended by Ord. No. 845-2023 adopted on September 7, 2023, and as further amended by Ord. No. 860-2025 adopted on September 18, 2025) and resolutions adopted by the Board of County Commissioners of the County on April 30, 2026. The County Vocational-Technical School Bonds are also issued pursuant to Chapter 54 of Title 18A, Education, of the New Jersey Statutes, as amended, and pursuant to seven bond ordinances adopted by the Board of County Commissioners of the County on August 22, 2013 (Ord. No. 752-2013, as amended by the following three ordinances: Ord. No. 760-2014 adopted on October 9, 2014; Ord. No. 786-2017 adopted on August 17, 2017; and Ord. No. 805-2019 adopted on February 14, 2019), September 11, 2014 (Ord. No. 759-2014, as amended by Ord. No. 786-2017 adopted on August 17, 2017, and as further amended by Ord. No. 805-2019 adopted on February 14, 2019), July 16, 2015 (Ord. No. 765-2015, as amended by Ord. No. 860-2025 adopted on September 18, 2025), August 17, 2017 (Ord. No. 787-2017, as amended by the following three ordinances: Ord. No. 805-2019 adopted on February 14, 2019; Ord. No. 845-2023 adopted on September 7, 2023; and Ord. No. 860-2025 adopted on September

18, 2025), September 13, 2018 (Ord. No. 795-2018, as amended by Ord. No. 845-2023 adopted on September 7, 2023, and as further amended by Ord. No. 860-2025 adopted on September 18, 2025), November 5, 2020 (Ord. No. 820-2020, as amended by Ord. No. 845-2023 adopted on September 7, 2023, and as further amended by Ord. No. 860-2025 adopted on September 18, 2025), and December 2, 2021 (Ord. No. 834-2021, as amended by Ord. No. 845-2023 adopted on September 7, 2023, and as further amended by Ord. No. 860-2025 adopted on September 18, 2025) and resolutions adopted by the Board of County Commissioners of the County on April 30, 2026. The County College Bonds (Series A) are also issued pursuant to Chapter 12 of the Laws of 1971 of New Jersey, as amended (N.J.S.A. 18A:64A-22.1 et seq.), and pursuant to a bond ordinance adopted by the Board of County Commissioners of the County on August 20, 2025 (Ord. No. 858-2025) and resolutions adopted by the Board of County Commissioners of the County on April 30, 2026. The County College Bonds (Series B) are also issued pursuant to Chapter 64A of Title 18A, Education, of the New Jersey Statutes, as amended, and pursuant to seven bond ordinances adopted by the Board of County Commissioners of the County on September 11, 2014 (Ord. No. 759-2014, as amended by Ord. No. 786-2017 adopted on August 17, 2017, and as further amended by Ord. No. 805-2019 adopted on February 14, 2019), August 18, 2016 (Ord. No. 776-2016, as amended by the following three ordinances: Ord. No. 805-2019 adopted on February 14, 2019; Ord. No. 810-2019 adopted on December 19, 2019; and Ord. No. 860-2025 adopted on September 18, 2025), August 17, 2017 (Ord. No. 787-2017, as amended by the following three ordinances: Ord. No. 805-2019 adopted on February 14, 2019; Ord. No. 845-2023 adopted on September 7, 2023; and Ord. No. 860-2025 adopted on September 18, 2025), September 13, 2018 (Ord. No. 795-2018, as amended by Ord. No. 845-2023 adopted on September 7, 2023, and as further amended by Ord. No. 860-2025 adopted on September 18, 2025), May 12, 2022 (Ord. No. 838-2022), October 6, 2022 (Ord. No. 839-2022, as amended by Ord. No. 845-2023 adopted on September 7, 2023, and as further amended by Ord. No. 860-2025 adopted on September 18, 2025), and September 7, 2023 (Ord. No. 844-2023, as amended by Ord. No. 860-2025 adopted on September 18, 2025) and resolutions adopted by the Board of County Commissioners of the County on April 30, 2026.

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

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

As bond counsel, we have examined certified copies of the bond ordinances and resolutions referred to above and related proceedings in connection with the issuance of the Bonds. We have also examined originals (or copies certified or otherwise identified to our satisfaction) of such other instruments, certificates and documents as we have deemed necessary or appropriate for the purpose of the opinion rendered below, including the Tax Certificate executed by the Director of Finance/County Treasurer of the County of even date herewith. We have assumed the accuracy of the factual information and the truthfulness of the expectations set forth in the Tax Certificate and the exhibits thereto. We have also examined the executed and authenticated first numbered Bond of each issue and have assumed that all of the other Bonds have been similarly executed and authenticated. In such examination, we have

assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity to the original documents of all documents submitted to us as copies. As to any facts material to our opinion we have, when relevant facts were not independently established, relied upon the aforesaid instruments, certificates and documents.

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

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

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

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

3. Assuming compliance by the County with the Tax Certificate, under existing law, interest on the Bonds is excluded from gross income of the owners thereof for Federal income tax purposes pursuant to Section 103 of the Code. In addition, under existing law, interest on the Bonds is not treated as a preference item for purposes of the alternative minimum tax imposed under the Code with respect to individuals; however, interest on the Bonds that is included in the "adjusted financial statement income" of certain corporations is not excluded from the Federal corporate alternative minimum tax. In

Board of County Commissioners
County of Union, New Jersey
June __, 2026
Page 8

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

Very truly yours,

Rogut McCarthy LLC

APPENDIX C

PROPOSED FORM OF CONTINUING DISCLOSURE CERTIFICATE

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APPENDIX C

[PROPOSED FORM OF CONTINUING DISCLOSURE CERTIFICATE]

THIS CONTINUING DISCLOSURE CERTIFICATE (this "Certificate") is made June __, 2026 by the County of Union, a political subdivision duly organized under the laws of the State of New Jersey (the "County").

W I T N E S S E T H:

WHEREAS, the County is issuing on the date hereof its \$_____ Bonds consisting of \$_____ General Improvement Bonds of 2026, \$_____ County Vocational-Technical School Bonds of 2026 (New Jersey School Bond Reserve Act), \$_____ County College Bonds of 2026 (Series A) (Chapter 12 State Aid) and \$_____ County College Bonds of 2026 (Series B) (collectively, the "Bonds"), each issue dated June 1, 2026; and

WHEREAS, the Bonds are being issued pursuant to resolutions adopted by the County on April 30, 2026 and the various bond ordinances adopted by the County referred to in such resolutions; and

WHEREAS, the Securities and Exchange Commission (the "SEC"), pursuant to the Securities Exchange Act of 1934, as amended and supplemented (codified on the date hereof at 15 U.S.C. 77 et seq.), has adopted amendments to its Rule 15c2-12 (codified at 17 C.F.R. '240.15c2-12) ("Rule 15c2-12"), effective July 3, 1995, which generally prohibit a broker, dealer or municipal securities dealer from purchasing or selling municipal securities, such as the Bonds, unless such broker, dealer or municipal securities dealer has reasonably determined that an issuer of municipal securities or an obligated person has undertaken in a written agreement or contract for the benefit of holders of such securities to provide certain annual financial information and event notices to the MSRB (as hereinafter defined); and

WHEREAS, the County represented in its Notice of Sale dated May 14, 2026 (the "Notice of Sale") that it would deliver on the closing date for the Bonds a "Continuing Disclosure Certificate" pursuant to which the County will agree to provide to the MSRB the annual financial information and event notices required to be disclosed on a continual basis pursuant to Rule 15c2-12; and

WHEREAS, on May 27, 2026, the County accepted the bid of [Name of Purchaser] (the "Participating Underwriter") for the purchase of the Bonds; and

WHEREAS, the execution and delivery of this Certificate have been duly authorized by the County, and all conditions, acts and things necessary and required to exist, to have happened or to have been performed precedent to and in the execution and delivery of this Certificate do exist, have happened and have been performed in regular form, time and manner; and

WHEREAS, the County is executing this Certificate for the benefit of the holders of the Bonds;

NOW, THEREFORE, for and in consideration of the premises and of the mutual representations, covenants and agreements herein set forth, the County, its successors and assigns do mutually promise, covenant and agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1 Terms Defined in Recitals. The following terms shall have the meanings set forth in the recitals hereto:

Bonds	Participating Underwriter
Certificate	Rule 15c2-12
County	SEC
Notice of Sale	

Section 1.2 Additional Definitions. The following additional terms shall have the meanings specified below:

"Annual Report" means Financial Statements and Operating Data provided at least annually.

"Bondholder" or "holder" or any similar term means any person who is a registered owner of a Bond, including holders of beneficial interests in the Bonds.

"Disclosure Event" means any event described in subsection 2.1(d) hereof.

"Disclosure Event Notice" means the notice to the MSRB as provided in subsection 2.4(a) hereof.

"Dissemination Agent" means an entity acting in such capacity under this Certificate or any other successor entity designated in writing by the County and that has filed a written acceptance of such designation.

"EMMA" means the MSRB's Electronic Municipal Markets Access System.

"Final Official Statement" means the final Official Statement of the County dated May 27, 2026 pertaining to the Bonds.

"Financial Statements" means the audited financial statements of the County for each Fiscal Year of the type included in Appendix A to the Final Official Statement.

"Fiscal Year" means the fiscal year of the County. As of the date of this Certificate, the Fiscal Year of the County begins on January 1 and closes on December 31 of each calendar year.

"GAAS" means generally accepted auditing standards as in effect from time to time, consistently applied.

"MSRB" means the Municipal Securities Rulemaking Board or any other entity designated or authorized by the SEC to receive reports pursuant to Rule 15c2-12. Effective July 1, 2009 and until otherwise designated by the MSRB or the SEC, filings with the MSRB are to be made through the EMMA website of the MSRB, currently located at <http://emma.msrb.org>.

"Operating Data" means the financial and statistical information of the County of the type included in the Final Official Statement under the headings "COUNTY INDEBTEDNESS AND DEBT LIMITS - Debt Limits", "- Schedule of Bonded Indebtedness as of December 31, 2025", "- History of Bonded Debt Ratios", "- Schedule of Comparative Debt", "- Statutory Debt as of December 31, 2025", "- Debt Issued by Union County Utilities Authority and Secured by Deficiency Agreements with the County as of December 31, 2025", "- Schedule of Debt Issued by Other Public Bodies and Guaranteed by the County as of December 31, 2025", "- Authority Debt", "- Debt Service Schedule as of December 31, 2025" and "- Six Year Capital Program 2026"; "TAX COLLECTION DATA" (except under the subheadings "County Taxes" and "Tax Appeals"); and "COUNTY BUDGET AND STATEMENTS OF REVENUES AND EXPENDITURES - Statement of Expenditures", "- Statement of Revenues", "- Revenue Budget" and "- Appropriation Budget".

"State" means the State of New Jersey.

Section 1.3 Interpretation. Words of the masculine gender include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words importing the singular include the plural and vice versa, and words importing persons include corporations, associations, partnerships (including limited partnerships), trusts, firms and other legal entities, including public bodies, as well as natural persons. The terms "hereby", "hereof", "hereto", "herein", "hereunder" and any similar terms, as used in this Certificate, refer to this Certificate as a whole unless otherwise expressly stated.

As the context shall require, the disjunctive term "or" shall be interpreted conjunctively as required to ensure that the County performs any obligations mentioned in the passage in which such term appears.

The headings of this Certificate are for convenience only and shall not define or limit the provisions hereof. Articles and

Sections referred to by number mean the corresponding Articles and Sections of this Certificate.

ARTICLE II

CONTINUING DISCLOSURE COVENANTS AND REPRESENTATIONS

Section 2.1 Continuing Disclosure Covenants of County. The County agrees that it will provide, or shall cause the Dissemination Agent to provide:

(a) Not later than the first day of the ninth month of each Fiscal Year, commencing with the first Fiscal Year of the County ending after January 1, 2025, an Annual Report to the MSRB in an electronic format, as prescribed by the MSRB. If audited Financial Statements are not available by the filing deadline, the County agrees to provide unaudited financial statements as part of the Annual Report.

(b) Not later than fifteen (15) days prior to the date of each year specified in subsection 2.1(a) hereof, a copy of the Annual Report to the Dissemination Agent, if the County has appointed or engaged a Dissemination Agent.

(c) If not submitted as part of the Annual Report, then when and if available, to the MSRB, audited Financial Statements for the County.

(d) In a timely manner not in excess of ten business days after the occurrence of the event, to the MSRB, notice of any of the following events with respect to the Bonds and financial obligations of the County (each, a "Disclosure Event"):

- (i) Principal or interest payment delinquencies;
- (ii) Non-payment related default, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the

Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

- (vii) Modifications to the rights of Bondholders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution or sale of property which secures the repayment of the Bonds, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar event of the County (the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the County in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the County, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the County);
- (xiii) The consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of the assets of the County, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such

actions, other than pursuant to its terms, if material;

- (xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (xv) Incurrence of a financial obligation of the County, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the County, any of which affect Bondholders, if material; and
- (xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the County, any of which reflect financial difficulties. The County intends the words used in paragraphs (xv) and (xvi) and the definition of "financial obligation" to have the meanings ascribed to them in SEC Release No. 34-83885 (August 20, 2018).

(e) In a timely manner, to the MSRB, notice of a failure by the County to provide the Annual Report within the period described in subsections 2.1(a) and 2.1(b) hereof.

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

Section 2.2 Continuing Disclosure Representations. The County represents and warrants that:

(a) Financial Statements shall be prepared in accordance with mandated State statutory accounting principles, as in effect from time to time.

(b) Financial Statements prepared annually shall be audited by Wielkocz & Company, LLC or another independent certified public accountant in accordance with GAAS.

Section 2.3 Form of Annual Report. (a) The Annual Report may be submitted as a single document or as separate documents comprising a package.

(b) Any or all of the items that must be included in the Annual Report may be incorporated by reference from other documents, including official statements of the County or related

public entities thereof which have been made available to the public on the MSRB's website through EMMA or filed with the SEC. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The County shall clearly identify each such other document so incorporated by reference.

(c) The audited Financial Statements of the County, if any, may be submitted separately from the balance of the Annual Report.

Section 2.4 Responsibilities and Duties of County and Dissemination Agent. (a) If the County or the Dissemination Agent (if one has been appointed or engaged by the County) has determined it necessary to report the occurrence of a Disclosure Event, the County or the Dissemination Agent (if one has been appointed or engaged by the County) shall file a notice of such occurrence with the MSRB (the "Disclosure Event Notice") in the form provided by the County.

(b) The County and/or the Dissemination Agent (if one has been appointed or engaged by the County) shall file a written report with the County certifying that the Annual Report has been provided pursuant to this Certificate and stating the date it was provided.

Section 2.5 Appointment, Removal and Resignation of Dissemination Agent. (a) The County may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations hereunder, and may discharge any such Dissemination Agent with or without appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the County shall be the Dissemination Agent.

(b) The Dissemination Agent, or any successor thereto, may at any time resign and be discharged of its duties and obligations hereunder by giving not less than thirty (30) days' written notice to the County. Such resignation shall take effect on the date specified in such notice.

Section 2.6 Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Certificate, and the County agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents harmless against any loss, expense and liability that it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including reasonable attorneys' fees) of

defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the County under this subsection shall survive the resignation or removal of the Dissemination Agent and the payment of the Bonds.

ARTICLE III

DISCLOSURE DEFAULT AND REMEDIES

Section 3.1 Disclosure Default. The occurrence and continuation of a failure or refusal by the County to observe, perform or comply with any covenant, condition or agreement on its part to be observed or performed in this Certificate and such failure or refusal shall remain uncured for a period of thirty (30) days shall constitute a Disclosure Default hereunder.

Section 3.2 Remedies on Default. (a) Any Bondholder, for the equal benefit and protection of all Bondholders similarly situated, may take whatever action at law or in equity against the County and any of the officers, agents and employees of the County that is necessary or desirable to enforce the specific performance and observance of any obligation, agreement or covenant of the County under this Certificate, and may compel the County or any such officers, agents or employees, except for the Dissemination Agent, to perform and carry out their duties under this Certificate; provided, that no person or entity shall be entitled to recover monetary damages hereunder under any circumstances.

(b) In case any Bondholder shall have proceeded to enforce its rights under this Certificate and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to any Bondholder, then and in every such case the County and any Bondholder shall be restored respectively to their several positions and rights hereunder, and all rights, remedies and powers of the County and any Bondholder shall continue as though no such proceeding had been taken.

(c) A default under this Certificate shall not be deemed a default under the Bonds, and the sole remedy under this Certificate in the event of any failure or refusal by the County to comply with this Certificate shall be as set forth in subsection 3.2(a) hereof.

ARTICLE IV

MISCELLANEOUS

Section 4.1 Purposes of Certificate. This Certificate is being executed and delivered by the County for the benefit of the Bondholders and in order to assist the Participating Underwriter in complying with clause (b)(5) of Rule 15c2-12.

Section 4.2 Additional Information. Nothing in this Certificate shall be deemed to prevent the County from (a) disseminating any other information, using the means of dissemination set forth in this Certificate or any other means of communication, or (b) including any other information in any Annual Report or any Disclosure Event Notice, in addition to that which is required by this Certificate. If the County chooses to include any information in any Annual Report or any Disclosure Event Notice in addition to that which is specifically required by this Certificate, the County shall have no obligation under this Certificate to update such information or to include it in any future Annual Report or any future Disclosure Event Notice.

Section 4.3 Notices. All notices required to be given or authorized hereunder shall be in writing and shall be sent by registered or certified mail to the County, Union County Administration Building, Elizabethtown Plaza, Elizabeth, New Jersey 07207, Attention: Director of Finance/County Treasurer.

Section 4.4 Severability. If any provision of this Certificate shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatsoever.

Section 4.5 Amendments, Changes and Modifications. (a) Without the consent of any Bondholders, the County, at any time and from time to time, may enter into any amendments or modifications to this Certificate for any of the following purposes:

(i) to add to the covenants and agreements of the County hereunder for the benefit of the Bondholders, or to surrender any right or power conferred upon the County by this Certificate;

(ii) to modify the contents, presentation and format of the Annual Report from time to time to conform to changes in accounting or disclosure principles or practices and legal requirements followed by or applicable to the County, to reflect changes in the identity, nature or status of the County or in the business, structure or operations of the

County or to reflect any mergers, consolidations, acquisitions or dispositions made by or affecting the County; provided, that any such modification shall comply with the requirements of Rule 15c2-12 as then in effect at the time of such modification; or

(iii) to cure any ambiguity, to correct or supplement any provision hereof that may be inconsistent with any other provision hereof or to include any other provisions with respect to matters or questions arising under this Certificate that, in each case, comply with Rule 15c2-12 as then in effect at the time of such modification;

provided, that prior to approving any such amendment or modification, bond counsel determines that such amendment or modification does not adversely affect the interests of the holders of the Bonds in any material respect.

(b) Upon entering into any amendment or modification required or permitted by this Certificate, the County shall deliver, or cause the Dissemination Agent to deliver, to each of the Repositories written notice of any such amendment or modification.

(c) The County shall be entitled to rely exclusively upon an opinion of counsel nationally recognized as expert in federal securities law acceptable to the County to the effect that such amendments or modifications comply with the conditions and provisions of this Section 4.5 and with Rule 15c2-12.

Section 4.6 Amendments Required by Rule 15c2-12. The County recognizes that the provisions of this Certificate are intended to enable the Participating Underwriter to comply with Rule 15c2-12. If, as a result of a change in Rule 15c2-12 or in the interpretation thereof, a change in this Certificate shall be permitted or necessary to assure continued compliance with Rule 15c2-12 and upon delivery by the Participating Underwriter of an opinion of counsel nationally recognized as expert in federal securities law acceptable to the County to the effect that such amendments shall be permitted or necessary to assure continued compliance by the Participating Underwriter with Rule 15c2-12 as so amended or interpreted, then the County shall amend this Certificate to comply with and be bound by any such amendment to this Certificate to the extent necessary or desirable to assure compliance with the provisions of Rule 15c2-12 and shall provide the written notice of such amendment as required by subsection 4.5(b) hereof.

Section 4.7 Governing Law. This Certificate shall be governed exclusively by and construed in accordance with the applicable laws of the State of New Jersey.

Section 4.8 Termination of County's Continuing Disclosure Obligations. The continuing obligation of the County under Section 2.1 hereof to provide the Annual Report and any Disclosure Event Notice and to comply with the other requirements of said Section shall terminate if and when either the Bonds are no longer outstanding or the County no longer remains an "obligated person" (as defined in Rule 15c2-12(f)(10)) with respect to the Bonds and, in either event, only after the County delivers, or causes the Dissemination Agent to deliver, to the MSRB written notice to such effect. This Certificate shall be in full force and effect from the date hereof and shall continue in effect so long as any Bonds are outstanding.

Section 4.9 Binding Effect. This Certificate shall inure to the benefit of and shall be binding upon the County and its successors and assigns.

IN WITNESS WHEREOF, THE COUNTY OF UNION, NEW JERSEY, has caused this Certificate to be executed on its behalf and its corporate seal to be hereunto affixed and attested by its duly authorized officers, all on the date first above written.

[SEAL]

ATTEST:

COUNTY OF UNION, NEW JERSEY

James E. Pellettiere
Clerk of the Board of
County Commissioners

By: _____
Joseph Bodek
Chairman of the Board of
County Commissioners